

Introduction

1. The Committee's terms of reference can be found at appendix 1.
2. The membership of the Remuneration Committee during the year to 31 July 2020 was as follows:

Name	Category of Member
Paul Birtles (Chair)	Independent Governor
June Durrant	Independent Governor
Cath Orange	Independent Governor
Ann Kendal	Independent Governor

3. Meetings of the Remuneration Committee were held on: 2

December 2019
23 April 2020

4. Attendance at meetings during 2019-20 was as follows:

Remuneration Committee	Possible attendances	Total attendances	Total absences	%attendance	05.12.19	23.04.20	Total
Paul Birtles (Member & Chair from 22/01/19)	2	2	0	100%	1	1	2
June Durrant	2	1	1	50%	0	1	1
Cath Orange	2	2	0	100%	1	1	2
Ann Kendal	2	2	0	100%	1	1	2

5. The College's mission, goals and values as part of the strategy for 2015 to 2020 were:

Our mission

To work together to create a better future for all through education, enterprise and employment

Our goals

1. Deliver an outstanding student experience
2. Support employability, enterprise and innovation
3. Place people and communities as the centre of our values
4. Maintain a dynamic and sustainable college
5. Grow our reputation and influence
6. Participate in the development of the Bradford College Group

Our values

Achievement
Focus

Inclusion
Integrity

Excellence

A new four-year Strategic Plan was agreed by the Corporation at its July 2020 meeting.

Approach to Remuneration

6. The following roles are designated as senior post holders (SPH) and therefore come within the remit of the Remuneration Committee:

- Chief Executive Officer
- Deputy Chief Executive Officer
- Vice Principal Quality & Student Experience
- Director of People Services
- Clerk to the Corporation

7. The Corporation adopted the Association of College's SPH Remuneration Code at its meeting on 18 July 2019 and is committed to the following principles in terms of its remuneration policy:

- A fair and competitive salary offer to attract and retain high performing staff, taking account of the circumstances of the College and evidence about the ability to recruit;
- 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.

8. The Committee will have due regard to:

- The use of public funds and the financial health of the College;
- 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; and
- The College's Values and the Nolan principles. in

decisions related to remuneration.

9. In advising the Corporation 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;

10. Where the data that supports these indicators is drawn from, possibly including:
- (a) College finance record data available on ESFA and AoC websites
 - (b) AoC Senior Staff Pay Survey
 - (c) College Internal Analysis and External Reports.
11. SPHs are appointed by the Corporation on a spot salary. The Corporation does not operate a system of performance related pay.
13. The current value for the College of the pay multiple of Chief Executive Officer earnings against the median of all staff is 4.60:1.

Institutional performance

14. The College is currently rated by Ofsted as 'requires improvement' (full inspection October 2017) and has a financial health grading of 'inadequate' (Education and Skills Funding Agency).
15. The Further Education Commissioner's team has conducted regular stock take visits throughout the year and there are monthly case conferences between the Executive and the funding agency.
16. The College is in receipt of restructuring facility funding and subject to conditions subsequent and bank covenants.

Remuneration Comparison

17. The table below outlines the total remuneration for the Chief Executive Officer, with year on-year comparator data, as follows:

Emoluments of the Chief Executive Officer	2019-20 £	2018-19 £			2017-18 £
Salary	165,000	9,000	63,000	69,000	129,000
Performance related pay	N/A	N/A	N/A	N/A	N/A
Benefits	N/A	N/A	N/A	N/A	N/A
Sub-total	165,000	9,000	63,000	69,000	129,000

Pension costs	38,000	2,000	9,000	11,000	19,000
Total	203,000	11,000	72,000	80,000	148,000

External appointments and expenses

18. The College includes an exclusivity of service clause in its SPH employment contract.
19. There were no instances of the Chief Executive retaining income generated from external bodies during the year.

Severance Payments

20. There were no severance payments made to senior post-holders during the period 1 August 2019 to 31 July 2020.
21. The notice period for all SPHs is six months.

Expenses Policy

22. The College operates a single expenses policy. The expenses of the Chief Executive Officer are reviewed and approved by the Chair of the Corporation. The expenses of other SPHs are reviewed and approved by the Chief Executive Officer.

**Remuneration Committee
Terms of Reference**

These Terms of Reference must be read in conjunction with the Instrument and Articles of Government, the Corporation's Standing Orders and the College's Financial Regulations from time to time. They may only be varied by the Corporation.

1 Membership and Operation

- 1.1 The membership of the Remuneration Committee ("the Committee") shall include the Chair of the Corporation and at least three other Independent Governors. It may also include up to two co-opted members who must be wholly independent of the College. Members of staff, members of the Audit Committee and students of the College are not eligible for membership of the Committee.
- 1.2 Collectively, members of the Committee shall have recent and relevant experience and expertise in strategic reward management.
- 1.3 Only members of the Committee and other Independent Governors have the right to attend Committee meetings. Other individuals, including external advisors may be invited by the Committee, or its Chair, to attend for all or part of any meeting as and when appropriate.
- 1.4 The Clerk to the Corporation shall act as Clerk to the Committee.
- 1.5 Any senior post holder present at a meeting of the Committee shall be required to withdraw from that part of the meeting where his/her remuneration is being considered. In the case of the Clerk a Committee Member will record any decision.
- 1.6 The Committee shall further be entitled, whenever it is satisfied that it is appropriate to do so, to go into confidential session and (subject to the rules as to quoracy set out above) to exclude any, or all, participants and observers.
- 1.7 The Chair and Vice-Chair of the Committee will be selected by the Committee from among its members in accordance with the Corporation's Standing Orders. The Chair of the Corporation shall not be the Chair or Vice-Chair of the Committee.
- 1.8 The quorum for Committee meetings shall be at least 40% of the total membership entitled to attend and vote at meetings of the Committee or any two such members, whichever is the greater.
- 1.9 The Committee shall meet at least twice a year and otherwise as required.
- 1.10 The Committee shall be granted rights of access to obtain all the information and

explanations it considers necessary, from whatever source at the College's expense, to fulfil its remit.

2 The Committee's remit

2.1 In all its decision-making, the Committee shall have due regard to:

- The use of public funds and the financial health of the College;
- 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; and
- The College's Values and the Nolan principles.

2.2 The Committee shall ADVISE the Corporation on:

2.2.1 appropriate remuneration, other terms and conditions, and bonuses for senior post holders;

2.2.2 the effectiveness of the senior post holder appraisal process and the extent to which performance targets are met;

2.2.3 the adequacy of senior post holder job descriptions;

2.2.4 any concerns in relation to capability or conduct;

2.2.5 senior post holders' career ambitions and development plans;

2.2.6 any compensation (including the augmentation of pension benefits) which may be payable in the event of the early termination of the employment of any senior post holder, with the aim of:

- Avoiding rewarding poor performance;
- Dealing fairly with cases where early termination is not due to poor performance;

2.2.7 such other matters as the Corporation may reasonably request.

2.3 The Committee shall consider and APPROVE the performance targets and appraisal objectives for senior post holders.

2.4 The Committee shall periodically review its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness, compliance with the Senior Post Holder Remuneration Code and recommend any changes it considers necessary to the Corporation for approval.

2.5 Notwithstanding the generality of 2.2 above, where they relate to newly created senior posts or to new appointments, the Senior Post Holder and Clerk Appointments Committee shall be authorised to make recommendations and decisions regarding remuneration, terms and conditions and job descriptions in place of the Remuneration Committee, as appropriate.

3 Reporting responsibilities

- 3.1 The Committee Chair shall report to the Corporation on the Committee's proceedings after each meeting on all matters within its remit.
- 3.2 The Committee shall make whatever recommendations to the Corporation it deems appropriate on any area within its remit where action is needed.

Approved by the Corporation on 24 October 2019