



REMUNERATION COMMITTEE – MAIN MINUTES

Thursday 19 October 2023 – Virtual Meeting

Governors	Type	Initials	Attendance	Apologies
Lisa Crichton-Jones	Committee Chair – Independent Governor	LCJ	X	
Claire-Jane Rewcastle	Committee Member – Independent Governor	CJR	X	
Michael Wood-Williams	Committee Member – Chair of Corporation Board	MWW	X	
Clerk				
Nicola Taylor	Director of Governance & Compliance	NT	X^	
Presenters / Attendees				
David Alexander	Principal & CEO	DA		X
Vicki Casey	Director of People & OD	VC	X	

^Attended for part of the meeting.

R/001 1. Chair's Welcome, Apologies and Conflict of Interest

The Chair welcomed the attendees. **The Committee agreed that the meeting was quorate.**

Apologies had been noted from DA.

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.

R/002 2. Matters Arising

NT confirmed that as part of the Terms of Reference for 2022/2023, a Vice Chair would be implemented for each Committee. Committee members had been contacted in advance of the meeting to seek expressions of interest. An expression of interest had been received from CJR.

The Committee **approved** the appointment of CJR as the Vice Chair of the Remuneration Committee.

The Vice Chair was appointed.

R/003 3. AoC Senior Pay Survey – Senior Post Holder Salary Benchmarking

VC presented the report, noting that this related to the AoC's annual Senior Pay Survey and a summary report had been created to allow benchmarking of the Gateshead College Senior Post Holders (SPHs); the Principal & CEO, Deputy Principal Curriculum & Quality, and Deputy Principal Finance & Resources. The AoC report related to 2021/2022 data and therefore 2021/2022 data had been used to benchmark against. The AoC report did not confirm if the pay data provided related to spot salaries or incremental progression.

The AoC report did not provide benchmarking data relating to the Director of Governance & Compliance, who was also a SPH, and therefore alternative means of benchmarking would be explored during 2023/2024.

Action: VC to consider benchmarking of the Director of Governance & Compliance's salary for future reporting.

The salary relating to the Principal & CEO:

- Sat on the upper quartile for North East colleges.
- Sat between the national lower quartile and median for general FE/tertiary colleges in the relevant income band.
- Sat between the national lower quartile and median for colleges of all types where the most senior post holder is College Principal in the relevant income band.

The salary relating to the Deputy Principal Curriculum & Quality:

- Sat just above the upper quartile for North East colleges and FE colleges in the relevant income range.

The salary relating to the Deputy Principal Finance & Resources:

- Sat between the median and the upper quartile for North East colleges, and below the median for FE colleges in the relevant income range.

VC noted that the data provided assurance of the College paying in line with sector payscales, and this should therefore make retention - and any future recruitment of SPHs if necessary - competitive.

VC highlighted the lack of diversity within senior pay positions across the sector, as reported.

The Committee **discussed** the following:

- The lack of diversity within senior pay positions across the sector. It was confirmed that diversity of applicants had been a challenge with previous recruitment.
- The establishment of a diverse internal pipeline and the need to consider recruitment and attraction techniques for future roles across the College. It was noted that this could be discussed further at the Board Strategy Day where the Board were having an EDI focus group which would help inform the College's future EDI strategy. It was also suggested that further training / awareness sessions could take place with the Board around EDI.

Action: Remuneration Committee to consider future recruitment as part of Board EDI strategy session.

Action: MWW and NT to consider future EDI training / awareness sessions as part of the overall Board Self-Assessment.

- The potential of a collaborative regional approach to EDI and whether AOC could support this.

The report was noted.

R/004 4. 2023-2024 Pay Award Update

Covered under a confidential minute.

The report was approved.

R/005 5. Senior Post Holder Objectives 2022-23 and 2023-24

Covered under a confidential minute.

The report was noted and objectives for 2023/24 were approved.

R/006 6. Senior Post Holder Remuneration Code: Annual Statement of the People & Remuneration Committee 2022-2023

NT presented the report and noted that, following adoption of the AoC Colleges Senior Post Holder Remuneration Code, each college must publish a readily accessible annual statement, based on an annual report to its governing body. As the People and Remuneration Committee were a joined Committee last year, and this is the year of the report, the report related to the People and Remuneration Committee.

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 explain. In March 2023, the Board approved a statement which 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 **approved** the Senior Post Holder Remuneration Code: Annual Statement of the People & Remuneration Committee 2022/2023. It was confirmed that this would be presented to the Board at the December 2023 meeting and then published on the College website.

Action: NT to include the Senior Post Holder Remuneration Code: Annual Statement of the People & Remuneration Committee 2022/2023 within the December 2023 Board papers and arrange for publication on the College website.

The report was approved.

R/007 7. Strategic Risk Register

VC presented the report and highlighted the following:

- The Executive Team had undertaken a review of all risks of the register as at the end of the 2022/2023 academic year. Minor wording changes had been made, including the addition of “high quality” within Risk 1 (*Inability to deliver planned, high quality, curriculum provision leads to failure to meet student outcome and progression targets*) which was specific to the oversight of this Committee, however the majority of risks remained substantially unchanged.
- Changes included the addition of two new risks covering the College’s impact on the environment and the potential impact of the ONS reclassification of the College. In relation to the College now being part of central government, there were new restrictions on senior pay as discussed earlier in the Committee. The Committee would need to consider this guidance with future SPH recruitment, salary reviews and consideration of the application of pay awards. The Board were also due to be asked to review revisions to the Financial Regulations in line with DfE guidance relating to ex-gratia and severance payments.
- As reported to governors towards the end of 2022/23, risks relating to Ofsted and DfE/FEC intervention had been removed from the register following the successful Ofsted inspection and the College’s removal from Post Intervention Monitoring Support (PIMS) in March 2023.
- In relation to risk appetite, it was proposed following the above the tolerable level of risk appetite for the teaching and learning category is raised from ‘open’ to ‘willing’.

There were no risks on the Strategic Risk Register allocated to the Remuneration Committee.

The report was noted.

R/008 8. Any Other Business

The Committee **noted** that some of the items discussed related to People Committee matters, such as the College’s approach to EDI. Where this was the case, the Committee would note these items for consideration at the subsequent People Committee.

R/009 9. Date of Next Meeting

Thursday 13 June 2024 at 5pm