

## Advice to the Victorian Funds Management Corporation to pay the Head of People above the remuneration band

Advice reference            2023/10  
Date                            4 May 2023

*This advice is provided under section 37 of the Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019 (Vic).*

### Details of proposal

The Victorian Funds Management Corporation (VFMC) requested advice on a proposal to pay the following executive above the maximum of the relevant remuneration band set by the *Remuneration bands for executives employed in prescribed public entities (Victoria) Annual Adjustment Determination 2022*.

Executive	██████████
Position	Head of People
Remuneration band	PESES-1
Maximum of band	\$267,445
Proposed TRP	██████████ (including two weeks of additional annual leave valued at ██████████)
Proposed percentage above the band	██████████
Contract period	21/2/2023 – 6/11/2026

## Advice

- 1 The Victorian Independent Remuneration Tribunal (Tribunal) advises VFMC that an appropriate total remuneration package (TRP) for an executive in the position of Head of People is \$315,675 per annum.
- 2 The Tribunal also advises that the provision of more than the four weeks annual leave included in the standard public entity executive contract is substantively equivalent to additional salary and should be included in the calculation of TRP. Accordingly, if the incumbent is afforded more than four weeks annual leave their base salary would be reduced by the nominal value of the additional annual leave ( ) so that their TRP remains at \$315,675 per annum.
- 3 This TRP is considered to be appropriate for the following reasons:
  - (a) The functions and responsibilities of the position.
  - (b) The skills and experience that are relevant to the position.
  - (c) The work value score for this position.
- 4 The Tribunal also notes that its advice must be sought again for a mid-contract remuneration adjustment, reappointment or a new appointment, if it is proposed to continue paying the executive above the maximum of the remuneration band. This includes remuneration adjustments as part of VFMC's annual remuneration review process.