

Nominations and Remuneration Committee Meeting

Date of Meeting	Wednesday 30 March 2016
Paper Title	GCRB establishment
Agenda Item	9
Paper Number	NRC6-D
Responsible Officer	Martin Fairbairn, Interim Chief Officer
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 establishment of GCRB and to review remuneration levels, pay awards, pensions and terms and conditions.

2. Recommendations

- 2.1.** The Committee is invited to **comment** on this report.

3. Establishment and HR matters

- 3.1.** GCRB's budgeted and current establishment as at 31 March 2016 is as follows:

Post	Budget FTE	Actual FTE
Executive Director / Interim Chief Officer	1.0	1.0 FTE (secondment from SFC)
Senior governance post / Board Secretary	1.0	0.0 FTE
Executive Assistant (maternity cover)	1.0	1.0

- 3.2.** Wendy Odedina started her maternity leave on 30 November 2015. Her role is being covered by Sandra Hampson, who has been recruited externally on a fixed-term contract.
- 3.3.** As noted in paragraph 6.2, all aspects of GCRB employment are linked to those of Glasgow Clyde College. In March Glasgow Clyde College implemented a backdated pay award for its support staff of 1%, and this has been applied to both of the direct employees of GCRB.

4. Summary income and expenditure

- 4.1.** The following is an estimate of the income and expenditure for the period to 1st August 2015 to 31st July 2016.

Glasgow Colleges' Regional Board**Projected Income & Expenditure****12 months to 31/7/16**

	Reported 05/10/2015	Reported 25/01/2016	Current Projection
Income			
SFC College Funds C/Fwd	£69,379	£107,171	£118,371
Colleges	£225,000	£225,000	£225,000
	£294,379	£332,171	£343,371
Expenditure			
Staffing	£181,132	£198,025	£198,025
Chair	£34,320	£34,320	£34,320
External Audit fees	£30,000	£10,000	£10,000
Office expenses	£20,000	£10,000	£10,000
Internal Audit fees	£12,000	£12,000	£12,000
Legal Fees	£10,000	£2,000	£2,000
Board expenses	£7,500	£7,500	£7,500
	£294,952	£273,845	£273,845
Surplus	(£573)	£58,326	£69,526

- 4.2.** The increase in projected staffing costs is mainly due to the GCRB being 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 onwards). The staff costs for 2015-16 also include staffing that is required to cover a maternity period. The forecast assumes there will be full coverage of staff throughout the year. The external audit fee reflects the reduction that is expected for the audit of the 15/16 accounts.

5. Estimated income and expenditure for 2016-17

- 5.1.** The following is an estimate of the income and expenditure for the period to 1st August 2016 to 31st July 2017:

Glasgow Colleges' Regional Board		
Projected Income & Expenditure		
12 months to 31/7/17		
	1516 Projection	1617 Budget
Income		
SFC College Funds C/Fwd	£118,371	£69,526
Colleges	£225,000	£180,000
	£343,371	£249,526
Expenditure		
Staffing	£198,025	£159,502
Chair	£34,320	£34,663
External Audit fees	£10,000	£10,300
Office expenses	£10,000	£10,000
Internal Audit fees	£12,000	£12,360
Legal Fees	£2,000	£2,000
Board expenses	£7,500	£7,500
	£273,845	£236,325
Surplus	£69,526	£13,201

5.2. The decrease in projected staffing costs is mainly due to the fact that the new Chief Officer is assumed to be on a lower salary than the seconded senior director from the SFC. GCRB during 2015-16 is being charged by SFC for the full cost of Interim Chief Officer from 11 November 2015 onwards. The staff costs for 2015-16 also include staffing that is required to cover a maternity period. The forecast assumes there will be full coverage of staff throughout the year. Other costs have generally gone up with inflation.

5.3. The SFC College funds carried forward are subject to audit confirmation.

5.4. Until we know the total funding allocation for Glasgow, it is not appropriate to confirm any budgets for 2016-17.

6. Annual review of remuneration levels, pensions and terms and conditions

6.1. At a previous meeting the Committee agreed that it should conduct an annual review of remuneration levels, pensions and terms and conditions.

6.2. GCRB has two established posts and two current employees (one of whom is on maternity leave). As previously reported to the Committee, all aspects of GCRB employment are linked to those of Glasgow Clyde College. This includes the job evaluation and grading of both posts. (The Executive Assistant post is on Level 6.5 within the Glasgow Clyde College grading structure.)

6.3. As previously reported to the Committee, GCRB is a member of the Strathclyde Pension Fund and both posts are eligible to be members of that pension scheme. At its meeting on 5 October 2015 the Committee considered the risks of a small organisation joining the Strathclyde Pension Fund, particularly the financial and accounting risks, but noted that if GCRB chose not to join, this could affect future recruitment and would be

different to the rest of the sector. The Committee noted these risks, but agreed that arrangements should continue for GCRB to join the scheme.

6.4. The key elements of Glasgow Clyde College's other terms and conditions are a working week of 35 hours and an annual leave entitlement of 30 days plus 14 public holidays.

6.5. The current Interim Chief Officer is on secondment from the Scottish Funding Council at a cost of £12,774 per month, including employer pension and national insurance costs. The current secondment agreement ends on 31 March 2016. The Chair of GCRB is discussing with the Scottish Funding Council arrangements for the handover to the new Executive Director.

7. Risk Analysis

7.1. There are no specific risks associated with this paper.

8. Legal Implications

8.1. There are no specific legal implications arising from this paper.

9. Financial Implications

9.1. There are no specific financial implications arising from this paper.

10. Regional Outcome Agreement Implications

10.1. There are no specific implications for the Regional Outcome Agreement associated with this paper.