GATESHEAD COLLEGE
EDUCATION
WITH
EMPLOYMENT
EDGE

PEOPLE AND REMUNERATION COMMITTEE – MAIN MINUTES

Thursday 2nd March 2023 – Virtual Meeting

Governors	Type	Initials	Attendance	Apologies
Claire-Jane Rewcastle	Chair of Committee – Independent Governor	CJR	X	
Sarah Stewart	Committee Member – Independent Governor	SS	X	
Lisa Crichton-Jones	Committee Member – Independent Governor	LCJ	X	
David Alexander	Committee Member – Principal / CEO *Committee Member for People items only.*	DA		X
Clerk				
Nicola Taylor	Director of Governance & Compliance	NT	X	
Presenters / Attendees				
Vicki Casey	Director of People & OD	VC	X	
Jeremy Cook	Deputy Principal Finance & Resources	JC	X^	

^Attended for part of the meeting.

PR/150   1. Chair's Welcome, Apologies and Conflict of Interest

The Chair welcomed the attendees. Apologies were received from DA.

The Committee <u>agreed</u> that the meeting was quorate.

No conflicts of interest were declared at the start of the meeting and members were reminded to declare any conflicts that arose during the discussions in the meeting.

PR/151 **2. Minutes of the People and Remuneration Committee meeting dated 1 December 2022**

The Committee **reviewed** the main minutes from the previous meeting and **agreed** that they were a true and accurate reflection of the meeting.

The Committee **reviewed** the confidential minutes from the previous meeting and **agreed** that they were a true and accurate reflection of the meeting.

The minutes were approved.

PR/152 **3. Matters Arising**

NT presented the action log and noted that the Committee terms of reference were due to be reviewed by July 2023, and that once the Employee Code of Conduct was launched with staff, communications would be shared with governors. All other actions were complete.

The report was noted.

PR/153 **4. Core People Key Performance Indicators (KPIs)**

The Chair noted that the KPIs had been agreed at the December 2022 Committee meeting, however the Committee were cognisant that the KPIs would evolve and change over time.

VC presented the report and highlighted the following:
- The KPIs relating to absence and turnover would be provided throughout the year, however the remaining KPIs would be reported upon annually.
- The data relating to the KPIs was available, however the internal mechanisms weren't, reporting structures and training would require to be reviewed in support of providing these going forward as some improvements would require to be made.
- The absence figure had decreased from the last report, however remained above the AoC sector average for 20/21 (latest available data). This was caveated with it not being clear if the AoC data included absence due to Covid.
- Mental Health was the reason of over one third of all of the College's absence.
- The turnover figure had decreased from the last report, however remained above the AoC sector average for 20/21 (latest available data). There was work to be done around casual contracts and ensuring the balance was appropriate to permanent staff. The main reason for turnover related to resignation for personal reasons, however c26% was resignation due to career progression and future prospects, this needed to be explored further.

The Committee queried the following:
- Trends in relation to absence in specific areas – it was noted that this was difficult to identify due to the issues with data and this would need to be further developed going forward. This remained a priority, and linked with engagement with staff and available support.

The Committee **noted** that the AoC data was helpful, although **agreed** that it would be useful to compare data with the local footprint, including local colleges and other

sectors. It was confirmed that VC was creating links with local colleges and continuing to build her network.

The Committee **noted** that they were keen for VC to continue to assess the position and the level of work required to allow the Committee to assess risk and priorities.

The Committee **agreed** that they were happy to continue with the KPI levels at present.

The report was noted.

PR/154   **5.   Initial Thoughts and Emerging Themes**

VC presented the report and highlighted the following:

- VC had been in post since the beginning of January 2023, the first few weeks of employment focussed on meeting staff and stakeholders across the organisation, as well as undertaking deep dives across the HR function, specifically in relation to recruitment, reward, and engagement.
- VC had attended business planning meetings from across the organisation which had been helpful to learn about suggested operating plans for 23/24 and resource requirements.
- *Covered under a confidential minute.*

The Committee **noted** the level of work required and **queried** the key priorities. It was suggested that the appointment of the Head of People would allow the Director of People & OD some resource to focus on mapping out levels of service for each key theme in terms of a basic level of service, an improved level of service and a top-rated level of service. This would help with prioritisation of work, along with mapping out any resource requirements. Learning and Development was felt to be a priority in terms of development and succession / career planning, however all themes linked together.
Action: VC to keep the Committee informed of key priorities.

The Committee **agreed** that the appointment of the Head of people would allow some additional resource to support the Director of People & OD and the HR team, however **noted** the potential lead in time for this post to be filled.

The Committee **queried** workforce planning, and it was noted that this would be considered alongside improved data reporting and succession planning.

The report was noted.

PR/155   **6.   HR Updates**

VC presented the report and highlighted the following:

- A. Staff Engagement
  The HR team would soon be preparing for the next Staff Engagement survey and were planning on preparing a "You Said, We did" communication in advance of this. A lot of actions had been undertaken following the previous survey, and some remained ongoing. The latest engagements with staff were the Staff Roadshows held at each campus (and via an online session) which focussed on 2 of the College priorities; sustainability and learner voice.

It was noted that there was a potential of reward being re-highlighted as an area for improvement, however staff would re reminded of the pay increase and one-off payment made prior to Christmas.

B. Employee Code of Conduct
The College were in the process of launching the Employee Code of Conduct with staff.

The report was noted

PR/156 7. Cost of Living Crisis

VC presented the report and highlighted that a project around staff benefits had been initiated and benefits were in the process of being collated with a section on the website being created for this. Additional financial measures were also being considered following staff feedback at the recent roadshows.

The Committee queried the following:
- Staff awareness of current benefits – it was noted that there was no data available regarding this, and suggested that staff were likely to be unaware at the full extent of the benefits available to them due to this not being well communicated previously.
- The number of staff in financial hardship and support mechanisms in place – it was confirmed that there was an employee assistance helpline which directed staff to relevant resources and support, some Unions may offer welfare support and hardship funds, and that charities were also available to offer help and support. No staff had presented with issues to date, although it was appreciated that staff may be struggling and therefore the College were keen to progress with initiatives such as ensuring the benefits were well communicated.

The Committee **noted** the potential additional impact on staff relating to students in difficulty and **queried** if any trends had been highlighted or if any additional skills development was required. It was confirmed that there were close links with the Designated Safeguarding Lead (DSL) and this would be followed up.
Action: VC to advise the Committee at the June 2023 meeting if any trends had been identified.

The report was noted.

PR/157 8. Equality and Diversity Statement 21/22

VC presented the report and highlighted that this had been created in line with the previous year's format, however Equality and Diversity statement would be created alongside the HR annual report going forward.

The Committee **requested** for the report to link back to the College values.
Action: VC to link College values into the report.

The Committee **recommended** the report for Board approval.

Action: NT to action recommendation at the March 2023 Board Meeting.

The report was recommended.

PR/158 **9. Gender Pay Gap Report 21/22**

VC presented the report and highlighted the following:
- The report had been created in line with the previous year. The median figure had remained the same, with a small change in the mean. The figures were low in comparison to the national average but the College were continuing to monitor these figures and ensuring processes and structures were in place to prevent discrimination.

The Committee **noted** the information provided and **requested** the following year's report to include actions and updates, setting out what the College were expecting to focus on going forward.
Action: VC to include College-wide actions for the next report.

The Committee **recommended** the report for Board approval.

Action: NT to action recommendation at the March 2023 Board Meeting.

The report was recommended.

PR/159 **10. LGPS Discretions Policy**

JC joined the meeting.

JC presented the report and highlighted that the College were required to have a policy setting out the College's stance on the LGPS rules. The policy had been in place for a number of years and had undergone its planned review. There were no changes to the discretions or policy position. The College would continue to not expect to allow any discretions which would incur costs.

The Committee queried the following:
- Wording of policy statement relating to the policy of early payment of pension – The Committee felt that the wording may need revising in relation to compassionate grounds not being the only reason behind exceptional circumstances being granted.
Action: JC to reflect on policy statement relating to the policy of early repayment of pension.
- Options relating to flexible retirement and the potential of restricting this in hard to recruit areas – it was confirmed that this was part of the scheme rules and therefore unable to be changed.

The Committee **recommended** the policy for Board approval.

Action: NT to action recommendation at the March 2023 Board Meeting.

The policy was recommended.

PR/160 **11. Strategic Risk Register**

JC presented the report and highlighted the following:
- The report provided the latest iteration of the Risk Register following review by the Executive Team. Consideration had been given to the approach adopted to responding to risk and how this was captured in the risk register following

discussion at the Audit Committee meeting on 15 February 2023. This included the implementation of tolerable levels of risk which had then been applied to each risk.

- The risk under the remit of the People & Remuneration Committee was *R11 Failure to recruit, retain, develop and support high calibre staff impacts adversely on the College's capacity to deliver to students and maintain services leading to reputational damage and financial loss.* This risk had been categorised as a tolerable level, however mitigations would continue.

The Committee <u>discussed</u> the following:
- The fact it was a strategic risk register and there was a need to ensure that operational risks were discussed. It was confirmed that an internal operational Risk Management Group was being implemented to consider and have oversight of operational risks.
- The link between the risk register and the Committee level KPIs.

The Committee **<u>requested</u>** the top 2 HR operational level risks which could potentially have an impact at a strategic level.
Action: VC to provide an update on the top 2 HR operational level risks which could potentially have an impact at a strategic level.

The report was noted.

PR/161   **11a. Reclassification Implications under the People & Remuneration Committee Remit**

JC presented the report and highlighted the following:
- Following the ONS decision to reclassify colleges into central government, it had been confirmed to the Board that this would result in the implementation of financial, accounting, audit and governance changes. Transitional arrangements would operate between now and August 2024, so that by autumn 2024 the FE sector would be fully compliant with all public sector rules. Recently, some "bitesize guidance" had been issued and the College were working to ensure compliance with the changes.
- The guidance relevant to the remit of the People & Remuneration Committee related to senior pay and Special Payments, including severance, compensation and ex-gratia payments. The guidance was presented as part of the report for information.

The Committee **noted** the changes and the level of time which may be required for seeking approval.

The report was noted.

JC left the meeting.

PR/162   **12. HR Case Work Update**

Covered under a confidential minute.

The report was noted.

Separation of Meeting
Part 2 – Remuneration Items

PR/163   **13. Senior Post Holder (SPH) Salaries**

Covered under a confidential minute.

The report was noted.

PR/164   **14. Statement of non-adoption of the HE Senior Staff Remuneration Code**

NT presented the report and highlighted that as the College offer HE provision, they come under the OFS regulatory framework which asks for providers to comply with the Council of University Chairs' (CUC) Higher Education Senior Staff Remuneration Code, or to explain their decision not to. The suggested statement was an explanation of the College's decision not to adopt the Council of University Chairs' (CUC) Higher Education Senior Staff Remuneration Code and instead to adopt the AoC's Senior Post Holder Remuneration Code (SPHRC) which is more applicable to FE.

The Committee **<u>recommended</u>** the statement for Board approval.

Action: NT to action recommendation at the March 2023 Board Meeting.

The statement was recommended.

PR/165   **15. Any Other Business**

<u>Meeting timings</u>
The timing of meeting was discussed, and it was noted that an end of day meeting may be more suitable, and that Thursdays at 12pm created clashes.

Action: NT to reconsider timing of June meeting.

PR/166   **16. Date of Next Meeting**

Thursday 22nd June 2023 – Timing TBC