

## **Halesowen College Corporation - Statement based on the Remuneration Committee Annual Report year ending 31 July 2021**

### **1. Introduction**

The Corporation has adopted 'The 'Colleges' Senior Post Holder Remuneration Code' and embraces increased transparency in reporting on the approach and consideration of remuneration of senior post-holders.

#### **1.1 Committee Membership during the year ending 31 July 2021**

Helene Jones, Louise Jones, Amanda Allen and Joanne Chilton, who were appointed by the Corporation.

#### **1.2 Committee Meetings during the year ending 31 July 2021**

The Committee met on 18.11.2020, 21.01.2021, 17.03.2021, with no absences. The Principal was not a member of the Committee and no staff member was present for the discussion of their own remuneration.

#### **1.3 The Committee Terms of Reference for the year ending 31 July 2021**

The Committee Terms of Reference were as provided at Appendix 1.

### **2. The College Strategy**

In considering remuneration the Committee and the Corporation were mindful of the College's performance and the needs of the College to achieve the College's strategic objectives.

### **3. Approach to Remuneration**

The Committee recognised that appropriate remuneration is one of a range of factors to sustain an effective senior staff base, able to deliver the College's strategic aims.

The College strives to remain a good employer and balances recruitment, retention and appropriate remuneration of staff who have fiscal responsibility. This includes consideration of market conditions, benchmarked\* comparison data, the College's financial position, and also due regard to any College wide pay award. The Corporation is also mindful of the overarching equality objective '*To improve equality of opportunity for all and to foster good relations*'.

The Corporation considers changes to both educational and economic landscapes, locally and nationally, and is mindful that the College is situated in an area with a high density of FE, sixth form and private training providers.

Significant changes to roles and impact on pay grades are also considered and, while the College does not operate performance related pay, annual appraisal for senior post holders is undertaken and reported on.

\*Remuneration for senior post holders and the clerk was considered in relation to the latest benchmark data for each role, as published in the Association of College's College Senior Pay Survey. This included data comparison on all colleges nationally, on General Further Education colleges and West Midlands colleges.

Table 3.1 is provided to contextualise the senior post holders within the broader staff structure. (Previous year's figures in brackets.)

<b>Staff Headcount as at 31 July 2021</b> (Excluding 61 staff employed by Halesowen College Enterprises Ltd)			
<b>Staff Type</b>	<b>Total Headcount</b>	<b>Total FTE</b>	<b>Percentage – FTE</b>
	<b>451</b> (410)	<b>377.87</b> (329.47)	
College Management Team	14	13.10	3.46 %
Teaching	254	214.8	56.84% %
Support	183	149.92	39.67 %

*Figures in Financial Statements for College (College only in table) include sessional staff.*

*Headcount FTE*  
537 409.92

311 256.55  
226 153.37

#### 4 Emoluments of Chief Executive/Principal

Emoluments of the new Principal and CE commencing 1 January 2021

<b>4.1 Emoluments of the Chief Executive/Principal</b>				(from 01/01/2021)
	<b>2017/18</b>	<b>2018/19</b>	<b>2019/2020</b>	<b>2020/2021</b>
Salary	128,000	130,560	134,150.62	82,551.56
Performance related pay	n/a	n/a	n/a	n/a
Holiday excluding statutory	40	40	40	40 (20.41 days)
Eligibility for bonus and when paid	n/a	n/a	n/a	n/a
Other benefits	n/a	n/a	n/a	n/a
Subtotal	128,000.00	130,560.00	134,150.62	82,551.56
Pension costs (TPS)	21,094.40	30,916.60	30,983.48	19,548.20
<b>Total</b>	<b>149,094.40</b>	<b>161,476.60</b>	<b>165,134.10</b>	<b>102,099.76</b>

2020/21 Interim Principal for 5 months

Salary 56032.10  
Pension 13268.40  
Total 69300.50

Combined CE/AO 12 months

138583.66  
32816.60  
171400.26

Principal's pay as the multiple of the median of staff pay is reported in the ESFA all-college finance record and the ratio is recorded in the College's annual accounts. The College median pay has gone down significantly, due in part to an increased number of staff.

<b>4.1.1 Pay of the Principal and Accounting Officer as a multiple of the median pay for staff</b> (the Median earnings includes all salaried staff, but not those employed by Halesowen College Enterprises Ltd).			
	Basis of calculation		
Year	<b>Multiple re Basic Salary</b> Calculation based on combined total basic salary figure for Interim Principal and newly appointed Principal.	<b>Multiple re Total Remuneration</b> Calculation based on pay plus pension of Interim Principal and newly appointed Principal.	<b>Staff Median Earnings</b>
2020/2021	5.4 (In Financial Statements rounded up to 6)	5.4 (In Financial Statements rounded up to 6)	£25,689 (basic pay) £31,546 (pay plus pension)
2019/2020	4.4	5	£30,683
2018/2019	4.5	5 or below	£28,815
2017/2018	4.5	5 or below	£28,250

## 5 Policy on External Appointments (pertaining to the generation of additional income)

Regarding external appointments that generate additional income, senior post holders and the clerk are required to declare and keep under review their interests, including financial interests.

Contracts of employment for Halesowen College senior post holders and the Clerk include clauses on exclusivity of service and permissions required regarding other employment or engagements.

There were no external appointments declared that generated additional income.

### 5.1 Expenses 01.08.20 – 31.07.21

Staff submit expense claims under the College [Expense Payments and Benefits Policy](#), with appropriate levels of approval and evidence required. A summary of expenses across the year is shown below.

1.8.20-31.7-21	Travel	Subsistence	Total
Principal	£0.00	£0.00	£0.00

## 6. Remuneration Committee Statement

In considering the detail provided, the Remuneration Committee was satisfied that its annual report provided assurance that it had effectively discharged its responsibilities.

# Appendix 1

## Remuneration Committee Terms of Reference for the Year to 31 July 2021

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### 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\*. Staff and student governors may not be members. 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.