

Advice to the Victorian Funds Management Corporation to pay the Chief Executive Officer above the remuneration band

Advice reference 2021/39
Date 7 September 2021

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 seeks advice on a proposal to pay the following executive above the maximum of the relevant remuneration band set by the *Determination of Remuneration Bands for Executives Employed in Prescribed Public Entities No. 01/2020*:

Executive	██████████
Position	Chief Executive Officer
Remuneration band	PESES-3
Maximum of band PESES-3	\$479,900
Proposed TRP	██ ██████████
Proposed percentage above the band	██████
Contract period	27 September 2021 to 25 September 2026

Advice

- 1 The Victorian Independent Remuneration Tribunal (**Tribunal**) advises the Victorian Funds Management Corporation (**VFMC**) that it does not oppose paying the executive in the position of Chief Executive Officer the total remuneration package (**TRP**) proposed.
- 2 The Tribunal advises that an appropriate TRP for the executive in this position is \$550,000.
- 3 The Tribunal considers it appropriate that the executive be paid a TRP of \$550,000, which exceeds the maximum of the remuneration band for the following reasons:
 - (a) The skills and experience of the executive that are relevant to the position.
 - (b) It is consistent with market data provided in the submission, and available independent remuneration benchmarking analysis.
 - (c) Relativities across the Victorian public sector (noting that the Chief Executive Officer, VFMC is eligible for a bonus opportunity).
- 4 The Tribunal 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.