

## Nominations and Remuneration Committee Meeting

Date of Meeting	Monday 15 August 2016
Paper Title	GCRB Establishment and Budget
Agenda Item	9
Paper Number	NRC1-E
Responsible Officer	Robin Ashton, GCRB Executive Director
Status	Disclosable
Action	For Noting

### 1. Report Purpose

- 1.1. The purpose of this report is to provide the Committee with an update on the GCRB establishment and a financial report for 2015/16 year end.

### 2. Recommendations

- 2.1. The Committee is invited to:

- **note** the GCRB establishment and budgetary information contained within this report; and
- **note** the draft permanent secondment agreement between GCRB, Glasgow Kelvin and Robin Ashton.

### 3. GCRB Establishment and Budget

- 3.1 GCRB's current establishment is as follows:

Post	Budget FTE	Actual FTE
Executive Director	1.0	1.0
Executive Assistant (maternity cover)	1.0	1.0

With respect to the Executive Director post, due to potential issues in relation to pensions (the most significant aspect being the risk of GCRB becoming liable for a one-off pension charge relating to the difference between: the incoming transfer value from new Executive Director's existing pension scheme; and the pension liability as at the date of appointment) it was agreed by GCRB that the best approach was to establish a 'permanent secondment' arrangement between the candidate's existing employer, Glasgow Kelvin College, and GCRB. Under this arrangement, the candidate's pension scheme will remain unchanged. Further, because of the different management and funding arrangements for that scheme, it is very unlikely that any form of one-off charge will crystallise.

- 3.2 With advice from HR colleagues at Glasgow Clyde College, the Chair of GCRB discussed the detailed arrangements with Glasgow Kelvin College and a draft secondment contract has been developed.

- 3.3** The contract takes the form of a 'permanent secondment' arrangement between Glasgow Kelvin College, Glasgow Colleges' Regional Board and Robin Ashton. The draft contract was drawn up by Morton Fraser, employment lawyers for Glasgow Kelvin College and is currently being reviewed by GCRB's lawyers, CMS Cameron McKenna LLP. As this contains information about a single named individual, a copy will be provided at the meeting of the Committee for members' information and comment.
- 3.4** Following agreement of the secondment contract for the Executive Director, a further secondment agreement will require to be drawn up for the GCRB Executive Assistant with Clyde College.
- 3.5** The following is an estimate of the staffing expenditure for the period to 1st August 2015 to 31st July 2016.

<b>Glasgow Colleges' Regional Board Projected Income &amp; Expenditure 12 months to 31 July 2016</b>				
	<b>Reported 05/10/2015</b>	<b>Reported 25/01/2016</b>	<b>Reported 21/03/2016</b>	<b>Current Projection</b>
<b>Income</b>				
SFC College Funds C/Fwd	£69,379	£107,171	£118,371	£118,371
Colleges	£225,000	£225,000	£225,000	£225,000
	<b>£294,379</b>	<b>£332,171</b>	<b>£343,371</b>	<b>£343,371</b>
<b>Expenditure</b>				
Staffing	£181,132	£198,025	£198,025	£181,025
Chair	£34,320	£34,320	£34,320	£45,208
External Audit fees	£30,000	£10,000	£10,000	£17,500
Office Expenses	£20,000	£10,000	£10,000	£10,000
Internal Audit fees	£12,000	£12,000	£12,000	£7,110
Legal Fees	£10,000	£2,000	£2,000	£2,000
Board Expenses	£7,500	£7,500	£7,500	£4,000
	<b>£294,952</b>	<b>£273,845</b>	<b>£273,845</b>	<b>£266,843</b>
Surplus	(£573)	£58,326	£69,526	£76,528

- 3.6** GCRB have been charged by the Scottish Funding Council for the full cost of Interim Chief Officer for the period beyond the original period of the secondment (i.e. from 11 November 2015 to 31 March 2016). The staff costs for 2015-16 also include staffing that is required to cover a maternity leave. Offsetting this City of Glasgow College provided an interim Chief Executive at no cost to GCRB for April and part of May 2016.
- 3.7** The increased cost of the Chair reflects the additional days worked by the current and former Chair to address issues raised by the auditors during financial year 2014-15.
- 3.8** In terms of staffing costs for the 2016/17 academic year, funding allocations are still being considered by the GCRB Board and a projected 2016/17 staffing expenditure budget will be provided at the next meeting of the Committee.

#### **4. Risk Analysis**

- 4.1.** There are no specific risks associated with this paper.

**5. Legal Implications**

- 5.1.** Members should note the draft legal contract for the establishment of a permanent secondment agreement between GCRB, Glasgow Kelvin and Robin Ashton.

**6. Financial Implications**

- 6.1.** The GCRB running costs are fully funded by the Glasgow Colleges therefore this creates an additional pressure on the Colleges funding that most other Colleges do not experience.

**7. Regional Outcome Agreement Implications**

- 7.1.** There are no specific implications for the Regional Outcome Agreement associated with this paper