

## Remuneration Committee Minutes

Meeting	Remuneration Committee	Date	Tuesday 7 June 2022
Location	Teams Meeting (virtual)	Time	09.00am
Membership	Jonathan Clarke (JC) (Chair), Charles Buchanan (CB), Jo Worby (JW), Peter Cheney (PC)		
In Attendance	Graham Razey, (CEO) Sharon Hollingsworth (SH) (Director of Governance) Kerry Hickmott (Minutes)		


		COMMENTS	ACTION
1	Welcome and Apologies for Absence	The Chair welcomed members to the meeting. There were no apologies.	
2	Declarations of Interest	There were no declarations other than those previously declared.	
3	Minutes of Meeting held on 23 <sup>rd</sup> November 2021	The minutes of the meeting held on 23 November 2021 were agreed as an accurate record of the meeting.  The confidential minutes from this meeting will be completed by CB and circulated in due course.  The remote e-signing of the minutes will be undertaken by the Chair following the meeting.	
4	Matters arising not covered by this Agenda:	There were no matters arising.	

5	Senior Post-holders Remuneration	<p>The Chief Executive Officer shared the proposed remuneration package for staff pay in 2022/23 which has informed the decision on senior post-holders remuneration for 2022/23.</p> <p>Due to both the cost of living crisis and harmonisation of roles across the Group, the proposals are seeking to uplift the roles across the Group that are currently paid £37,767 or less.</p> <p>The proposal contains various steps which also seek to support the reduction in staff turnover, to reduce the number of staff vacancies in low paid roles and to improve staff absence. The proposal will be considered by the Business Committee in June.</p> <p>The total cost of the proposal is between 4-5% of the overall salary cost, which is essentially between £1.2-1.5 million. It was noted that 16-18 funding has increased by 8% which will help towards this cost.</p> <p>It is planned to reduce the EBITDA from 8% to 7% to allow the Group to undertake this supportive step.</p> <p>It was queried how it would become affordable to remunerate the 140 staff who earn over the £37,767 which would not receive a pay increase within the proposals. It was noted that to give these staff the flat-rate increase this year of £500 it would amount to approximately £70,000, however the CEO suggested that to make the sum more significant a £1,000 uplift in the following year could be an alternative. The CEO commented that as applications are increased for next year, it is hoped this will bring in additional income to make this affordable.</p> <p>Governors were aware of the importance of the current climate and that the proposals demonstrates proactive support for lower paid staff in these difficult financial times.</p>	
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		<p>It is also planned to look at other initiatives to support all staff such as reward schemes and salary sacrifice schemes.</p> <p><b>Noted:</b> The proposed remuneration package for 2022/23  <b>Agreed:</b> That all senior post-holders receive a 0% increase in 2022/23.</p>	
6	Senior Post-holder Sabbatical Policy	<p>The Chief Executive Officer presented a paper seeking support to implement a sabbatical policy for the senior post-holders of EKC Group. It is proposed that the sabbatical leave could be applied for once every 5 years.</p> <p>It was suggested that the sabbatical is for a maximum of 6 weeks at full pay, which would include 2 weeks of annual leave during that period.</p> <p>It was requested that additional information is added to the policy to provide clarity on when the 5 years would run from and when the next period becomes eligible. It was agreed that two senior post-holders could not take sabbatical leave at the same time.</p> <p>The governors were supportive of the policy subject to the minor amendments stated above.</p> <p><b>Agreed:</b> The senior post-holder sabbatical policy, subject to minor amendments</p> <p><i>CB left the meeting at 09.45am</i></p>	
7	Remuneration of the Group Chair (Group Chair not present))	<p>The Committee noted the position regarding the Remuneration of the Group Chair and were asked to agree next steps.</p> <p>The current order, made under section 105 of the Charities Act 2011 to remunerate the Group Chair is due to expire on 4 September 2022. A new application is therefore required, should the committee wish to continue to remunerate the Chair for a further two years.</p>	

		<p>It was queried what will happen when the next period expires and whether this will continue to be a repetitive process.</p> <p>It was noted that more colleges are considering the remuneration of their Chair and it is expected that over the next two years, the sector will make a decision whether to pay Chairs in FE.</p> <p>The members were supportive of making a third application at the same rate for 2 years.</p> <p>The Director of Governance will draft the application and share it with the committee members prior to submission.</p> <p>The panel were also asked to agree a date to complete the Chair's performance review. This is confirmed for 28th June at 11.30am on Teams.</p> <p style="text-align: center;"><b>Agreed: to submit a request to the Charity Commission to consider authorising a further order to continue to pay Charles Buchanan</b></p>	
8	Any other business	There was no other business.	
9	Matters considered confidential	There were no items considered confidential at the meeting.	
10	Date and Time of Next Meeting	Tuesday 22 <sup>nd</sup> November 2022, 10.30am.	

There being no further business the meeting closed at 10.02 am

Signed: 

Print: Miranda Chapman

Date: 22/11/22