

## Senior Post Holder (SPH) Remuneration Annual Report 2022-23

### Background

1. The Committee's Terms of Reference can be found in Appendix 1.
2. Meetings of the Remuneration Committee were held on:  
-18 November 2022  
-9 June 2023
3. Membership of the Remuneration Committee and attendance at meetings during the year to 31 July 2023 was as follows:

Name	Category of Member	Attendance (actual v expected)
Barbara Hobday (Committee Chair)	Mercer Governor	2/2
Graham Lawrence (Chair of Governing Body)	Independent Governor	2/2
Ann Donoghue (Deputy Chair)	Independent Governor	2/2

### Approach to Remuneration

4. In 2022-23, the following roles were designated as Senior Post Holders (SPH) and therefore fall within the remit of the Remuneration Committee:
  - Principal
  - Deputy Principal

The remuneration of the following post-holders is also considered by the Remuneration Committee:

- Vice Principal (Pastoral)
  - Vice Principal (Curriculum)
  - Finance Director
  - Clerk to the Governing Body
5. The Governing Body agreed to adopt the **Association of Colleges Code of Good Governance** from the point of the 2022-2023 accounts which includes Annex 1 SPH Remuneration Code (updated Sept 2021).

Governors were made aware by the Clerk that a draft revised Code was under consultation during the year and this may inform future reporting requirements.

The Remuneration Committee is committed to the following principles:

- A framework for SPH remuneration which is fair and informed by information about the range of salaries and the median earnings of all staff and the College's ability to pay;
- Decision-making processes for SPH remuneration that are fair, transparent and accountable.

6. The Remuneration Committee takes into account the following:

- The use of public funds and the financial health of the College, in particular with respect to senior pay controls arising from ONS reclassification of colleges back to the public sector;
- Performance and achievement evidenced through each individual's annual appraisal discussion;
- Other relevant factors such as pension provision;
- The overall performance of the College;
- The College's position against national benchmarks;
- Salary levels within the sector;
- Inflation;
- Other environmental factors affecting the College;
- The Equality and Diversity Policy;
- The College's Mission, Vision and Values
- The Nolan Principles of Public Life

7. In advising the Governing Body the Committee will consider:

- Appropriate remuneration, other terms and conditions for SPHs;
- The effectiveness of the SPH appraisal process and the extent to which performance targets are met;
- The adequacy of SPH job descriptions;
- Any concerns in relation to capability or conduct; and
- SPHs' career ambitions and development plans;

8. The data that supports these indicators is drawn from the following sources:

- (a) Data published by the ESFA – [college accounts](#)
- (b) SFCA Leadership Pay and annual sector work force surveys
- (c) AoC Senior Pay survey (where appropriate)
- (d) NJC pay framework

## **Institutional Performance**

9. The College was inspected by Ofsted in December 2021 and judged 'Good' with judgement of 'Outstanding' for Behaviour and Attitudes.

10. In its letter of October 2023, the Education and Skills Funding Agency confirmed a financial health grading of 'Outstanding' for 2022-2023 (the latest outturn forecast year).

## Remuneration Comparison

11. The table below outlines the total remuneration for the Principal, with year on- year comparator data, as follows:

<b>Emoluments of the Principal</b>	<b>2022-23 £</b>	<b>2021-22 £</b>	<b>2020-21 £</b>	<b>2019-20 £</b>
Salary	110,000	99,583	96,619	113,619
Performance related pay	N/A	N/A	N/A	N/A
Benefits	N/A	N/A	N/A	N/A
Sub-total	110,000	99,583	96,619	113,619
Pension costs	25,851	23,581	22,871	26,243
<b>Total</b>	<b>132,018</b>	<b>123,164</b>	<b>119,490</b>	<b>139,862</b>

*There was a change in Principal from September 2020*

12. The Governing Body does not operate a system of performance related pay for the Principal.
13. The current value for the College of the pay multiple of the Principal's earnings against the median of all staff is **2.9**

## Terms of Appointments

14. The College includes an exclusivity of service clause in its SPH employment contract.
15. There were no instances of the Principal retaining income generated from external bodies during the year.
16. The notice period for all SPHs is 6 months.

## Severance Payments

17. There were no severance payments made to senior post-holders during the period 1 August 2022 to 31 July 2023.

## Expenses Policy

18. The College operates a single expenses policy. The expenses of the Deputy Principal and the rest of the Senior Management Team are approved by the Principal. The expenses of the Principal and Clerk are reviewed and approved by the Chair of the Governing Body.

## **Terms of Reference of THE REMUNERATION COMMITTEE**

### **Aim**

The purpose of the Remuneration Committee is to consider the performance management and remuneration of Senior Postholders (SPHs), SMT and the Clerk and make pay recommendations to the Finance and General Purposes Committee.

### **Membership**

The members of the Committee shall be the Chair of the Governing Body and at least two other Governors, at least one of whom should be a member of the Finance and General Purposes Committee. The Chair shall be one of the Governor members (excluding the Chair of the Governing Body) elected annually at the summer term meeting of the Governing Body.

The Principal will normally be in attendance to present the recommendations on senior management pay, other than that of the Principal, and for any other agenda items at the Committee's request.

The Committee may decide to co-opt other persons with appropriate expertise from time to time as appropriate. A co-opted member will have full voting rights and may contribute to the quorum so long as they remain in the minority.

A quorum shall be two members, at least one of whom shall be the Chair of the Governing Body.

### **Responsibilities**

The Remuneration Committee will review and make recommendations to the Governing Body on:

1. Succession planning and the policy and procedures for the recruitment and if necessary dismissal, of senior postholders and the Clerk;
2. The grading, appraisal, suspension and pay and conditions of service of the holders of senior posts and the Clerk ;
3. The annual remuneration of the holders of senior posts and Clerk on the basis of the appraisal and review of targets undertaken by the Chair of the Governing Body.
4. Any severance arrangements in the event of early termination of employment of the holders of senior posts and the Clerk;
5. The recommendations of the Principal with regard to the remuneration of the Senior Management Team taking account of their annual appraisal and the College's Pay Policy;
6. Any other relevant matters delegated by the Governing Body from time to time.

NB Any financial implications of the above will be advised to the Finance and General Purposes Committee – prior to recommendation to the Governing Body - as a recommendation of the total monies required to ensure that these are within the budget.

The Committee will take regard to ESFA guidance specifically related to senior pay controls issued since reclassification to ensure adherence with the principles of MPM. This also includes seeking consent for compensation and severance payments and ex-gratia payments for SPHs where applicable.

### **Proceedings**

The Remuneration Committee will meet at least annually and as required.

The Clerk will service the committee. Formal minutes will be taken of all meetings. Decisions on remuneration will be recorded in a confidential minute by a member of the committee who will act as clerk for that part of the meeting.

A report of the Committee's work will be published in the College's Financial Statements as will information about the remuneration of key management personnel.