CORPORATION BOARD GOVERNANCE POLICIES

Senior Post Holder Remuneration Policy

Policy Title	Senior Post Holder Remuneration Policy
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Author	Clerk & Governance Advisor
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In consultation with	Remuneration Committee (part of NRG Committee)
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1. Introduction

The Further Education (AoC) Code of Good Governance sets out principles for effective college governance in England, outlining principles to ensure accountability, transparency, and strong leadership. It protects institutional and sector reputation, builds stakeholder confidence, and supports college success.

The associated Senior Post Holder Remuneration Code supports and complements The Further Education (AoC) Code of Good Governance and reflects commitment to value for money, public accountability, and trust in senior pay decisions. The Remuneration Code should be considered alongside HM Treasury's Managing Public Money guidance and the College Financial Handbook.

Governing bodies should therefore have formal arrangements for determining Senior Post Holder pay and operate a transparent and documented remuneration process. The College has therefore set out this policy to ensure compliance with the Code.

2. Scope

This Policy applies to the remuneration for Senior Posts within the remit of the Remuneration Committee (Senior Post Holders and the Clerk). There is one Senior Post Holder who is the Principal and CEO.

3. Purpose

The purpose of this policy is to provide clarity on remuneration to the Corporation Board, and to the holders of Senior Posts and to the Clerk.

4. Definitions

Remuneration includes not only basic salary but also bonuses, expenses and other allowances, and the monetary value of benefits in kind including housing and cars, etc.

5. Principles

Fair and appropriate remuneration requires three key elements – namely that there is:

i. a fair, appropriate and justifiable level of remuneration;
ii. procedural fairness; and
iii. transparency and accountability.

These support the principles of the Further Education (AoC) Code of Good Governance, including responsibility/accountability, leadership/integrity, stakeholder engagement, regulatory compliance, and organisational effectiveness.

The Corporation Board will, as a matter of good practice, apply the principles and detailed guidance provided by the AoC in the Senior Post Holder Remuneration Code and associated guidance notes in its determination of the remuneration for the holders of Senior Posts and the Clerk within the remit of Remuneration Committee.

6. Procedure for determining pay

The Corporation Board retains collective responsibility for approving remuneration decisions. While elements of the process may be delegated (for example, to the Remuneration Committee as part of NRG), the governing body retains responsibility for final approval of all remuneration decisions.

The Corporation Board will adopt the following remuneration practices:

- Adoption of AOC's Senior Post Holder Remuneration Code (apply/explain);

- Providing fair, appropriate and justifiable remuneration;
- Considering equality, diversity and inclusion in its practices;
- Ensuring objective setting and performance reviews take place;
- Ensuring that there is an independent and competent Remuneration Committee;
- Transparent publication of annual remuneration statement;
- Reasonableness of severance payments;
- Taking account of approval thresholds and required notifications in relation to Senior Pay.

The following factors shall be taken into account in any annual review of pay:

a. Salary benchmark data for same-level staff in comparable colleges (derived from the AOC Survey of Remuneration of Management Staff and Senior Post-holders).
b. Available salary information from regional colleges.
c. Economic conditions and competitive forces within the local community.
d. Pay awards given to the wider college staff.
e. Affordability, as determined by the College's financial performance.
f. Whole college performance against the strategic objectives and Key Performance Indicators approved by the Board.

7. Process for Demonstrating Compliance and Governance

The Corporation Board will demonstrate its compliance with the senior Post Holder Remuneration Code by:

- Publishing annual remuneration statements confirming that due regard has been given to MPM and relevant guidance.
- Approving and disclosing all severance payments per HMT approval rules.
- Ensuring independent decision-making with no individual involved in setting their own remuneration, and exclusion of Chief Executive from Remuneration Committee membership.
- Remuneration Committees must be independent, competent and should not be chaired by the Chair of the Governing Body.
- Seek approval for all awards, bonuses, and pay decisions above specified thresholds with CST/HM Treasury and notify exceptions within required timeframe.

8. Income derived from external sources

The College includes an exclusivity of service clause in its Senior Post Holder employment contracts which requires a Senior Post Holder to obtain express permission from the Corporation for external work (including remunerated and unremunerated activity). In the event of a Senior Post Holder requesting approval of external work, the Nominations, Remuneration and Governance Committee would consider the request and determine what if any of the external remuneration could, in principal be retained by the individual, and the justification for this.

9. Associated Documentation

AoC Further Education Code of Good Governance
AoC The Colleges Senior Post Holder Remuneration Code (2026)
AoC Colleges Senior Post Holder Remuneration Guidance
AoC College Senior Pay Survey (published annually)
Corporation Board Instrument & Articles of Government

Corporation Board Standing Orders
Committee Terms of Reference
Managing Public Money (HM Treasury)
Senior Pay Guidance and Senior Pay Controls (HM Treasury)
DfE Accounts Direction
College Financial Handbook
Equality Act 2010
Office for Students registration condition E2