



Remuneration Committee Annual Report 2022

Introduction

The Remuneration Code (Appendix A to the Code of Good Governance) was adopted by the Corporation in December 2019.

By visibly adopting the Remuneration Code, the Corporation openly demonstrates its commitment to leadership and stewardship in relation to remuneration and, in doing so is helping to protect institutional and sector reputation and providing greater assurances to key stakeholders and partners, including the student community and wider society.

Remuneration Code Element III - Transparency and Accountability

'The process for setting remuneration must be transparent. For Senior Post Holders there must be college level justification for remuneration that relates to the competitive environment, the value of the roles and institutional performance. The remuneration of the Principal must be separately justified, published and related to the remuneration of all staff within the organisation.'

In furtherance of the above objective the Corporation is required to *'publish a readily accessible annual statement based on the Remuneration Committee's annual report to the Corporation'*.

The annual report of the Remuneration Committee in accordance with the requirements laid out in the Remuneration Code is detailed below:

1. A list of Senior Post Holders within the remit of Remuneration Committee

In accordance with the Instruments and Articles of Government the Corporation designated four senior post holder posts i.e. the post of Principal (Accounting Officer), Vice Principal, Deputy Principal (Quality) and Deputy Principal (Welfare and Progression).

2. The Corporation's policy on the remuneration for post holders within the remit of Remuneration Committee

The Senior Post Holder Remuneration Policy & Procedure was approved by the Governing Body on 14 December 2020.

3. The Corporation's policy on income derived from external activities

The Senior Post Holder External Employment - Engagement Policy was approved by the Governing Body on 14 December 2020.

4. The pay multiple of the Principal and the median earnings of the College's whole workforce, illustrating how that multiple has changed over time and, if it is significantly above any published average, an explanation of why.

The relationship between the Principal's remuneration, expressed as a multiple of all other employees based on full-time equivalents, is set out in table 4.1. for both basic salary and total remuneration.

Table 4.1

	2022	2021	2020
<i>Published financial accounts to 31 July 2022:</i>			
Basic salary as a multiple of median basic salary of all other employees	5.12	5.21	5.39
<i>Published financial accounts to 31 July 2022</i>			
Total remuneration as a multiple of median total remuneration of all other employees	5.31	5.42	5.43

5. The Corporation's choice of comparator College(s)

When considering the remuneration of the Principal, rather than selecting one college (which may or may not be typical), the committee considered benchmark data from the SFCA (SFCA Workforce Survey 2022) and the SFCA benchmarking relating to the Principal's salary and number of students. The AoC Summary of the College Senior Pay Survey was not available which is unfortunate as the committee considered the AoC to be a better comparator in general due to the size, boarding provision, adult education and turnover of the College. The size of the College is 3- 4 times larger than most SFCs.

In the case of the College, the senior staff receive pay, pension and private health insurance should they elect to take it up. However, it should be noted that, in general, remuneration can also include other benefits such as car allowance and other taxable benefits. This would be taken into consideration if comparing like for like with other organisations.

6. An explanation of any significant changes

Not applicable at this time.

.....Lynne Evans.....

Chair of the Remuneration Committee