

Meeting of the Remuneration Committee

2.00 pm on Tuesday, 3 November 2020
in MS Teams

Agenda

<i>No.</i>	<i>Item</i>	<i>Pages</i>	<i>Presenter</i>
8.	Executive members' expenses policy compliance audit	41 - 42	MMJ
9.	External income policy - executive declarations	43 - 46	MMJ
10.	Comparator set	47 - 48	MMJ

Date of next meeting
2.00 pm on Tuesday, 22 June 2021

Members: Jeremy Parr (Chair), Jerry Cope, Michael Cutbill and Mee Ling Ng

Apologies:

In attendance: Michael Broadway and Marcelle Moncrieffe-Johnson and Dave Phoenix (for items 1-12)

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Agenda Item 8

CONFIDENTIAL	
Paper title:	Executive members' expenses policy compliance review
Board/Committee:	Remuneration Committee
Date of meeting:	03 November 2020
Author(s):	Natalie Ferer, Group Financial Controller
Sponsor(s):	Marcelle Moncrieffe-Johnson, Group Chief People Officer
Purpose:	For Information
Recommendation:	The Committee are requested to note the report on Executive Expenses

Executive Summary

The table below shows the expenses incurred by members of the University Executive during the year 1st August 2019 – 31st July 2020 by way of expenses incurred on purchasing cards. No expenses were claimed through the payroll during the period.

	Travel	Accommodation	Meals	Other	Total
David Phoenix	£290.27	£95.06	£371.73	£539.51	£1,296.57
Pat Bailey	-	-	£339.20	N/A	£339.20
Paul Ivey	£368.04	-	£411.10	£294.26	£1,073.40
Marcelle Moncreiffe-Johnson	£197.52	-	£126.98	N/A	£324.50
Warren Turner	-	-	£424.52	£190.80	£615.32
Fiona Morey	-	-	-	-	-
James Stevenson	-	-	-	-	-
Deborah Johnson	-	-	-	-	-
Richard Flatman	-	£316.13	£125.06	£435.00	£876.19
Nicole Louis	£74.00	-	£399.82	£407.90	£881.72

The Finance team carry out an annual review of Executive expenses for compliance with the purchasing card and expenses procedures. We have randomly selected Marcelle Moncrieffe-Johnson for the purposes of this to review, in addition to Dave Phoenix. At the time of the review and due to Covid-19, all 10 of Marcelle's transactions did not have receipts uploaded to support expenditure. Transactions incurred by Dave Phoenix were also reviewed and 9 out of 20 transactions did not have receipts to support them, also due to Covid-19. For all these transaction, a word document was uploaded

explaining the reason for not attaching receipts with this process having been previously agreed with the Finance team.

Descriptions verify that the items are all valid business expenses and system generated workflow authorisation has ensured that claims have been authorised in line with Group Financial Regulations.

Recommendation

The Committee is requested to note this report.

	CONFIDENTIAL
Paper title:	Executive External Income
Board/Committee:	Remuneration Committee
Date of meeting:	03 November 2020
Author(s):	David Phoenix, VC and CEO
Sponsor(s):	David Phoenix, VC and CEO
Purpose:	For information
Recommendation:	The committee is asked to note the declarations of Executive incomes from external activity.

Executive Summary

1. Executive members are expected to declare any external income.
2. The expectation is that external income will not be retained but on occasion permission to retain income may be given by the Vice Chancellor.
3. Where staff are appointed on a fractional basis it may well be external activity can be accommodated outside of contract but it should still be declared to avoid conflict.
- 4 Current Executive declarations are listed below.

Executive member	Earnings from outside bodies	Payments received	Remuneration retained?	Retention approved?
Dave Phoenix	Trustee Science Museum Group	Unremunerated post	N/A	N/A
	Trustee British University in Egypt	Unremunerated post	N/A	N/A
	Member and Chair South Bank Academies Trust	Unremunerated post	N/A	N/A
	Board member National Centre for Universities and Businesses	Unremunerated post	N/A	N/A

	Museum of Science and Industry	Unremunerated post	N/A	N/A
	Director South Bank Colleges	Unremunerated post	N/A	N/A
	Board Director Universities UK	Unremunerated post	N/A	N/A
Pat Bailey	None	N/A	N/A	N/A
Richard Flatman	Non-exec Director and Chair of the Audit Committee at South West London & St George's Mental Health NHS Trust (SWLSTG)	£10,000 gross per annum	Yes	Yes
	Director South Bank University Enterprises Ltd	Unremunerated post	N/A	N/A
	Trustee Chair of Audit Committee South Bank Academies	Unremunerated post	N/A	N/A
	Director SW4 Catering Ltd	Unremunerated post	N/A	N/A
	Daughter BDO (LSBU internal auditors)	N/A	N/A	N/A
Paul Ivey	Managing Director South Bank University Enterprises Limited	Salary retained	Yes	Yes
	Committee member GLA, LESIF	Unremunerated post	N/A	N/A
	Board member Emirates Aviation University (Dubai)	Two board meetings per year, one day out, one day	N/A	N/A

		board and one day back. Flight and hotel per board is some £4K paid directly by Emirates.		N/A
	Trustee, Majid Alsadi Foundation	Unremunerated post	N/A	N/A
	Hon Fellow Jordanian Royal Scientific Society	Unremunerated post	N/A	N/A
	Performance Award Winner Chinese Hanban/ Confucius Institute	Unremunerated post	N/A	N/A
Nicole Louis	Non-executive Director / Trustee ACS group of schools	Unremunerated post	N/A	N/A
	Trustee South Bank Academies	Unremunerated post	N/A	N/A
James Stevenson	None	N/A	N/A	N/A
Fiona Morey	Member of Laser Awarding Body board and chair of Quality Committee	Unremunerated post	N/A	N/A
	Director, SW4 Catering Ltd	Unremunerated post	N/A	N/A
	Director, SBA	Unremunerated post	N/A	N/A

	Contributor ETF/Said Business School	Unremunerated post	N/A	N/A
Marcelle Moncrieffe- Johnson	Non-Executive Director Camden and Islington NHS Trust (Mental Health Foundation Trust)	Yes £12,400 per annum from 18.1.20	Yes	Yes
Warren Turner	None	N/A	N/A	N/A
Deborah Johnston	None	N/A	N/A	N/A

	CONFIDENTIAL
Paper title:	LSBU senior pay comparator set
Board/Committee:	Remuneration Committee
Date of meeting:	3 November 2020
Author(s):	Marcelle Moncrieffe-Johnson, Group Chief People Officer
Sponsor(s):	Dave Phoenix, Vice Chancellor
Purpose:	For Approval
Recommendation:	The committee is requested to approve the institutions in the comparator set and the benchmarking data provided.

Executive Summary

At its meeting of 2 July 2019, the committee agreed a comparator set for executive salaries as follows:

“The committee agreed that due to the distinctive challenges and structure of the LSBU group the following relevant benchmarks and indicators will be taken into consideration when setting and reviewing Senior Executive salaries:

- Institutions of similar size and type based on UCEA data (this data will be interpreted to take account of LSBU’s London location by adding 5%);
- London modern universities; and
- Other universities with a group structure or similar complexity of structure or regulatory framework”.

Benchmarking data on this set is now provided for the committee to take into consideration when setting and reviewing exec salaries.

As recommended at the 30 June 2020 meeting, presented is a reduced list of institutions that includes only universities that provide useful comparisons for LSBU. The committee is requested to approve the comparator set.

LSBU senior pay comparator set

Attached is an initial analysis identifying eight potential comparators for discussion. The selection takes into account size and complexity. Coventry is closest on group structure, Aston and Bradford on alignment with strategy and scale. The remainder provide London context.

Overseas students are included, but not offshore. These are added below and turnover.

Institution	Student FTE (2018/19)	Offshore Students Headcount (2018/19)	Turnover (2018/19)	Guardian Rank 2021	QS Rank 2020	2018/19 Tariff	Social Mobility Rank (out of 101)	Impact Ranking	Group / Complexity
South Bank	12170	4980	£181m	93	751-800	103	6	101-200	Yes
Kingston	15095	780	£192m	40	581-590	117	39	-	
East London	11200	4270	£142m	112	801-1000	109	38	101-200	
West London	8970	22375	£111m	34	-	122	42	-	
Greenwich	15615	15155	£210m	95	701-750	122	20	101-200	
Middlesex	16125	12560	£212m	111	701-750	115	25	-	
Bradford	8300	1135	£109m	99	601-650	124	1	-	
Aston	12880	465	£157m	30	511-520	128	2	-	
Coventry	31345	16785	£402m	26	541-550	122	19	-	Yes