

**REMUNERATION COMMITTEE OF THE BOARD OF GOVERNORS OF THE
GUILDHALL SCHOOL OF MUSIC & DRAMA
Tuesday, 18 July 2017**

Minutes of the meeting of the Remuneration Committee of the Board of Governors of
the Guildhall School of Music & Drama held at Committee Room - 2nd Floor West
Wing, Guildhall on Tuesday, 18 July 2017 at 10.30 am

Present

Members:

Sir Andrew Burns (Chairman)
Deputy John Bennett (Deputy Chairman)
Michael Hoffman
Vivienne Littlechild
Sheriff & Alderman William Russell
Lynne Williams

Officers:

Chrissie Morgan	-	Director of Human Resources
Gemma Stokley	-	Town Clerk's Department
Julie Cornelius	-	Town Clerk's Department
Steve Eddy	-	Head of HR, Barbican and Guildhall School of Music and Drama

1. APOLOGIES

Apologies for absence were received from Jeremy Simons.

**2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN
RESPECT OF ITEMS ON THE AGENDA**

There were no declarations.

3. PUBLIC MINUTES

The public minutes of the meeting held on 23 January 2015 were considered and approved as a correct record.

MATTERS ARISING

Chairmanship of the Remuneration Committee – The Chairman of the Board of Governors stated that, for simplicity, it had been assumed that both he and the Deputy Chairman of the Board would serve as Chairman and Deputy Chairman of this Committee for the time being. He invited other Governors' views on this going forward.

A Co-opted Governor stated that he felt that, whilst it was necessary to have both the Chairman and Deputy Chairman of the Board as members of the Remuneration Committee it would be considered best practice if the Chairman of the Board were not to preside over their meetings.

All Governors, including the Chairman of the Board, concurred with this view.

It was proposed that Sir Andrew Burns, as a Co-opted Governor, independent to the City of London Corporation, therefore be appointed as Chairman of the Remuneration Committee with immediate effect and that the Chairman of the Board of Governors serve as Deputy Chairman of this body as has been the practice in previous years.

A Co-opted Governor went on to raise the fact that, elsewhere, it was felt that it was not appropriate for the Chairman and Deputy Chairman of a Board to then also preside over any of its Sub Committee. The Town Clerk explained that each of the Board's Committee's currently had their own terms of reference (which were approved annually by the full Board) setting out where it as felt appropriate for the Chairman and Deputy Chairman of the Board to preside over Committee meetings (e.g. in the case of the Board's Finance and Resources Committee) and where it was not (e.g. in the case of the Board's Audit and Risk Management Committee). Governors felt that this argument was not compelling and suggested that this was a matter that either the full Board or the Board's Governance and Effectiveness Committee might usefully consider going forward.

RESOLVED – That, Sir Andrew Burns be appointed as Chairman of the Remuneration Committee of the Board of Governors of the Guildhall School of Music and Drama and Deputy John Bennett be appointed as Deputy Chairman of the Remuneration Committee of the Board of Governors of the Guildhall School of Music and Drama for the ensuing year.

4. **THE HIGHER EDUCATION CODE OF GOVERNANCE AND THE ROLE OF REMUNERATION COMMITTEES**

The Committee received a report of the Principal of the Guildhall School of Music and Drama relative to the Higher Education Code of Governance and the role of Remuneration Committees.

The Deputy Chairman highlighted that the main elements of the HE Code of Governance of concern to this Committee were set out in paragraphs 3.13, 3.14, 3.15 and 3.16 of the Code as detailed within the report appendix. He stated that, against each of these elements, the School were required to either 'comply or explain'.

The Principal stated that the School's unique relationship with the City of London Corporation was well recognised but she highlighted that this also gave rise to difficulties in terms of the School being able to comply with various aspects of the Higher Education Code of Governance. She went on to state that, as far as compliance with the specific role of Remuneration Committees covered within the Code was concerned, the School felt that there were some areas that might usefully be looked at alongside Corporate HR to allow for greater flexibility. The Principal added that, at present, the School were uncertain as to what any requirements set out by the Office for Students might be in terms of compliance going forward.

Governors requested that the Remuneration Committee's current Terms of Reference be redistributed outside of the meeting so that these could also then be formally considered/reviewed against the requirements set out within the Code of Governance at their next meeting. The Town Clerk undertook to action this request.

The Committee proceeded to look at each of the relevant paragraphs of the Code in turn where the following points were raised:

Paragraph 3.13

Governors commented that, given the School's unusual relationship with the City of London Corporation, this Committee was clearly very much an advisory as opposed to a decision making body. It was felt however, that the Committee *should* (as opposed to *could*) feed in to the City's Establishment Committee wherever possible and should also have access to information around the City's wider salary strategy and all other relevant data within the context of the Guildhall School.

The Director of HR stated that she would be happy to provide the next meeting of this Committee with a paper setting out issues within the context of the Guildhall School as they current stand, as they were and as they would be.

With regard to succession planning, the Director of HR reported that the whole organisation now had a standards business planning template which included succession planning.

The Town Clerk questioned how frequently/when Governors felt that this Committee might usefully meet going forward. It was suggested that the next meeting of the Committee should be scheduled to take place before the end of the calendar year and that, thereafter, they should look to meet 3 times per annum to begin with in a cycle to be informed by the Head of HR for the School and Corporate HR in accordance with the cycle of relevant data being made available/published.

Paragraph 3.14

In terms of composition of the Remuneration Committee, the Principal reported that she had held discussions around brining in someone from outside of the School's Governing Body to contribute to the meetings. Governors agreed that this would be a helpful step forward and endorsed the Principal's views as to a suitable candidate.

Paragraph 3.15

In response to questions, the Head of HR, Barbican and Guildhall School of Music and Drama reported that the School's HESA annual return was submitted in August/September each year with all data confirmed by November.

The Director of HR confirmed that 'dashboards' existed for each City of London Department and that these were seen by the Establishment Committee on a regular basis. There was also a suggestion going forward that these could be

shared with all relevant Grand Committees/Boards on a cyclical basis. In response to questions, the Director reported that the dashboards contained information on things such as MFS costs, overtime costs, sickness levels etc. She went on to state that Hays had also undertaken a benchmarking exercise regarding MFS previously which had included the Guildhall School. It was suggested that this exercise could also be repeated going forward.

The Chairman commented that it would be useful to ascertain whether or not the School was a member of the Committee of University Chairs (CUC) as they tended to provide regular and useful information in terms of salary and benefits across the Higher Education sector.

In response to further questions, the Head of HR, Barbican and Guildhall School of Music reported that the School did make use of the Higher Education Role Analysis (HERA) in pay and grading decision making for academic roles as this took into account 'other factors' that the Corporation's bespoke Job Evaluation system did not. The issue, however, was that the HERA Job Evaluation system outcome then had to be 'mapped back' to a grade equivalent within the City's Job Evaluation system at present. The Director of Corporate HR reported that she was confident that this could be overcome considering that the City's three Independent Schools were not required to 'map back' to the City's own system. She stated that a separate Academic structure could be considered going forward which would then allow for greater input from the Board of Governors. She made it clear that this, however, would be a matter for Establishment Committee and Court if Common Council consideration/approval.

Paragraph 3.16

A Co-opted Governor stated that more clarification was needed around what exactly was meant by the consideration of the 'public interest' and 'the safeguarding of public funds' as spelt out within the Code of Governance within the context of the Guildhall School and this Committee.

Finally, the Committee considered how best this Committee might usefully report to the Board of Governors. It was felt that the minutes of this Committee being submitted to the Board of Governors on a regular basis was sufficient for the time being alongside and additional reports that might prove necessary as and when requested.

RECEIVED.

5. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE REMUNERATION COMMITTEE

There were no questions.

6. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There were no additional, urgent items of business for consideration.

7. **EXCLUSION OF THE PUBLIC**

RESOLVED – That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A of the Local Government Act as follows:-

Item No(s).	Paragraph No(s).
8	3
9	1&3

8. **NON PUBLIC MINUTES**

The non-public minutes of the meeting held on 23 January 2015 were considered and approved as a correct record.

9. **WORKFORCE DATA REPORT**

The Committee received a report of the Head of HR, Barbican and Guildhall School of Music and Drama setting out the current workforce profile information, exit interview data for the last year and turnover figures for staff at the Guildhall School for the last three financial years.

10. **NON PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE REMUNERATION COMMITTEE**

There were no questions raised in the non-public session.

11. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE BOARD AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

There were no urgent, additional items of business for consideration in the non-public session.

The meeting ended at 12.00 pm

Chairman

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