

Annual Corporation Statement – based on the Remuneration Committee Annual Report

Halesowen College Corporation has adopted the ‘Senior Post Holder Remuneration Code’.

The code and guidance were used to support the provision of a Remuneration Committee Annual Report and this statement is based on that annual report.

Remuneration Committee Annual Report – Statement

This report is underpinned by the detail provided in the Annual Members’ Report and Financial Statements.

The Committee has given due regard to the Colleges’ Senior Post Holder Remuneration Code, abiding by the minimum requirements of the Code and has operated within its agreed committee terms of reference.

Purpose

The Remuneration Committee Terms of Reference were approved by the Corporation on 27 February 2019 and are as appended to this report. The remit is

- to consider and make recommendations to the Corporation on the pay of designated senior post holders and the Clerk, including where the Clerk is, or is to be appointed as a member of staff, with reference to Article 3.1(e).
- to have due regard to the Senior Staff Remuneration Code, as appended to the Code of Good Governance for English Colleges.
- to have due regard to employer responsibilities and contractual obligations.
- to provide an annual report to the Corporation which provides sufficient assurance that the Committee has effectively discharged its responsibilities, with reference to the published annual statement on remuneration as part of the Annual Members’ Report.

Committee Membership was agreed by the Corporation and comprised of three governors, (none of whom were the student governor, staff governor or Principal – whose position is de facto).

Committee Meetings

The Remuneration Committee was established and met in the 2019/20 cycle of business on 27 November 2019. There was full attendance at this meeting by the committee members.

College Strategy

An outline of the Colleges' aims and objectives under the Strategic Plan, and performance against targets, is provided in the Annual Members' Report and Financial Statements. The Corporation in its strategic overview takes time to consider the changes to both educational and economic landscapes, locally and nationally. The staff requirements and roles are kept under regular review in relation to both operational needs and strategic changes.

Statement on Staffing Structure

The College's staffing structure is based on three curriculum faculties and two business support areas, Corporate Services and Learner Services. The College Leadership Team (CLT) consists of the Principal/Chief Executive, Deputy Principal, Vice Principal and also Human Resources Director, Director of Learner Services, three Assistant Principals and Information and Infrastructure Director. Staff are appointed through a recruitment process and follows the Recruitment and Selection Policy. The College has a single pay spine and pay bands. The determination of pay is in accordance with the College's Pay Policy which sits within the Guide for Salary and Pay Progression document. This document is reviewed on an annual basis by CLT, with significant changes reported to the Corporation. Support staff posts can be reviewed by using the College's own Job Evaluation scheme.

Approach to Remuneration

The Remuneration Committee addressed:

- Principal and CEO
- Deputy Principal
- Vice Principal
- Clerk to the Corporation

In considering the remuneration of senior post holders and the Clerk, a range of contributory factors informed the process and recommendations. These recognised the need to balance recruitment, retention and remuneration, to sustain an effective senior staff base, in order to deliver the College's strategic aims.

Additional guiding principles included:

- consideration of remuneration of senior post holders within the same timescales as that for staff pay award for all employees.
- that the College does not operate performance related pay, but does conduct annual appraisal for all College staff.
- consideration of significant changes to roles and impact on pay grades.
- consideration of a wide range of factors including the College's financial position with reference to outturn, strategic plans, current and future budget profiles, affordability and maintaining financial resilience in light of known pressures on budget and financial plans going forward.

Additional information was considered on:

- The Competitive Environment
- Competing Priorities
- Diversity of the Workforce

Use of Benchmarking and Data

The College continues to use the AoC survey for benchmarking data relating to staff roles, size of College and pay percentiles and considers both local institutions and other institutions of comparable size and provision.

AoC Senior Staff Survey (census date 1 September 2018) – College income size between £25m and £30m.

Salary Information and Data

Median pay includes all salaried staff but not those employed by Halesowen College Enterprises Ltd.

Year	Median pay (all staff)
2018/19	£28,815
2017/18	£28,250
2016/17	£28,250

The calculation for 2016/2017, 2017/2018, and 2018/2019 of the Principal and Accounting Officer's pay as a multiple of the median pay for staff is consistently at five or below.

The consolidated position is presented in the College's Financial Statements which state the:

Principal and Accounting Officer's basic salary as a multiple of the median of all staff is 5.

Principal and Accounting Officer's total remuneration as a multiple of the median of all staff is 5.

Percentage number of staff groups:

CLT	2.27%
Management	14.89%
Support	35.50%
Teaching	47.34%

Expenses

Under the College policy all staff submit claims through the same procedure, with appropriate levels of approval and evidence required. A summary of expenses across the year is shown below. The following is a link to the expenses policy.

to <https://www.halesowen.ac.uk/wp-content/uploads/2020/02/Expense-Payments-and-Benefits-Policy-09-2017.pdf>

	Travel	Subsistence	Total
Principal and CEO	£1,006.06	£150.75*	£1,156.81

**includes expense claims for others as well as self*

Pension Schemes

The West Midlands Pension Fund and Teachers' Pensions scheme apply to staff employed by the Corporation.

Transparency on External Appointments

Staff contracts outline the College position on employment and exclusivity of service. External appointments are addressed under declarations of interest.

There is no formal declaration of income received by senior post holders.

Current Position

Emoluments of the Chief Executive/Principal as at 31 July		
	2017/18	2018/19
Salary (spot)	128,000.00	130,560.00
Performance related pay	n/a	n/a
Holiday excluding statutory	40	40
Eligibility for bonus and when paid	n/a	n/a
Additional pension benefits	n/a	n/a
Private Medical cover	n/a	n/a
Additional Death in Service Benefits	n/a	n/a
Lease Car	n/a	n/a
Additional Living Accommodation or Allowance	n/a	n/a
Subtotal	128,000.00	130,560.00
Pension costs	21,094.00	21,516.00
Total	149,094.00	152,076.00

Remuneration Committee Statement

The Remuneration Committee considered the detail provided and was satisfied that the Remuneration Committee Annual Report and supportive documents provided at the meeting, provided assurance that it could effectively discharge its responsibilities and that an accessible statement could be taken from the Report to be published.

Committee Terms of Reference

Remuneration Committee

Remit

1. To consider and make recommendations to the Corporation on the pay of designated senior post holders and the Clerk, including where the Clerk is, or is to be appointed as a member of staff, with reference to Article 3.1(e)
2. To have due regard to the Senior Staff Remuneration Code, as appended to the Code of Good Governance for English Colleges.
3. To have due regard to employer responsibilities and contractual obligations.
4. To provide an annual report to the Corporation which provides sufficient assurance that the Committee has effectively discharged its responsibilities, with reference to the published annual statement on remuneration as part of the Annual Members' Report.

Membership

Three independent members elected annually by the Corporation inclusive of the Chair. The Principal may not be a member*. External/Independent expertise can be engaged.

*The Principal may advise the Committee on the performance of other senior post-holders.

Chair and Vice Chair

Elected by the Corporation annually. The Chair should not be the Chair of the Corporation.

Quorum

Any two members.

Frequency of Meetings

A minimum of one meeting each year.

Conduct of the Committee

Shall be in accordance with the Instrument and Articles of Government, Standing Orders and agreed codes of conduct.

Financial Powers

The Committee has no financial delegated powers. The Committee makes recommendations to the Corporation.