
Contribution Related Pay Policy

Policy

Human Resources

Published: Nov-2014 First
Revision: Feb-2018
Second Revision: October 2022
Approved: December 2022
Third Revision: September 2023
Approved: October 2023

Contents

1	Introduction	1
2	Principles	1
3	Definitions	2
	3.1 Bonus Payments	2
	3.2 Consolidated Pay Increases	2
4	Awards of Contribution Pay	2

Contribution Related Pay Policy: Remuneration Committee

1 Introduction

This policy details the arrangements to be applied by the University for financially rewarding staff whose performance falls to be considered by the Remuneration Committee. Accordingly, this Policy will apply to the following postholders:-

- The Principal and Vice-Chancellor
- The Vice-Principal
- The Executive Deans
- The University Secretary
- The University Compliance Officer
- The Chief Commercial Officer
- The Chief Financial Officer
- The Chief Digital & Information Officer
- The Chief People Officer
- The Associate Principals
- The Directors of Professional Services
- The Deputy Associate Principals

Remuneration Committee, at its discretion and within a resource envelope which will be annually established, will consider performance related remuneration for the above postholders, having regard to:

- their contribution to the advancement of the University's strategic objectives,
- the need to offer salaries that are competitive with those of other major UK universities, as reflected in robust comparative data.

2 Principles

This policy incorporates the under-noted principles:

- Staff falling to be considered by Remuneration Committee should be rewarded fairly according to their sustained contribution.
- Access to contribution reward should be open to all employees covered by this policy.
- The staff Accountability and Development Review process, while remaining a separate and independent mechanism for staff performance management and development, should be used to inform the contribution reward application process used by Remuneration Committee.
- Assessment of contribution achieved should be clearly related to University objectives, recognise achievements and reward contribution to the success of the University.
- In all cases, Remuneration Committee will seek assurances that those awarded contribution pay consistently exhibit behaviours which align with the Strathclyde Values.
- Criteria for assessing contribution should be applied fairly and consistently.
- Judgements should be demonstrably based on objective evidence.
- All decisions on Contribution Pay will be made on an equitable and objective basis which is consistent with the University's equality and diversity policies with a view to ensuring there are no biases pertaining to gender or other protected characteristics.
- Cases for Contribution Pay can only be submitted by a Line Manager. Personal submissions for contribution pay are not permissible.
- No individual will be involved in deciding their own remuneration.
- Remuneration Committee will be mindful of the rate of increase of the average remuneration of all other University staff in its decision making.
- In assessing the remuneration of the Principal and the University's Senior Officers*, the Remuneration Committee will seek and take into account the views of key University stakeholders.

- In assessing the performance of the Principal, views will be sought from members of Court and account will be taken of the implementation of the University's strategic plan and the achievement of Key Performance Indicators agreed by Court.

3 Definitions

Performance related remuneration for postholders considered by Remuneration Committee will normally take the form of either:

- One-Off Bonus Payments for delivering exceptional contribution within a particular year
- A consolidated pay increase for sustained excellent performance within the role.

3.1 Bonus Payments

Bonus payments may be used to reward exceptional and specific contributions during the review year which are unlikely to be required on a recurrent basis. Examples of specific contributions for which a one-off bonus might be awarded include:-

- Successfully completing an unplanned or unexpected task or incident of exceptional complexity and with an outcome of significant strategic importance to the University.
- Leadership of a one-off task or project which achieved strategic outcomes which could be considered exceptional.

Exceptionally, one off bonuses may be used to in conjunction with consolidated pay increases to acknowledge both a special 'one off' contribution plus sustained exceptional performance within the role.

A bonus payment is subject to statutory deductions but is not pensionable and is not recurrent. Bonus awards to part-time staff will be paid on a pro-rata basis.

3.2 Consolidated Pay Increases

The award of additional salary awards will be used to recognise an individual's sustained excellent contribution to the achievement of the University's objectives within their role, in the context of a required continuation of a contribution at that level.

The award of a consolidated pay award will be accompanied by evidence that the post holder has made an outstanding contribution on a sustained basis within their role.

A consolidated pay increase may also be considered when there is evidence that the salary of a postholder may have fallen below the median salary level of clearly comparable posts within the Sector (as measured, for example, by the annual UCEA Remuneration Survey).

Exceptionally, a consolidated pay increase may be awarded to ensure the retention of a postholder whose skills and experience are particularly critical to the University.

In all cases, should consolidated pay increases be awarded, these should reflect the increasing value of a role and the sustained excellent performance of the individual.

Additional contribution pay awards are subject to statutory deductions, are consolidated and are normally pensionable.

4 Awards of Contribution Pay

Decisions on contribution pay must be "evidence-based" and relate to the business needs of the University. Staff should only be eligible for consideration for contribution pay where their Accountability and Development Review confirms that they have achieved their objectives. To ensure that it is achievement beyond Accountability and Development Review objectives which is rewarded, there should also be evidence of a broader range of achievements or that the objectives set were particularly stretching and achievement against these was, therefore, exceptional. The reason for each decision will be recorded. There is no right of appeal against a decision not to award contribution pay.

Annual recognition of outstanding performance through contribution related pay will be cash limited and selective. Factors such as when the individual was appointed to the post, the history of adjustments made to the individual's salary within the previous 2/3 years and, critically, robust comparative data on salaries and other benefits and conditions of service for similar roles within other major UK universities, will inform Remuneration Committee decisions.

To inform Remuneration Committee decision making, in advance of its meeting the Chief People Officer will seek the views of student, staff and trade union representatives on the remuneration package of the Principal and the University's Senior Officers*. In normal circumstances, these representatives will be the student, staff and trade union members elected or appointed to Court. The Chief People Officer will report these views to the Remuneration Committee in advance of any contribution pay decisions being taken.

Awards of contribution pay will be reported to Court on an annual basis with sufficient detail to satisfy Court that the responsibilities of the Remuneration Committee have been appropriately discharged.

* University Senior Officers are the Vice Principal, the Chief Financial Officer, the University Secretary, the University Compliance Officer, the Chief Commercial Officer, the Chief Digital & Information Officer, the Chief People Office, the Associate Principal & Executive Dean of each Faculty, and the Associate Principals.

Approved by Court March 2018 and December 2022
Updated version approved by Court in October 2023