

MINUTES OF THE JOINT MEETING OF THE SEARCH AND GOVERNANCE AND REMUNERATION COMMITTEES HELD ON WEDNESDAY 24TH OCTOBER 2018

PRESENT:

<u>Search & Governance Committee:</u>	<u>Remuneration Committee:</u>
John Bolt (Chair)	Stan Baldwin (Chair)
John Callaghan (Principal)	John Bolt
Joan Smith	Lucy Lee
	Kate Whiting (External Member)

IN ATTENDANCE: Theresa Lynch (Clerk)

1. 1.1 Apologies for Absence

Apologies for absence were received from Geraldine Swanton.

1.2 Declarations of Interest

The Chair explained that he had been involved in the AOC meeting that finalised the Senior Staff Remuneration Code prior to consultation.

2. Pay Award for Senior Postholders and Clerk

The Principal and the Clerk left the meeting during consideration of this item.

The members of the Remuneration Committee **agreed** to recommend to the Corporation payment of the 1% pay award for senior postholders and the Clerk, in line with all staff at the College, with effect from 1st August 2018.

3. Colleges Senior Staff Remuneration Code

Detailed discussion took place regarding the Senior Staff Remuneration Code that had been circulated by the AOC for consultation. The consultation process would end on 23rd November 2018 and colleges had been asked to provide comments. It was noted that it was anticipated that colleges would adopt the Code or provide an explanation where this was not the case.

Q. Is there anything that the College does not currently do that is contained within the Code?

A. The College conducted its business largely in line with the Code, but generally did not give performance related pay. Discussion took place regarding paid work for SPHs with other organisations and it was noted that approval for this was currently delegated to the Principal. It was suggested that where there were circumstances of this kind this should be reported to the Remuneration Committee.

Detailed discussion took place regarding section 5 of the guidance with regard to median pay multiples and the methodology for benchmarking the Principal's pay in relation to the multiple of the median pay of the entire workforce.

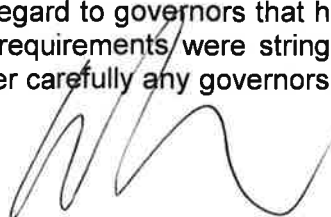
It was noted that the Code included the requirement to have a policy for severance agreements for SPHs and it was noted that the College had a Policy that set out the general principles for such arrangements for all staff.

Response contained at appendix 1.

4. Eligibility of Governors under OfS Fit and Proper Person Requirements

Members of the Search and Governance Committee discussed the OfS Fit and Proper Person Requirements with regard to governors that had had business that had become insolvent. It was noted that the OfS requirements were stringent in terms of governors' eligibility and it may be necessary to consider carefully any governors who have had insolvent companies.

KS BALDWIN



13th November 2018.

AGREED CONSULTATION RESPONSE:

- The deadline for consultation responses is Friday 23 November 2018.
- Please submit one response per college/organisation. Ideally this response should come from the Chair of the Remuneration Committee.

Amendment to the AoC Code of Good Governance for English Colleges

The proposed amendment to the AoC Code of Good Governance for English Colleges is reasonable	Strongly agree
The overall approach set out in the Remuneration Code is reasonable	Strongly agree
The introduction gives sufficient context to ensure that those reading the code understand the nature of the task in determining remuneration within FE	Strongly agree
The Remuneration Code makes it clear that it is independent members of the governing body who are accountable for the remuneration of senior post holders	Strongly agree
The code uses the notion of 3 elements required for fair and appropriate remuneration - a fair and appropriate level; procedural fairness; and transparency and accountability. Do you agree with these?	Strongly agree
<ul style="list-style-type: none"> a. Element 1 is a reasonable statement of what a fair and appropriate level might mean b. The set of principles that underpin Element 1 are reasonable c. Element 2 is a reasonable statement of what procedural fairness might mean d. The set of principles that underpin Element 2 are reasonable e. Element 3 is a reasonable statement of what transparency and accountability might mean f. The set of principles that underpin Element 3 are reasonable 	Strongly agree
COMMENTS:	More consideration is required regarding element 3(e) with regard to publishing the pay multiple of the Principal and the median earnings of the institutions' given the contextual differences between colleges.
The overall approach set out in the explanatory notes and guidance is reasonable	Strongly agree
There are principles that need further explanatory comment	Strongly agree
The explanatory notes are useful	Strongly agree
These proposals will lead to more transparent explanations of senior post holder remuneration being provided to the public	Strongly agree
These proposals will improve the governance of senior post holder remuneration	Strongly agree
These proposals will assist institutions in demonstrating the value for money secured from the funds at their disposal	Strongly agree