

Minutes of the Remuneration & Reward Sub-Committee Held in the Committee Room at 20 Links Parade on Wednesday 16th November 2016.

Present: J Gilbert (Remuneration & Reward Convenor), P Sawers, C Yule, G Murray, I Frier

In Attendance: G Duncan (General Manager)

The meeting began at 1400 hours.

1. Apologies

There were none.

2. Declarations of Interest

There were none.

3. General Managers Retiral Update

P Sawers summarised the report and gave the reasons for the proposal to use a recruitment agency and also the reasoning behind the proposed salary. P Sawers said that the recruitment agency could work for a fixed price or a percentage basis. G Murray said that a fixed price contract would be preferable and the committee agreed.

J Gilbert pointed out that although the committee had a year to recruit the Chief Executive, it was important to make progress as it could take some time to identify the right individual. The Committee gave permission for the 3 appointed Trustees (P Sawers, A McKeown and T Healey) to contact recruitment agencies, make progress as set out in the Recruitment of Chief Executive report and report back to the Remuneration and Reward Committee in due course. J Gilbert pointed out that whatever was agreed, would need to be referred to the Finance Committee for affordability.

4. Overall Salary Costs Report

J Gilbert referred the Committee to the Overall Salary Costs Report and to the potential increase to the salaries budget if all the proposals were agreed. He said one of the main objectives of the Remuneration and Reward Sub-Committee was to exercise control over

the salaries budget and to ensure it remained affordable. He asked the Committee members to bear this in mind as they considered each of the items.

5. Legislation Changes

G Duncan explained that legislation changes were unavoidable. He explained that there would be no increase in employer's pension contribution for 2017/18 which would remain at 17%. The living wage would rise by 20p an hour and said that this would only impact a small amount of employees. The Chancellor would make his Autumn statement on 23rd November 2016 where he would reveal the employer NIC rate for 2017/18. This was presently at 13.8%.

6. Annual Cost of Living Increase

Following discussion and using the CPI as a guideline, the Committee made a recommendation for a cost of living increase for 2017/18. Details are provided on the confidential addendum to the minute.

7. Annual Staff Bonus

The Committee agreed that the annual staff bonus had become an expected part of the staff salary bill and that it needed to be reviewed. Following discussion, it was agreed that a different method be used for the staff bonus in 2017/18. Details are provided on the confidential addendum to the minute.

8. Salary Banding Increase

Details are provided on the confidential addendum to the minute.

9. Ad-Hoc Bonuses

Details are provided on the confidential addendum to the minute.

10. Recruitment of a PR Employee

Following discussion, the salary, method of recruitment and terms of conditions for a PR employee were agreed. It was also agreed that, if funds were available, a PR employee should be recruited as soon as possible.

G Murray asked G Duncan to provide him with an update on the salary budget, so that he could make an assessment for the affordability.

11. Overall Salary Costs Report

J Gilberts asked G Duncan to prepare a revised overall salary costs report, based on the recommendations from the Sub-Committee. Details are provided on the confidential addendum to the minute.

J Gilbert emphasised that all the costs would require to go to the Finance Sub-Committee for approval.

12. Staff Changes

J Gilbert referred the Committee to the staff changes report but said he felt that it had been a long meeting and this report would require detailed scrutiny. He recommended that the Sub-Committee should reconvene shortly to discuss this report and this was agreed.

13. Any Other Competent Business

There was no other business.

The meeting closed at 1550 hours.