



Senior Post Holder Remuneration Policy

Version:

Final

Author:

**Governance, Search and
Remuneration Committee**

Date Issued:

16 June 2025

**Date Approved by
Corporation (following
consideration by the
Remuneration
Committee)**

8 July 2025

**Impact Assessment
Completed**

(Yes, No or Not Applicable)

If No or not Applicable,
give your reason

Yes

Date of Next Review:

July 2026

Equality Impact Assessment Form

The completion of the Equality Impact Assessment (EIA) will help us to ensure that our policies, procedures and practices do not discriminate or disadvantage people and also improve or promote equality.

In relation to: disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; sexual orientation.

1. Please explain if you identified any inequalities or possible discrimination in the policy, procedure or practice?

No inequalities or possible discrimination have been identified.

2. If identified, how have you changed the policy, procedure or practice to remove or mitigate the inequality or discrimination?

N/A

3. Any follow up actions required?

None

1. Purpose

- 1.1 Senior Post Holders (SPH) are senior members of staff appointed by and directly accountable to the Corporation. Decisions made in relation to Senior Post Holder remuneration will need to strike a balance between recruiting and retaining the best staff, delivering the best outcomes for students and ensuring that resources are used effectively.
- 1.2 This Policy pays due regard to the Association of Colleges' Senior Post Holder Remuneration Code. It provides a set of principles for setting Senior Post Holder pay and conditions and a procedure for making such decisions.

2. Scope

- 2.1 In accordance with the provisions of the Articles of Government the Corporation have determined that "senior post" means the post of Principal and Director of Governance and such other senior posts as the Corporation may determine from time to time i.e. The Vice Principal Finance & Planning and Vice Principal Curriculum.
- 2.2 The Corporation are responsible for the appointment, grading, suspension, dismissal and determination of the pay and conditions of service of the holders of senior posts and the Director of Governance, including, where the Director of Governance is, or is to be appointed as, a member of staff, the Director of Governance's appointment, grading, suspension, dismissal and determination of pay in the capacity of a member of staff.

3. Responsibility

- 3.1 SPH Remuneration is the responsibility of the Corporation following consideration by the Governance, Search and Remuneration Committee.

4. Policy

4.1 Principles for deciding Senior Post Holder pay

Governors are responsible for ensuring that SPH's receive fair, appropriate and justifiable levels of remuneration that recognise individuals' contributions to the College's success and the need to recruit, retain and motivate staff of the appropriate calibre while also ensuring that the College delivers value for money.

In considering SPH remuneration, therefore, the Governance, Search and Remuneration Committee should consider the following:

4.2 The value of the role:

The value of different Senior Posts may vary in a number of ways including the complexity of the role, the degree of discretion in relation to decision making and accountability and the impact that the role has on students, employees and other stakeholders and on the financial sustainability of the College. Consideration may also need to be given to the knowledge, specialist skills and professional credibility that are required.

4.3 Performance in support of strategic objectives:

An assessment of performance in relation to Senior Post Holders' objectives should be considered. There must be a robust and consistent process for setting objectives and

assessing progress, with post holders clear as to what is expected, including what will be considered 'normal' and what 'exceptional' performance.

4.4 **Market Context:**

In considering the value of each role, due account needs to be taken of market rates for comparable roles within the sector, bearing in mind the location, size and complexity of the College. It is important that salaries remain competitive with similar roles within the sector if the College is to recruit and retain the best College leaders.

4.5 **Affordability:**

Any changes in remuneration for staff in any category will need to take into account the College's overall financial position.

4.6 **Public Context:**

As an institution that is publicly accountable, the Corporation should ensure transparency in relation to the setting of SPH remuneration and needs to be mindful of the wider public consciousness when doing so. This includes considering the College's approach to rewarding all its staff, how SPH remuneration and any proposed increases compare with those for staff at large (including how SPH salaries compare with median average earnings at the College) and the impact of any proposed changes.

4.7 **Parity and fairness:**

Governors must consider matters of equality, diversity and inclusion to ensure that there are no biases pertaining to gender or to any protected characteristics in the setting of pay.

4.8 The Governance, Search and Remuneration Committee must be independent.

4.9 No individual can be involved in deciding his or her own remuneration.

5. Procedure

5.1 The Governance, Search and Remuneration Committee is responsible for reviewing and recommending to the Corporation SPH pay and conditions of service of SPHs. Ideally the Committee will be chaired by an external governor who is not the Chair of the Corporation.

5.2 The Principal is a member of the committee but will not be present for any Remuneration business, however may advise the committee in relation to the performance of other SPHs, particularly those who are directly accountable to the Principal. The Chair of the Corporation will advise in relation to the Principal's and Director of Governance's performance, which is kept under review by the Chair of the Corporation, working with a second external governor, usually the Vice Chair of the Corporation.

5.3 When reviewing remuneration the committee considers the value of a role based on a number of components and criteria, which could include:

- Complexity (scale and range of decision making, collaboration and contact, time-critical activity);
- Impact (on students, research, finance and people including employees, partners and the community);

- Discretion (level of accountability, degree of autonomy and decision-making authority);
- Levels of experience, knowledge and skills (including specialist skills) required;
- Reputation and academic/professional credibility needed for the role;
- An ability to recruit and retain key staff; and

- 5.4 The committee will also assemble relevant benchmark data from the Association of Colleges and other available sources to allow for external comparisons.
- 5.5 The Chair will conduct the annual appraisal for the Principal, and Director of Governance. For each postholder, a set of individual objectives will be agreed and recorded. The individual objectives will state the distinctive contribution the individual postholder is required to make to enable the successful delivery of the College's KPIs, accountability statements, and strategic plan. The individual postholder's agreed set of objectives will be presented to the Remuneration members of the GSR Committee for approval and will be reported to Corporation.
- 5.6 The Principal will conduct the annual appraisal for the Vice Principal Curriculum and Quality, and the Vice Principal Financial and Planning. For each postholder, a set of individual objectives will be agreed and recorded. The individual objectives will state the distinctive contribution the individual postholder is required to make to enable the successful delivery of the College's KPIs, accountability statements, and strategic plan. The individual postholder's agreed set of objectives will be presented to the Remuneration members of the GSR Committee for approval and reported to the Corporation.
- 5.7 On an annual basis the Committee will consider and recommend to the Corporation the annual pay award for each Senior Postholder, informed by an annual review of FE senior postholder salary data published annually by the AoC, the financial performance and position of the College and the AoC Staff Pay Award recommendation. Following approval by the Corporation the award will be reflected in the consolidated salary for the role.
- 5.8 The Committee may consider and make a separate recommendation to the Corporation in relation to a further award for a senior postholder, on an annual basis. Following approval by Corporation this will be implemented, and if a cash award this will be non-consolidated.

6. Policy on income derived from external activities

The Code requires colleges to justify any retention of external income by SPH in addition to their remuneration. The College includes an exclusivity of service clause in its SPH employment contract, which requires an SPH to obtain express permission for additional external work (whether or not it is remunerated).

There were no instances of remunerated external work taking place at the time of the report.

In the event of a SPH requesting approval of external work, the Chair of the Governance, Search and Remuneration Committee would consult with the Chair of the Corporation and with members of the Committee to determine how much, if any, of the additional remuneration the SPH would be permitted to retain and the grounds for this. This decision would be recorded in the minutes of the next meeting of the Committee.

7. Severance Payments

7.1 Any severance payment made by the College to a SPH must be reasonable, appropriate and justifiable. Where severance payments are under consideration, advice should be taken from the external auditor to ascertain the legitimacy of any proposed payment. The Board should comply with the Association of Colleges' Senior Post Holder Remuneration Code in relation to severance payments, as well as the College Financial Handbook taking into account procedures around Managing Public Money. In line with the funding agreement, the board must draw any such payments to the attention of the College's regularity auditor.

8. Related to other policies and procedures

- Equality and Diversity Policy
- Recruitment and Selection Policy and Procedure
- Capability Policy
- Disciplinary Policy and Procedure for Senior Post Holders
- Grievance Procedure for Senior Post Holders

9. Monitoring and reporting

The policy will be monitored by the Governance, Search Remuneration Committee reporting to the Corporation.