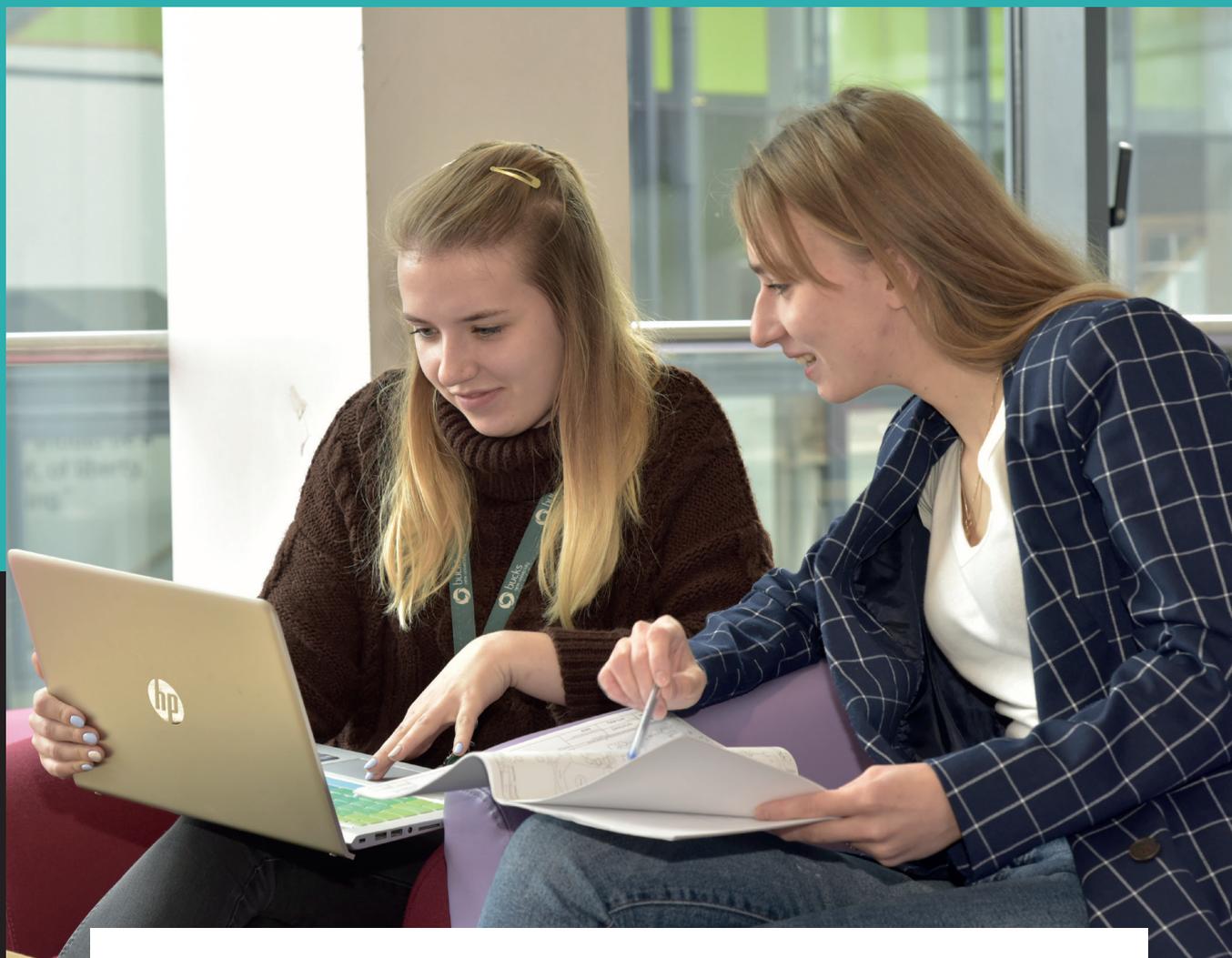




BUCKINGHAMSHIRE
NEW UNIVERSITY

EST. 1891



REMUNERATION POLICY

— For employees outside the JNCHES
Framework Agreement

Contents

Scope and Introduction	2
Key Remuneration Principles	2
Pay Determination	3
Remuneration Package	3
Recognition	4
Performance Related Pay	4
Remuneration Approval Process - Remuneration Committee	5
Role of the Remuneration Committee	5
Remuneration for employees in scope who are not designated Senior Employees	5
Equal Pay Reviews	5
Pay Reviews	5
Relevant Policies	6

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Scope and Introduction

- 1 The Remuneration Policy outlines the key guiding remuneration principles and framework at Buckinghamshire New University. The University's approach to remuneration is an integral part of its People Strategy to ensure that employees' contributions are recognised, valued and fairly rewarded.
- 2 The People Strategy contained in the University Strategic Plan includes a key objective to develop a strategic approach to rewarding and incentivising employees, especially those demonstrating and promoting enterprise that meets the University's objectives and recognises the contribution of employees. This will be a key part of the development and enhancement of our reward strategy leading up to 2017.
- 3 This policy covers all employees paid outside the Joint Negotiating Committee for Higher Education Staff (JNCHES) grading structure, including designated Senior Employees of the University. All other employees' remuneration is determined by the Framework Agreement which details the pay structures for employees on JNCHES grades.
- 4 The policy details the arrangements for the determination of remuneration, the review of fixed pay and other reward/benefit mechanisms.

Key Remuneration Principles

- 5 The University recognises that to achieve its strategic aim to have the right people, at the right time, competent and motivated to deliver the goals of the organisation it must reward and recognise its employees appropriately and fairly. The recruitment and retention of excellent employees who are highly competent and committed to the organisation achieving its goals is essential to providing high quality services to its students, partners and key stakeholders.
- 6 The University is committed to a remuneration framework which recognises and rewards the contribution that individuals make and which follows the following principles:
 - a Reward mechanisms will be clear and up-to-date with the market to ensure that individuals are motivated and the University is able to attract and retain key talent.
 - b Remuneration packages will be competitive and recognise the relative remuneration in comparable markets through relevant benchmarking. The benchmarking will take into account the performance of the University within its peer group.
 - c Remuneration will be determined fairly and objectively throughout the University.
 - d Reward will be linked to the strategic aims in the Strategic Plan, including enterprise initiatives and those that add value to the organisation.
 - e Remuneration will include a total remuneration package which includes pay and non-pay benefits such as learning and development and employee benefits.
 - f The framework will provide for the payment of variable special payments such as one-off payments for temporary responsibilities, where applicable.

- g Remuneration may include base pay and some variable elements which will be commensurate with the role and level in the University. Where there are variable elements the value of the remuneration package, in its entirety, will vary with business performance and will only be paid where financial results allow, which will be at the discretion of the Remuneration Committee (for designated Senior Employees) or Vice-Chancellor (all other senior employees in scope).
- h The remuneration framework will be transparent and consistent and based on the principles of fairness and equity and adhere to good employment practice and legislation.

Pay Determination

- 7 Pay will be determined taking into account pay benchmarking information for comparable roles both within and outside the higher education sector, market forces and the needs of the business. The benchmarking will take into account the performance of the University within its peer group.
- 8 In determining base pay, the University will demonstrate that it has taken into account the talent and comparable market, alongside the individual's performance, experience and 'value' to the organisation over the longer term.

Remuneration Package

- 9 The value of a remuneration package will be greater than the base pay element and may include the following benefits:
 - a Employer and employee contributions to a pension scheme – the University supports the Teachers' Pension Scheme (TPS), University Superannuation Scheme (USS) and the Local Government Pensions Scheme (LGPS) depending on whether an employee is an academic or professional service employee. Relevant details will be included in the contract of employment and included as part of the remuneration package. The TPS (for academics) and LGPS (for PSE's) are those pension schemes used for auto-enrolment.
 - b Generous annual leave entitlement.
 - c A wide range of flexible working policies including: maternity / adoption / paternity / shared parental leave and emergency leave provision.
 - d Excellent occupational sick pay scheme providing up to six months full pay and six months half pay, depending on length of service.
 - e Internal and external Counselling services.
 - f Voluntary benefits including salary sacrifice schemes such as childcare voucher scheme, cycle2work scheme and healthcare provision including employee assistance telephone line and flu jabs.
 - g Access to discounted services such as gym membership, discounts at local and national retailers.

- i. Access to learning and development and education opportunities and support of continuous professional development.
- ii. NUS discount card.

Recognition

- 10 The University recognises that there are times when special payments may be required to be paid to reflect outstanding performance. This is recognised in the following ways:
 - a One-off payments for designated Senior Employees.
 - b Special one-off payments for enhanced performance, awarded by the Senior Management Team.
 - c Temporary Responsibility Allowance.
- 11 Details of the Temporary Responsibility Allowance are available from the Human Resources Directorate. It is proposed that the special payments for designated Senior Employees are subsumed within Performance Related Pay (see below).

Performance Related Pay

- 12 Outstanding performance may be rewarded for individuals in a senior role by the award of a one off payment. Where it is used, the payment should be directly linked to outstanding performance and the achievement of strategic, financial and non-financial objectives which are detailed and measured using the University Professional Development Review process and linked to the achievement of the Strategic Plan. The eligibility of an individual for consideration for performance related pay will be determined at appointment and will be reviewed from time to time.
- 13 The details of any performance related pay will be agreed with the individual based on the following principles:
 - a The threshold to pay bonuses should be determined by the successful achievement of financial performance across the University at the discretion of the Remuneration Committee with advice from the Vice-Chancellor and the Director of Finance. From any financial surplus a bonus pot would be determined from which performance related pay would be determined.
 - b The performance related payment should be determined by the Vice-Chancellor and reported to Remuneration Committee on an annual basis in July, with recommendations by the individual's line manager following an annual performance review. Where the individual is a designated Senior Employee the payment would be determined by the Remuneration Committee on an annual basis in July, with a recommendation by the Vice-Chancellor or by the Chair of Council in the case of the Vice-Chancellor.
 - c The bonus would be paid on exceptional performance and achievement of all objectives agreed in the professional development review. The bonus would be no more than 10% of annual salary and a proportion of the available bonus for that individual may be paid on agreement of the Vice-Chancellor or the Remuneration

Committee for designated Senior Employees. For example if 5 objectives are set and if 2 objectives exceeded, 4% of the available bonus may be paid out of the total available bonus pot.

Remuneration Approval Process - Remuneration Committee

Role of the Remuneration Committee

- 14 The University Remuneration Committee provides structured governance for decisions affecting designated Senior Employees' remuneration on an annual basis. The Committee meets twice a year and its terms of reference and membership are detailed in the Council Committees: Constitution & Terms of Reference. The posts designated as Senior Employees are defined in the terms of reference of the Committee. The decisions reached by the Committee are noted and retained, and reported to the independent and co-opted members of Council.

Remuneration for employees in scope who are not designated Senior Employees

- 15 Recommendations to the Vice-Chancellor for the remuneration of all other employees outside the JNCHES grading is delegated to the relevant member of the Senior Management Team, advised by their HR Business Partner and HR Services Director and agreed in line with relevant benchmarking data.
- 16 The HR Services Director and Deputy Vice-Chancellor will meet annually to monitor remuneration decisions and ensure that the relevant internal monitoring controls are in place and salaries have been determined based on benchmarking comparators in the sector and market forces. A report will be made annually to Remuneration Committee.

Equal Pay Reviews

- 16 Equal pay reviews will be undertaken every two years and presented to the Remuneration Committee for designated Senior Employees and to the Senior Management Team for all other senior employees in the scope of the policy, along with comparable pay benchmarking data. Action plans will be produced where there are areas of concern or inequalities identified.

Pay Reviews

- 17 Employees' fixed rates of pay will normally be reviewed annually in June and any changes will be implemented in August. Any annual pay increases will consider the nationally agreed inflationary pay awards as part of the JNCHES machinery and as adopted by the University Council, although any increases will be at the absolute discretion of the University. Pay reviews may take place at other times of the year to reflect a change in role and any changes to pay must be agreed by the HR Services Director and Vice-Chancellor.

Relevant Policies

17 The following policies are relevant for reference:

- Agreement on Pay Modernisation, including:
 - Academic Career Development and Promotion Policy
 - Pay Progression and Contribution-related Pay for Academic Staff
 - Recruitment and Retention Premia Policy and Procedures
 - Policy on Equal Pay Reviews
- Recruitment and Selection policy
- Terms & Conditions of Employment for Academic Employees and for Professional Service Employees regarding:
 - Sick Leave and Sick Pay
 - Contractual Maternity, Paternity & Adoption Pay
- Shared Parental Leave Policy
- Relocation Policy
- Flexible Working Policy
- Special Leave Policy
- Document; Reward Toolkit for Managers
- Temporary Responsibility Allowance
- Council Committees: Constitution & Terms of Reference