

## Board of Management

### Meeting of the Performance Remuneration and Nominations Committee

MINUTE OF 1<sup>st</sup> MEETING HELD ON 24 OCTOBER 2016 AT 1700 HRS (PRNC1) AT CITY CAMPUS

Present	
Alisdair Barron (AB)	Colin McMurray (CM)
Jim Gallacher (JG)	Lesley Woolfries (LW) (Interim Convener)
Paul Little (PL)	
In attendance	
Paul Clark (PC) (College Secretary/Minute)	
Apologies for absence	
None received	

Item PRNC1-1	Apologies for Absence	
Paper No:	Lead: Convener	Action requested: Note
Decision/Noted	None received	

Item PRNC1-2	Declarations of Interest	
Paper No:	Lead: Convener	Action requested: Note
Decision/Noted	The Principal declared his interest in paper PRNC1-D re Principal's Salary Review. It was agreed to discuss this paper at the end of the agenda after the Principal had withdrawn.	

Item PRNC1-3	Minute of the PRNC meeting held on 9 May 2016	
Paper No: PRNC1-A	Lead: Convener	Action requested: Approve
Discussion/ Matters Arising	<p>Paper 5-5, p3: It was noted that delegated authority in respect of setting salary within a scale would ordinarily include Chair of PRNC (Board Vice Chair) and that this had been delegated to the Chair and Principal in the absence of a Vice Chair.</p> <p>PC reported that the Remuneration Committee member training module is still under development by CDN.</p> <p>PL/AB reported that the recommendations for the appointment and pay of the interim Depute Principal post had been approved by the Board, including placement on scale; PL also reminded PRNC of the pay scales and placements for the executive team previously agreed by PRNC.</p>	

**Decision/Noted** Noted

<b>Item PRNC1-4 Committee Annual Report</b>	
<b>Paper No:</b> PRNC1-B	Lead: P Clark      Action requested: Approve
<b>Discussion/ Matters Arising</b>	<p>The Committee noted that PRNC had operated without a designated Vice Convener in 2015-16. PC and AB indicated that recent Board practice has been to agree an interim convener by rotation among PRNC members in the absence of the Convener.</p> <p>Action (PC): Record in a note of this practice in the PRNC Annual Report.</p> <p>Action (PC): include in Standing Orders that in the absence of a PRNC Convener a substitute may be appointed with the agreement of the Committee for the duration of the meeting.</p>
<b>Decision/Noted</b>	Approved

<b>Item PRNC1-5 Committee Programme of Work 2016-17</b>	
<b>Paper No:</b> PRNC1-C	Lead: P Clark      Action requested: Approve
<b>Discussion/ Matters Arising</b>	<p>Noted: the Dashboard item is covered by the SFC PIs paper on the current agenda. It was agreed to include a Dashboard review at each meeting. (Action PC/DD).</p> <p>PL suggested that biodiversity/ecological performance indicators be included in performance reportage. (Action DD)</p> <p>PC reported that the full Board had reviewed Strategic Risks at its meeting on 13<sup>th</sup> October, hence the review was not required at this meeting.</p> <p>PL reported on SFC discussions regarding the Education Scotland review cycle. Education Scotland will in future publish reviews annually.</p> <p>The Committee agreed that the interim annual report on Institution-led review should be on the agenda for January Review, with final sign-off in May. (Action PC/DD).</p>
<b>Decision/Noted</b>	Committee agreed adjustments to Schedule of Work

<b>Item PRNC1-6 Principal's Salary Review</b>	
<b>Paper No:</b>	Lead: A Barron      Action requested: Approve
<b>Discussion/ Matters Arising</b>	<p>This item was deferred to the end of the agenda.</p> <p>Discussion of paper began at 6.45pm following the Principal's departure.</p> <p>The Convener noted that the paper had not been circulated in advance, and committee members expressed concern that the paper had not been</p>

circulated in advance of the meeting to permit due consideration. AB apologised for the lateness of the paper, due to delays in obtaining some background information such as benchmark figures, and acknowledged that the Committee might use the paper as a focus for discussion rather than decision.

Members agreed that the content of the paper should be discussed, and that a decision be made at a future meeting following due consideration of the issues and the Principal's performance.

AB referred to the salary structure now provided to SMT, from which the Principal currently does not benefit. AB also pointed out that the Principal's salary had not been reviewed in the context of benchmarks across the sector since merger, and is now long overdue.

The various benefit options were discussed. Option 3 was viewed as a potential return on investment for the College rather than the Principal (e.g. Harvard), with the other options seen as essentially acceptable.

AB outlined the four salary options with reference to comparative colleges and Principals' salaries. AB also highlighted the growth in the College's size, finance, and reputation, i.e. increase in income, student body and staff numbers increase, reputational change, new campus development etc.

The Committee discussed the context of staff settlements in the sector, recognising the political impact of a significant increase, and the way in which a substantial increase and benefits might be represented (i.e. in terms of cost to the College). It was highlighted that public scrutiny is already focused upon the sector.

There was a view that, in the current environment, an incentivised salary, was not appropriate, notwithstanding the impressive performance of the Principal.

PRNC discussed the question of equity with senior staff reviews and of the missed opportunities for uplifts in the Principal's salary associated with performance reviews over several years. It was noted that, had regular performance reviews been undertaken, then salary uplifts might reasonable have been expected over the 6 years since merger.

Proposal: Option 1 effectively immediately, with further review and options to be considered, including a full performance review process to be progressed. Review report and exploration of further options to be complete by January. Convener to explain the position to the Principal. It was agreed that LW should provide continuity of oversight over this process, and the Committee expects that significant progress should be made by January.

**Decision/Noted**

AB, LW and PC to meet and progress.

**Item PRNC1-7**

**National Bargaining Update**

Paper No:  
PRNC1-E

Lead: P Little

Action requested: Discuss

<b>Discussion/ Matters Arising</b>	<p>PL reported that the Scottish Government has asked the College to enter into national bargaining, to which around 20 (not all) colleges have signed up. CoGC has signed an NRPA, and is bound by it, as are all signatories. If a college were found to be committed to a settlement they cannot afford, notice of withdrawal would require to be given.</p> <p>PL outlined the makeup and function of the Employer's Association, Chaired by Ian MacKay (Edinburgh College) the EA sets limits to the negotiations. Principal and Chair are the CoGC reps. The NJNC meets monthly/6 weeks with the trade unions, and the teaching and support unions negotiate separately.</p> <p>PL reported negotiations regarding the number of points on the teaching scale, and the implications involved e.g. Workforce for the Future. PL indicated that negotiations have been very difficult.</p> <p>On the support side, it was noted that Unison is claiming a flat rate increase of £450. There is also disagreement regarding whether a previous payment of £100 was consolidated or not.</p> <p>PL also provided the political context, and the potential consequences of various scenarios.</p> <p>The Committee noted the EIS position of a two-point scale with a starting salary of £38k. This was not held to be a tenable position.</p> <p>The Committee noted that the Principal and Chair would continue to brief the Committee on the best interests of the College in respect of continuing commitment to the NRPA.</p>
<b>Decision/Noted</b>	An update to be provided at the January meeting (Action PL).

<b>Item PRNC1-8</b>	<b>Scottish Funding Council Performance Indicators</b>	
<b>Paper No: PRNC1-F</b>	Lead:	Action requested: Note
<b>Discussion/ Matters Arising</b>	<p>PL referred to the graphs outlining the detail of target areas for the College, and the emphasis on recording accurate data. Trends are indicated as very positive. The Committee discussed various ways in which the dashboard might be presented to the Board and its Committees.</p> <p>Members noted that in the absence of a Depute Principal with performance responsibility and a Director of Performance, there may be a delay in providing this revision.</p>	
<b>Decision/Noted</b>	To note the report.	

<b>Item PRNC1-9</b>	<b>Any Other Notified Business</b>	
<b>Paper No:</b>	Lead:	Action requested:
<b>Decision/Noted</b>	PL encouraged Board Members attending the Gala evening, to attend a drinks reception in the Principal's office prior to the event which begins at 6pm.	

Item PRNC1-10	Date of Next Meeting	
Paper No:	Lead: Convener	Action requested: Note
Decision/Noted	<p data-bbox="427 347 770 383">Monday 23 January 2016.</p> <p data-bbox="427 416 1412 477">The Principal left the meeting at 6.35pm prior to discussion of the Principal's Salary review.</p>	

Convener's Signature \_\_\_\_\_

Date \_\_\_\_\_

## ANNEX TO THE MINUTE

### ACTION POINTS ARISING FROM THE MEETING

Item	Description	Owner	Target Date
PRNC1-4	<b>Committee Annual Report:</b> Agree interim convener by rotation and record in PRNC Annual report.	PC	ASAP
PRNC1-4	<b>Committee Programme of Work:</b> Incorporate agreed amendments.	PC	ASAP
PRNC1-6	<b>Principal's Salary Review:</b> Meet and progress.	AB/LW/PC	ASAP
PRNC1-7	<b>National Bargaining Update:</b> Provide an update at January meeting.	PC/ST	23 01 17

### ACTION POINTS ARISING FROM PREVIOUS MEETINGS

Item	Description	Owner	Target Date
PRNC5-4	<b>Strategic Risk Review:</b> PC to update Risk 14.	PC	ASAP <b>Completed</b>
PRNC4-4	<b>Executive Salary Review:</b> Item deferred.	PL/PC	09 05 16 <b>Completed</b>
PRNC4-6	<b>Education Scotland Review:</b> Invite Education Scotland to next meeting of the Board.	PL/PC	06 04 16 <b>Completed</b>
PRNC4-12	<b>SFC Guidance for Severance Schemes and Settlement Agreements:</b> Check approval status of College's existing severance scheme and ensure College is compliant with flow chart.	PC/ST	ASAP <b>Completed</b>
PRNC4-13	<b>AONB:</b> DM to attend next meeting of the GCRB in the absence of AB.	DM	25 04 16 <b>Completed</b>
PRNC3-B	PC to finalise interview panel	PC	ASAP <b>Completed</b>
PRNC3-5	Revised ToRs to Board for approval	PC	06 04 16 <b>Completed</b>
PRNC3-6	Paper to be presented to PRNC re proposed Executive Salary levels	PL	14 03 16 <b>Completed</b>
PRNC3-7	Confirm interview panel availability, and arrangements	PC	ASAP <b>Completed</b>
PRNC1-9	<b>Director Salary Bands and Increments:</b> Provide proposal paper for the next meeting.	PL	<b>Superseded</b> PRNC4-06
PRNC2-14	<b>Complaints Report:</b> Investigate benchmarking figures against other Colleges.	AC/GMcV	Ongoing <b>Completed</b>
PRNC4-14	<b>AOCB, Convener Training and Induction:</b> Conveners to undertake training and induction as provided by College's Scotland as appropriate.	Conveners/ PL	Ongoing
PRNC4-05	<b>Director Salary Bands and Increments:</b> Revisit and revise paper as agreed.	JK/ST	Ongoing
PRNC4-06	<b>Senior Staff Remuneration:</b> Initiate 3 stage process as agreed.	DB	Ongoing <b>Complete</b>