

**MINUTE OF THE MEETING OF THE REMUNERATION COMMITTEE
HELD ON WEDNESDAY 02 MAY 2018
THE BOARDROOM, LANGSIDE CAMPUS**

PRESENT:

S Heidinger	Committee Chair
D Newall	Board Member
G McGuinness	Board Member
D Watt	Board Member

IN ATTENDANCE:

J Vincent	Principal and Executive Officer
G Crankshaw	Acting Assistant Principal, Human Resources
G Heritage	Clerk to the Board (Minute Taker)

ACTION

18.01 WELCOME AND APOLOGIES

S Heidinger thanked members of the Committee for attending. There were apologies from Robert Fraser.

18.02 DECLARATIONS OF INTEREST

There were no declarations of interest. The Principal is attending as an adviser for the purpose of this meeting and would not be present for any discussion in relation to his own remuneration.

18.03 MINUTE OF THE MEETING OF THE REMUNERATION COMMITTEE ON 27 MARCH 2017

A correction is required to minutes of last meeting. These should be dated 25 January 2017 and there should be a subsequent set of minutes dated 29 March 2017. Clerk will identify and circulate the correct minutes to the Committee.

The content of the minutes was accepted a true record of the meeting of 25 January 2017.

GH

18.04 MATTERS ARISING

There were no matters arising.

18.05 REVIEW OF SENIOR STAFF PAY POLICY PRACTICES

J Vincent was invited to speak to the report circulated with the agenda papers.

J Vincent explained he had interrogated the practices of a number of FE institutions in both England and Scotland. Collectively, general practice was for cost of living awards to be made across all staff. The performance element however, presented a mixed picture which varied across the sector. J Vincent gave examples of mechanisms used

some of which relied on national data to benchmark the highest level grades.

The Committee discussed the performance related environment and its impact if GCC moved to basing pay on individual performance. Discussion acknowledged the challenge of performance related pay when GCC does not have a track record of robust performance management. GCC would need to work toward achieving this and until it has a strong performance framework and culture this would pose challenges.

The Chair asked J Vincent if the College culture was ready for a move to formal performance assessment for each member of senior staff. J Vincent felt that GCC was not yet ready for the required level of performance management. Current policy is based on percentage awards for all senior management staff and for GCC at this time that is considered the right approach.

J Vincent further advised the Committee that some senior management salaries would already benchmark well against available sector data

Following discussion, the Committee agreed that they would not recommend changes to the Senior Staff Pay Policy to the Board at this time – the agreed percentage increase determined by the Remuneration Committee should apply to all staff within its remit (with the exception of the Principal, who would continue to be considered separately). The Committee would continue to review the Senior Staff Pay policy periodically (potentially in two years). The Committee would also look at available benchmark data for the sector and compare against these. A Committee member suggested that the College should review the accounts of similar Colleges to determine up to date salary data of senior team members; with discussion it was agreed that it may be possible to create a small reference group and to share publically available data and benchmark within a group of similar institutions. The Committee agreed this is a potential way forward.

G Crankshaw joined the meeting at this point

**Committee /
JV**

JV/GC

18.06 SENIOR MANAGEMENT PAY CONTEXT

G Crankshaw spoke to the report circulated with the agenda papers. It was noted by the Committee that any pay award should be from 1st April 2018; that GCC was in a satisfactory financial position for the current year and that forecast finances were based on a notional 1% pay award basis.

18.08 NATIONAL BARGAINING UPDATE

This item was taken as part of the context for senior management pay.

The Committee noted the potential risk posed by national bargaining and the likelihood of national decisions being made across all staffing covered by that collective bargaining process. J Vincent advised that national bargaining was not settled for 2018/19 and likely to continue for some time therefore any cost pressure could not be quantified. The Committee were also asked to note that the 2018/19 SFC grant included no financial support for cost of living awards.

The Committee discussed these parameters to assist and inform decision making.

G Crankshaw was thanked for her input and, there being no further questions on her paper, left the meeting at this point.

The Committee then considered those decisions which arise from 18.06.

18.06A Senior Management Pay Award below Principal

The Committee discussed the Scottish Government's Public Sector Pay Policy 2018/19, noting that, whilst it did not directly apply to the FE sector, it was a key guiding document for this discussion. The Committee also noted the benchmark data provided. It was proposed that a 1.5% pay uplift might be appropriate; whilst this was below current inflationary measures, it would be appropriately prudent and affordable and in keeping with the Public Sector Pay Policy. The Chair asked J Vincent if there was any risk that national bargaining would be settled at below 1.5%. J Vincent felt that would be an extremely low risk. The Committee noted that the Depute Principal had an ongoing additional allowance. After discussion it was decided that, assuming the percentage increase normally applied to this amount, the 1.5% uplift should also apply to this additional allowance.

After discussion the Committee decided and were agreed that senior management should be awarded a pay increase of 1.5% backdated to 1st April 2018.

GC

18.07 REMIT OF THE COMMITTEE

This item was taken following the decision on senior management pay and prior to decisions affecting the salary of the Principal. The order of the agenda was changed to enable appropriate advisers to attend.

The Committee discussed amendments to the remit. The Chair sought clarification that this Committee had the authority to make decisions, and then report to the Board on, all senior executive pay awards including the Principal as indicated within the remit.

GH

Further checks confirmed that the Board had approved this authorisation at their meeting of 29 March 2017.

Minute items 17.18 and 17.19 confirmed the devolved authority.

Further discussion on the wording of the remit followed and a draft revised remit will be circulated.

J Vincent left the meeting at this point

18.06B Pay Award - Principal

The Committee were informed by the Chair of the Management Board that at a first review feedback on the performance of the Principal from a range of staff had been consistently positive. A formal method of obtaining feedback was currently being developed and would be brought to the Board shortly.

The Committee was pleased to note this positive feedback.

The Committee noted that the Principal's current salary was low relative to other benchmark data available and agreed that, whilst a pay award would be appropriate following his first seven months in post, the Public Sector Pay Policy limit of £1600 should apply.

After discussion the Committee agreed that the Principal should be awarded an increase of £1,600 per annum (1.25%) effective from 1st April 2018.

18.09 EQUALITIES IMPACT ASSESSMENT ON DECISIONS MADE

The Committee considered equalities throughout, particularly with regard to performance related pay and terms and conditions.

18.10 REVIEW OF PAPERS (including disclosable status)

None of these papers are deemed to be disclosable. Sensitive personal information is contained throughout.

87.11 ANY OTHER BUSINESS

None

Date of next meeting tbc