

## Board of Management

### MINUTES of the MEETING of the PERFORMANCE, REVIEW AND REMUNERATION COMMITTEE held in Room 220, 1 Inverness Campus on Tuesday 31 January 2017

**PRESENT:** Louise James, Neil Stewart, John Wilson  
**CHAIR:** John Wilson  
**APOLOGIES:** Hazel Allen, Brian Henderson  
**ATTENDING:** Principal  
Director of Organisational Development  
College Secretary

#### 1. MINUTES

The Minutes of the Meeting of the Performance Review and Remuneration Committee held on 25 February 2016 were **AGREED** as a correct record, were **APPROVED** and signed.

#### 2. PRINCIPAL, SMT AND RESEARCH STAFF 2016/17 PAY RISE

A report by the Director of Organisational Development advised that the Principal, SMT and Research Staff did not come under the scope of the National Recognition and Procedure Agreement.

Historically the Board had aimed 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 efficiency in Senior Management Team pay bill and had worked with the college Principal to deliver a streamlined and effective senior management structure.

The criteria to consider in determining pay for the SMT included:

- Reference to the pay model and job evaluation
- Reference to the SMT pay structure in comparison to other comparable colleges of a similar size and income.
- Reference to the government's approach to remuneration in the public sector
- Affordability
- Pension effect of remuneration proposals

The proposal was to pay the same flat cash settlement of £550 consolidated increase consistent with the nationally negotiated pay award for all other staff.

The Committee discussed at length the proposal and the risks. A flat cash settlement of £550 for the senior management team posts would erode the differentials between operational managers at grade J and K and the SMT. The Principal and SMT would receive the lowest percentage increase in real terms. Also, going forward, this strategy built in potential risk in attracting and recruiting staff at this senior level.

The risks presented for SMT did not apply in the same way to research staff on research terms and conditions. The implementation of the same pay rise would keep them in step with their counterparts on the pay model and therefore maintain the integrity of their pay in light of Job Evaluation.

In spite of the inherent future risks, the Committee on this occasion **APPROVED** the pay rise of a flat cash settlement consolidated increase of £550 for 2016/17, effective from 1 April 2016 for the Principal. SMT and Research Staff which was consistent with the nationally negotiated pay award for all other staff. The Committee fully recognised that there might well be a need to revisit this decision if these risks became a real problem.

Signed by the Chair: Nest Stuart

Date: 30 / 3 / 17