

## Board of Management

### MINUTES of the MEETING of the PERFORMANCE, REVIEW AND REMUNERATION COMMITTEE held in the Board Room, 1 Inverness Campus on Thursday 30<sup>th</sup> March 2017

**PRESENT:** Brian Henderson (by VC), Neil Stewart, John Wilson  
**CHAIR:** John Wilson  
**APOLOGIES:** Hazel Allen, Louise James,  
**ATTENDING:** Principal  
 Director of Organisational Development (for item 1 and part of item 2)  
 Board Secretary

#### 1. MINUTES

The Minutes of the Meeting of the Performance Review and Remuneration Committee held on 31 January 2017 were **AGREED** as a correct record, were **APPROVED** and signed.

#### 2. DIRECTOR OF FINANCE

A report by the Director of Organisational Development advised that since the Director of Corporate Services Niall McArthur left the college in February 2016, the college had not been successful in attracting or retaining a suitable replacement on the current terms and conditions. The post had been advertised with a salary of £57,804.

Simultaneously, Moray College had representation from the Scottish Funding Council and UHI that a shared Finance post (50/50) between both colleges was one of the caveats to release the finance necessary for Moray's Voluntary Severance Scheme that underpinned their recovery plan. To further support Moray, UHI Executive Office had seconded further finance support to Moray to support them through their financial recovery plan. The secondment would run for a period of 12 – 18 months.

The underpinning principle of the senior management pay structure was to balance the need to attract high calibre people to manage the college with the need to ensure best value. The Board was committed to ensuring the college Senior Management Team was fairly remunerated and contributed to the College's overall performance. In 2012 it was agreed that this would be achieved by:

- ensuring an open and transparent method of evaluating the jobs of all senior managers including reference to the relationship between senior management pay and other employees of the college;
- reference to the senior management pay structure in relation to other comparable institutions in the sector of similar size and income;
- Reference to the governments' approach to remuneration in the public sector;

- Affordability;
- Reference to the pension effect of remuneration proposals.

In February 2014, Northgate Arinso had been tasked with evaluating the SMT roles. The report at that time proposed an 11% change to the remuneration of the Directors' posts. This action was not taken due to the political context at the time.

The Job Evaluation for the Director of Corporate Services undertaken in 2014 was further reviewed by Eden Scott in light of the dual Moray and Inverness responsibilities and the sole focus on Finance. The overall responsibility in relation to the wider context was larger, however this was slightly offset by the narrower focus of the post on Finance.

It was therefore proposed that the post be advertised with a salary of £63,289. This was based on an assumption that a salary of £60,000 was implemented in 2013/14 which, following annual pay awards, would equate to £63,289 as at April 2016.

The Committee considered the report in detail and based on the discussion which followed and on the further information provided by the Principal, it was its understanding that

- For the period during which Moray College had a secondment from UHI to undertake its financial recovery plan, the secondment of 50% of the Director of Finance post to Moray College would not be required.
- 50% of the full economic cost (FEC) of the Director of Finance post would be met by either UHI or Moray college during this period.
- When 50% of the Director of Finance post was eventually seconded to Moray College, payment of 50% of the FEC would continue to be met by either UHI or Moray College.
- The College had been unable to recruit a Director of Corporate Services over the last year and the College could not sustain this vacancy. The College had to manage this risk and could defend the increase in the salary of the Director of Finance post.
- Responsibility for the management of the ICT and Estates functions, which were not included within the Director of Finance job description would have to be allocated to other members of the SMT. The resource and financial consequences of the allocation of these responsibilities had to be understood.

The question was asked whether the full duties and responsibilities of the Post of Director of Finance could be undertaken on a part time basis, effectively 17.5 hours per week? The Principal advised that this ought to be possible with some redistribution of other responsibilities but that an accountant might be required to provide some backfill.

The Committee **AGREED** that

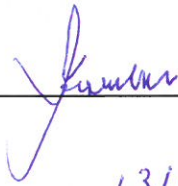
1. the Post of Director of Finance be advertised, based on the job description circulated, on a salary of £63,289
2. the recent job evaluation exercise which was carried out for the Director of Finance post be shared with the Chair and another Committee Member



3. A job evaluation exercise be undertaken of all Senior Management Team posts. The evaluation to be based on the reallocation of the management responsibilities for both ICT and Estates functions to members of the SMT and that the evaluation would be submitted to a future meeting of the PR&R Committee for consideration.
4. During the period Moray College had a secondment from UHI to deal with their financial recovery, commitment be sought in writing from UHI and/or Moray College that 50% of the FEC for the post of Director of Finance would be met by one of them and that Inverness College would not carry the full economic costs. Once the Post of Director of Finance was seconded to Moray College on a 50% basis, 50% of the FEC of the post would continue to be met by either UHI or Moray College.

Signed by the Chair: \_\_\_\_\_

Date: \_\_\_\_\_



13/6/2017

