

Annual Report of the Remuneration Committee 2018-19

1. Introduction: Responsibilities

The Remuneration Committee is responsible for the strategic approach to reward for the Vice-Chancellor, the Senior Managers Group and the Senior Academic Managers Group.

The Senior Managers Group includes:

- President and Vice-Chancellor;
- Pro-Vice-Chancellors;
- Registrar and Chief Operating Officer;
- Professional Services Directors.

The Senior Academic Managers Group includes:

- Heads of School;
- Dean of the Graduate School;
- Directors of the GRI Institutes;
- Such other senior officers as designated from time to time by Senate.

The Committee's Terms of Reference are available publicly at:

<http://www.qub.ac.uk/about/Leadership-and-structure/Registrars-Office/University-Governance/Directories-of-Committees/RemunerationCommittee/>

This Annual Report has been prepared in accordance with the Committee of University Chairs Higher Education Senior Staff Remuneration Code.

2. Remuneration Committee Membership

2.1 Membership

The membership of the Remuneration Committee, during the 2018-19 academic year, is set out below:

Dr S Kingon (Chair)
Mr S Prenter
Mrs O Corr
Mrs M Regan

All members of the Committee are lay members of Senate. Servicing arrangements for the Committee are undertaken by the Human Resources Directorate.

2.2 Changes during the Reporting Period

There were no changes to the membership of the Committee during the reporting period.

2.3 Meetings and Attendance by Members

The Committee met on four occasions within the 2018-19 academic year.

Attendance of the Committee members at these meetings is set out below:

Committee Member	Number attended
Dr S Kingon	3 / 4
Mr S Prenter	4 / 4
Ms O Corr	4 / 4
Ms M Regan	4 / 4

2.4 Committee Meetings – Areas of Focus

The key areas covered at each of the Committee's meetings are summarised below:

- (i) October 2018 - The Committee reviewed and endorsed detailed proposals for a review of Senior Staff remuneration and the Senior Salary Scheme, together with associated timescales.
- (ii) December 2018 - A special meeting of the Committee was convened to consider the appointment, terms and conditions of both the new Registrar and Chief Operating Officer and the new Pro-Vice-Chancellor for Research and Enterprise.
- (iii) February 2019 - The Committee reviewed and endorsed a detailed report on Proposals for the Salary Review of Senior Managers for 2017-18. The Committee also approved the 2017-18 annual Remuneration Committee report for issue to Senate. The Committee noted that the pay multiple would be reported in the 2018-19 Financial Statements, in line with the Accounts Direction for 2018-19 received from the Department for the Economy.
- (iv) May 2019 - The Committee considered a report and a presentation from the external consultants appointed to support the University in its review of its current Senior Salaries Scheme. The Committee also reviewed a comprehensive report on the mid-year key objectives and major tasks approved for the Vice-Chancellor and Senior Managers in 2018-19.

3. Operating Environment

Our staff at Queen's are our greatest asset and reward decisions play an instrumental part in ensuring that we are a responsible, fair and equitable employer, along with having the ability to attract and retain the right staff. By employing the best staff, we will ensure positive outcomes for our students, staff, wider society and for the local economy. We recognise, however, that the demand for the best staff remains high as we operate in increasingly competitive national and international markets.

4. Senior Salaries Scheme

The Remuneration Committee determines and reviews annually the salaries and employment terms and conditions of the Senior Management Group in line with the Senior Salaries Scheme, with the exception of those Clinicians on NHS salary scales.

The Scheme treats all Senior Managers' remuneration, including that of the Vice-Chancellor, in a consistent manner, and progression is linked to corporate and individual performance.

A wide range of factors is taken into account when setting and approving Senior Manager remuneration – this includes:

- (i) The assessment of Corporate Performance;
- (ii) The outcome of the annual performance appraisal process;
- (iii) The salary increases, including incremental progression, received by other staff categories;
- (iv) The Senior Salaries Review, published by UCEA;
- (v) Comparable salaries within the sector, including the Russell Group;
- (vi) Wider societal factors, including the current economic environment, affordability and government policy;
- (vii) The need to reward and incentivise performance and the achievement of results.

The Committee had responsibility for reviewing the Key Objectives of Senior Managers for 2017-18 and noted, with satisfaction, performance against the approved targets in these areas.

The Committee also considered and endorsed the Key Objectives for Senior Managers for 2018-19 - these were aligned to the three strategic priorities and the three enablers in the Corporate Plan 2016-21. The Committee also recognised the ongoing challenges, including an uncertain funding environment and political instability, which made forward planning extremely difficult.

5. External Review of Senior Salaries Scheme

The Committee has considered a report on the review of the Senior Salaries Scheme. The aim of the review was to analyse the University's current approach to the remuneration of Senior Managers and to make recommendations to bring this fully into line with best practice across the higher education sector and beyond. The report was also informed by consultation with a number of key stakeholders and the agreed outcomes will be implemented in respect of the 2020-21 academic year.

6. Vice Chancellor's Remuneration

A recruitment process for the new Vice-Chancellor was undertaken in 2017-18 and Professor Ian Greer was appointed with effect from 1 August 2018. Professor Greer's remuneration package was determined by the Remuneration Committee and is commensurate with the size of the institution, its budget and the scale of its operations. Queen's is a highly complex organisation, making a significant contribution to the economic and social wellbeing of the city and the region, and operating in an increasingly competitive environment, which requires the very highest level of leadership.

In determining the remuneration package, the Committee considered relevant benchmark data for the Vice-Chancellors' remuneration in universities of a similar size and complexity. Accordingly, Professor Greer's salary was agreed at £295,000. In addition, there is a £6,000 contribution to the Universities Superannuation Scheme (USS), making the total remuneration package £301,000.

The package reflects the complexity and demands of the role, and is comparable with the lower-range packages within the Russell Group. In the interests of openness and transparency, the Vice-Chancellor's remuneration package is routinely published and

made available publicly on the University website, in the spirit of the guidance issued by the Committee of University Chairs. Full details are provided below:

Emoluments of the Vice-Chancellor	2018-19 £
Salary	295,000
Performance related pay	TBC
Benefits	Not applicable
Subtotal	295,000
USS Pension Costs	6,000
Total	301,000

7. Pay Ratio

In line with the guidance provided from the Department for the Economy, the University has calculated the ratio of the Vice-Chancellor's remuneration as a multiple of the median remuneration of all other staff.

Two ratios have been provided in line with the approved guidance. The first is basic salary only and the second is total remuneration. The ratios are provided below:

- The Vice Chancellor's basic salary is 8.1 times the median pay of staff.
- The Vice Chancellor's total remuneration is 7.0 times the median total remuneration of staff.

The pay median does not include atypical staff due to the complexity in the data.

While comparator information is not yet available for 2018-19, the average basic salary pay ratio for the Russell Group in 2017-18 was 9.39, with the total remuneration pay ratio 9.88.

8. Job Evaluation Method

Queen's University is committed to the principles of equal pay for work of equal value. It uses the Hay method of job evaluation as its sole evaluation process to ensure the relative value of all jobs in its pay and grading structures within an overall framework that is consistent, transparent and fair. Where employees have more experience, the approach is taken that it is reasonable to pay more.

9. Remaining Staff Terms and Conditions

Academic and Professional Services employees on Grades 1-10 are on nationally agreed pay scales. The Professorial Salary Review is managed in line with performance and remuneration will vary accordingly.

Queen's operates two pension schemes - one, the USS, applies to staff at Grade 6 and above, and the other, the Retirements Benefits Plan (RBP), applies to those at Grade 5 and below.

10. Expenses Policy

The expenses policy applying to all staff is available on the University website, the amount of expenses incurred by the Senior Managers Group and the Senior Academic Managers Group, during 2018-19, was £34,366.63.

11. Market Supplements

The University strives to secure the best staff and, in doing so, there are times when the total remuneration package is not sufficient to attract and retain staff in post. On these occasions, it may be necessary to review the requirement for a market supplement in addition to the normal reward package. A market supplement will only be awarded to a staff member where a clear business need has been identified.

12. Monitoring

Senior Management Staff appointments will continue to be monitored in line with the Remuneration Committee Terms of Reference and under the terms of the Senior Salaries Scheme.