

**NOTES OF THE REMUNERATION COMMITTEE MEETING
HELD ON 11 APRIL 2019, 9.30 AM, THE BOARDROOM, LANGSIDE CAMPUS**

PRESENT:

Sandra Heidinger	Committee Chair
David Newall	Board Chair
Gordon McGuinness	Board Member

IN ATTENDANCE:

Jon Vincent	Principal (for items 19.07 and 19.08)
Gillian Murray	Clerk to the Board (Minute Taker)

19.01 WELCOME AND APOLOGIES

The Committee Chair welcomed everyone to the meeting. Apologies had been received from R Fraser and D Watt. Both had received the papers and provided written feedback in advance. .

19.02 DECLARATIONS OF INTEREST

No declarations of interest were received.

19.03 MINUTES OF MEETING HELD ON 2 MAY 2018

The Minutes were accepted as a true and accurate record of events.

19.04 MATTERS ARISING

The Committee Chair noted one matter arising from the Minute, that being at item 18.05, a decision to review the accounts of similar Colleges to determine up to date salary data of senior team members.

The Committee discussed the possibility of benchmarking, noting the difficulties in benchmarking those senior managers below Principal level due to the variation in job roles and associated titles. The Committee agreed that benchmarking information should, in future, be provided to the Committee to assist them in considering the senior salary pay policy.

JV

19.05 PRINCIPAL – PERFORMANCE & DEVELOPMENT

D Newall was invited to speak to the Report submitted with the papers. D Newall outlined the steps taken to conduct

the Principal's Annual Review and outlined the conclusions of the Annual Review. D Newall summarised the feedback from the 19 members of Staff and Board Members he had spoken to in advance of his meeting with the Principal, emphasising the positive response from all 19, including both Staff and Student Board Members. In general, those spoken to felt that the Principal was making a positive difference to the College. Members of the Senior Leadership Team were generally very supportive and acknowledged that the Principal challenged them in a positive way.

In terms of areas for development, the need for the Principal, and other senior leaders, to be seen to be more visible was highlighted. D Newall informed the Committee that the Principal was addressing this through regular communications with staff and the introduction of Principal's surgeries. The Committee discussed the Pacific Institute staff culture exercise. Whilst there is a high level of support for the exercise, if the College is to move forward strongly, areas of underperformance must be addressed and the Principal's objectives going forward will have an appropriate focus on this.

D Newall confirmed that measurable performance objectives for the Principal had been agreed for the year ahead.

Having received a positive performance update, the Committee discussed the Principal's Salary Review, taking account of the papers at Item 19.07 and 19.08. The Committee agreed that making salary decisions without comparative information on senior salaries elsewhere in the sector was difficult and that further work to benchmark the Principal's salary in particular was required. It was agreed that benchmarking should be undertaken with the Committee meeting again in six months to review the information. The Committee agreed that, in light of the Principal's performance, a pay award should be made. In reaching this decision, the Committee took account of the written input of both D Watt and R Fraser. The Committee acknowledged the limits within the Public Sector Pay Policy and agreed to make a pay award to the Principal, capped at £1600 as per that Policy. D Newall agreed to inform the Principal of this decision.

SH/LMcG

DN

19.06 PRINCIPAL – PROFESSIONAL DEVELOPMENT

D Newall provided the Committee with an update on the Principal's Professional Development. Details of the Professional Network, Vistage UK, had been provided with

the Agenda. The Committee discussed the request, by the Principal, to join this professional network. Discussions took place around the potential networking benefit to the College. The Committee noted the importance of the networking being within Scotland, clarifying that this was a Glasgow branch of the organisation. The Committee discussed the difference between the personal coach service offered with the membership and that of an Executive Coach, noting that more limited hours with an Executive Coach could potentially be a cheaper option. The Committee, having taken account of the written input of D Watt and R Fraser, agreed that this could be a beneficial professional development tool for the Principal and with associated benefits to the College and agreed to approve his membership for one year with a review of the benefits / progress taking place in six months. SH/JV

J Vincent joined the meeting for discussion on items 19.07 and 19.08

19.07 SENIOR LEADERSHIP TEAM PAY AWARD

The Committee Chair invited the Principal to join the meeting. The Committee Chair asked the Principal to confirm that, as required under the Senior Staff Pay Policy, all members of the Senior Leadership Team had an up to date performance review. The Principal confirmed that they had, with the exception of one member of staff who had returned from a period of absence after that process had been carried out. The Principal confirmed that their review would be carried out as part of the objective setting process that is now underway with the Senior Leadership Team.

In response to a question from the Committee, the Principal confirmed that steps were being taken to introduce clearer objectives for each member of the Senior Leadership Team. This would allow the Board of Management to consider a Pay Policy that would take account of individuals' performance as opposed to the blanket approach currently in place. A discussion took place around the difficulty in setting clear, measurable 'hard' objectives as well as the difficulty in rewarding exceptional performance versus satisfactory performance within the constraints of the Public Sector Pay Policy.

Having satisfied itself that all members of the Senior Leadership Team were eligible for a pay award under the terms of the current Senior Staff Pay Policy, the Committee discussed the award, taking account of the ongoing National Bargaining and potential reputational issues in making an award, as well as the timing of the award.

As required within the Senior Staff Pay Policy, the Committee noted information submitted on the history of SMT Pay Awards over recent years and the potential increase to the College pay bill (including on-costs) if the Public Sector Pay Award was to apply. The Committee Chair sought assurance from the Chair of the Board that the financial budget had made allowances for the implementation of a pay award to Senior Staff. The Chair of the Board confirmed that this had been budgeted for, noting that the impact on overall costs, should the Public Sector Pay Policy be applied, was around 0.05%. The Committee discussed the additional role of 'Depute Principal' and agreed that, for the purposes of salary review, this should be combined with the role of the Vice Principal and the overall salary looked at cumulatively (noting that this is a moot point this year where the salary increase is subject to the £1600 cap set out within the Public Sector Pay Policy)

Having fully discussed the financial and reputational impact as well as the timing of a pay award, and, having taken account of the written input of D Watt and R Fraser, the Committee agreed that the appropriate award for those members of staff falling within the terms of the Senior Staff Pay Policy, would be the 2% pay award as per the Public Sector Pay Policy, with the £1600 cap being applicable to the two Vice Principals. It was agreed that the pay award would take effect from 1st April 2019 and would be implemented as soon as possible.

It was agreed that a letter would be issued to the Senior Staff from the Committee Chair, on behalf of the Board of Management. GM/SH

19.08 REVIEW OF SENIOR STAFF PAY POLICY

The Committee Chair invited the Committee to review the Senior Staff Pay Policy as per the requirement within the terms of reference of the Committee. The Committee had a brief discussion on the pay policy noting the decision taken last year to carry out a more substantive review of the policy in 2020 as well as noting the work underway by the Principal to set objectives that will potentially underpin a performance based pay policy.

The Committee agreed to review the Pay Policy again next year.

19.09 EQUALITY IMPACT OF DECISIONS MADE

None.

19.10 REVIEW OF PAPERS (INCLUDING DISCLOSABLE STATUS)

All papers are confidential

19.11 ANY OTHER BUSINESS

None

DATE OF NEXT MEETING

A further meeting will be set for six months.