

Senior Post Holder Remuneration Policy 2024-25

1 Overview Information

Policy Manager:	Director of Governance and Company Secretary
Approval Dates for Revisions:	
Academic Board/College Leaders	
Equality Impact Assessment	
Search, Governance and Remuneration Committee:	17 October 2024
Governing Body	11 December 2024
Effective Date:	12 December 2024
Annual Review Date:	Autumn 2025

Introduction

1. This policy is to ensure that the Corporation operates in a transparent and accountable framework when dealing with the pay for Senior Post Holders and in line with guidance in the Association of Colleges' Senior Post Holder Remuneration Code (December 2018).
2. The College adopted the Senior Post Holder Remuneration Code on 20 October 2022.

Scope

3. Senior Post Holders are defined in the Instruments and Articles and apply to the Principal and Director of Governance.
4. Responsibility for remuneration of Senior Post Holders rests with the Search, Governance and Remuneration Committee.

Guidance

5. The framework for remuneration and pay should be:
 - a) fair, appropriate and justifiable
 - b) subject to procedural fairness
 - c) transparent and accountable
6. To be fair, appropriate and justifiable:
 - a) Pay should be considered in the context in which the College operates.
 - b) Pay must be linked to the value delivered by the individual (based on a number of components).
 - c) Pay must consider equality, diversity and inclusion to ensure there are no biases pertaining to gender or other protected characteristics.
 - d) Clarity is needed about what is expected from staff i.e. what is 'normal' and what is 'exceptional'.
 - e) There must be a robust and consistent process for setting objectives and assessing an individual's contribution.
 - f) Awards made in respect of annual bonus arrangements linked to the achievement of specific annual objectives should not be consolidated.
 - g) From time to time the value of a role may need to be reviewed in light of changing conditions, sustained performance, experience etc.
 - h) Non-achievement of an individual's expected contribution should be clearly addressed through performance management.
 - i) Any severance payments must be reasonable and justifiable.
 - j) There should be a clear and justifiable rationale for the retention of any income generated by an individual from external bodies in a personal capacity (see 9).
7. To achieve procedural fairness:

- a) Senior Postholder remuneration should be determined in the context of the College's approach to rewarding all its staff, and in particular, consideration should be given annually to the rate of increase of the average remuneration of all other staff.
- b) No individual can be involved in deciding his or her own remuneration.
- c) Remuneration decisions must be independent, competent and should not be chaired by the Chair of Governors (the Vice Chair of Governors will Chair these decisions).
- d) The Principal must not be a member of the Committee for Remuneration items whilst deciding his or her own remuneration.

Transparency and Accountability

- 8. The process for setting remuneration must be transparent. For Senior Postholders there must be a college level justification for remuneration that relates to the competitive environment, the value of the roles and institutional performance. The remuneration of the Principal must be separately justified, published in the annual financial statement.
- 9. The pay of Senior Postholders is reviewed annually (as per contract of employment) usually (but not always) at the same time as the pay review for all other staff.
- 10. Income derived from Representative External Activities (agreed on 17 July 2019)
 - a) The College recognises that it is important that staff represent the College on various bodies and boards and carry out academic and civic responsibilities at other organisations e.g. non-executive director roles.
 - b) Senior Post Holders must disclose and explain any income derived from any such activity that generates additional income for the individual from any external body.
 - c) Senior Post Holders will not be permitted to retain significant sums derived from any such activity. The significance will be determined by the Search, Governance and Remuneration Committee, according to each declared case.