**CONFIDENTIAL**

**MINUTES OF THE REMUNERATION COMMITTEE MEETING HELD ON 1 SEPTEMBER 2022 AT 13:30.**

**THE BOARDROOM, LANGSIDE CAMPUS.**

**PRESENT:**

Sandra Heidinger Committee Chair

Gordon McGuinness Board Member

David Newall Board Chair

**IN ATTENDANCE**:

Jon Vincent (JV), Principal

Lorraine McGaw (LMcG), Assistant Principal: Human Resources

Kirsty Mavor, Clerk to the Board (Minute Taker)

**22.19 WELCOME AND APOLOGIES**

 The Committee Chair welcomed everyone to the meeting and noted apologies from David Watt.

**22.20 DECLARATIONS OF INTEREST**

 Both Jon Vincent and Lorraine McGaw declared an interest in the discussion about the performance management system for the Senior Leadership Team. It was agreed that it was appropriate for the Principal and Assistant Principal to contribute to general discussions pertaining to senior management as ‘a class’ but not in discussions concerning their individual roles.

**22.21 MINUTES OF MEETING HELD ON 19 MAY 2022.**

 Subject to minor change, the minutes of the last meeting were approved as an accurate record. These minutes will now be published.

**22.22 MATTERS ARISING/ACTION GRID**

 The Committee noted the actions from the last meeting had been completed or were on the agenda as referred to in the action grid.

 With regard to item 22.15, the Committee confirmed that it had received details of the financial impact of the proposed 1.5% pay award plus an equalities statement on the increase. After considering these details, the decision to award a pay rise of 1.5% was confirmed by Committee members via email correspondence. It was noted that members of the Senior Leadership Team have been advised of the 1.5% pay award.

 The Committee agreed that the Senior Management Team pay policy should be reviewed at the next meeting.

**22.23 SENIOR LEADERSHIP TEAM – PERFORMANCE DEVELOPMENT REVIEW**

 L McGaw spoke to this paper which presented the Committee with a draft Performance Development Review Guide, Performance Development Review form and description of performance categories. These draft documents have been shared with the Chair of this Committee and the Senior Leadership Team prior to this meeting.

 L McGaw confirmed that the draft Performance Development Review Guide linked to the leadership framework, the College’s values and Charter and the overall competency structure. The Committee put forward some suggestions regarding the specific wording contained in the documents. The Committee also discussed whether there should be three or four performance categories and the pros and cons of each approach. It was agreed that regardless of whether three or four categories are adopted, it was important that this new approach provided the opportunity for individuals to record any personal circumstances that may have impacted on their own performance and ability to meet objectives.

 Subject to some minor proposed changes to the wording, the Committee agreed that the Performance Development Review Guide was appropriate and encouraged a high-performance culture among the Senior Leadership Team. It was agreed that the first year of implementation will allow for the approach to be refined. While this approach is being embedded in the first year, the Committee expressed the view that it would not be appropriate to record a formal performance grading. At the end of the first year, the Senior Leadership Team will be provided with the opportunity to feedback into the final approach and from 2023/24 onwards the award of a formal performance grade will be considered.

**22.24 VOLUNTARY SEVERANCE SCHEME**

 L McGaw spoke to this paper and advised that the Board meeting had agreed, in principle, to the terms of the Voluntary Severance Scheme being amended to a maximum compensation equivalent to nine-months salary. Approval of the required changes to the Voluntary Severance Scheme were delegated to this Committee.

 The revised policy was presented to the Committee for approval changing the maximum compensation to nine-months salary and also a general tidy up of the wording. The Committee discussed the proposed changes and noted how the handling of pension ‘strain costs’ can make voluntary severance less attractive to College employees who belong to the Strathclyde Pension Fund. Under the current approach, such compulsory funding charges do not apply to those in the Scottish Teachers’ Superannuation Scheme. As a result, voluntary severance may be less appealing to some support staff and this could have a disproportionate impact on those on lower pay and women.

 The Committee agreed that the Voluntary Severance Scheme policy should include a separate section setting out how pension strain costs will be dealt with. It was agreed that the pension strain for support staff could, where economically viable, be covered by the College so long as it does not go beyond the two year pay-back period. The College will consider each case on its merits but the Committee noted that there will be some cases where it does not make economic sense for the College to agree to voluntary severance due to the financial impact of the pension scheme’s compulsory funding charge.

 It was agreed that further changes to the Voluntary Severance Scheme policy should be made and shared with the Committee by email for approval.

**22.25 GOVERNANCE REVIEW**

K Mavor spoke to this paper and advised that it was agreed at the last meeting that a governance review of Remuneration Committee should be undertaken. This review considered the Committee’s own remit, the relevant sections of the Code of Good Governance for Scotland’s Colleges and the Association of Colleges’ Senior Postholder Remuneration Code. It was noted that the Association of Colleges’ Code does not directly apply to Glasgow Clyde but, from a governance perspective, it was good practice to consider its provisions and where improvements could be made.

The Committee noted that a green rating had been recorded against most areas. Areas that were marked amber were discussed and it it was agreed that the following steps would be taken to improve this Committee’s governance arrangement: -

* The Nominations Committee had agreed to undertake a recruitment exercise in November/December which will hopefully result in a new Chair of Finance and Resources Committee who would then be appointed to this Committee.
* Before any final decision is made on pay awards, more detailed modelling of the potential impact of a proposed award on the gender pay gap of the Senior Leadership Team will be made available to this Committee.
* Recognising that this Committee already informs the Board of its activity, the Committee agreed that this would now take the form of an annual report to the Board in line with paragraphs (a) – (f) of Element III of the Association of Colleges’ Remuneration Code, unless not appropriate to do so. This Committee’s annual report to the Board should then be published to increase transparency.

**22.26 EQUALITIES IMPACT ASSESSMENT ON DECISIONS MADE**

 An equality statement was produced before the final decision was made on the SLT pay awards. The impact of any change to the Voluntary Severance policy on different groups will require impact assessment.

**22.27 REVIEW OF PAPERS** (including disclosable status)

 All papers are non- disclosable.

**22.28 ANY OTHER BUSINESS**

 There was no other business.

 **DATE OF NEXT MEETING**

 **TBC**