



Annual Report of the Remuneration Committee Telford College Corporation 2022/23

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1. Introduction

The purpose of the Remuneration Committee is to advise the Corporation on the remuneration and terms and conditions of employment of the college's senior post holders (SPH's). The SPH's at Telford College are the:

- Principal & Chief Executive Officer
- Deputy Chief Executive Officer (titled changed from Deputy Principal during 2021/22)
- Clerk to the Corporation

The members of the Remuneration Committee are taken from members of the Telford College Corporation (with the exception of the Principal, staff governors and student governors). At the time of writing, the members of the committee are L.Biffin, G.Bleasby and R.Matthews.

L.Biffin, as Vice Chair of the Corporation, is the Chair of the Remuneration Committee. The committee's membership and its chairing arrangements are reviewed and approved annually by the Corporation. The Remuneration Committee last met on 06 November 2023.

2. Strategic objectives

Telford College's key strategic objectives, from the Strategic Plan 2021-26, are as follows:

- **Students/People:** We will maximise opportunities for students, through flexible and blended learning strategies, to develop skills and achieve aspirations.
- **Skills/Productivity:** We will support employers to drive business change, innovation and investment, and we will make a major contribution to the economic success of The Marches Area and the West Midlands.
- **Community/Place:** We will foster healthy and connected communities, and we will provide our staff with the opportunity to develop their skills and careers.
- **Financial:** We will embed financial sustainability by taking advantage of new opportunities and remaining efficient in the use of our resources.

3. Approach to remuneration

The Senior Post Holders have been in post since 2017 which was the last time the Corporation went through a recruitment process for SPH's. During a recruitment process and setting of the remuneration for SPH's, consideration is given to the relevant factors faced at the time such as the position of the College, the challenges and scrutiny the college is facing at the time and prevailing market conditions to attract the most appropriate staff.

With regards to remuneration, the Corporation acknowledges there is a balance to be struck between recruiting, retaining and rewarding the best staff possible, to deliver the best outcomes for students, society and the economy, whilst demonstrating effective use of resources. With this in mind, a number of factors are taken into consideration when setting the remuneration of SPH's – economic factors, competition, market rates, the role and the skills, experience and individual performance of a candidate/SPH.

There may be occasions where SPH's are asked to undertake work outside their college roles. Where this is the case, there will be clear and justifiable rationale for the retention of any income generated by an individual from external bodies in a personal capacity, particularly in respect of full-time post holders.

At this point, there is no performance-related pay or rewards scheme in place for SPH's. The benefits received are similar to that of all staff members, including the option to be part of the appropriate pension scheme – the Teaching Pension Scheme or the Local Government Pension Scheme.

There was one change in SPH's during the 2022/23 academic year. The permanent role of Clerk to the Corporation was filled in March 2023.

4. Institutional performance

Over the academic year 2022/23

- Telford College remains focused on achieving 'Outstanding', following its inspection in February 2022 where 'Good' was achieved.
- Financial health for the year was confirmed as 'Outstanding' by the ESFA for a third year
- Collaboration and influence at local and regional level continued to improve through collaborative projects (the Station Quarter and Strategic Development Fund); membership on the Telford Towns Fund Board, Telford Business Board and Marches LEP; and working with the West Midlands Combined Authority (WMCA) and Colleges West Midlands.

5. Executive pay

A summary of the total remuneration for the Principal & Chief Executive Officer over the past three years is shown below (expenses rounded to the nearest £1).

Emoluments of the Principal / CEO				
	2019/20	2020/21	2021/22	2022/23
Salary	£150,000	£150,000	£150,000	£160,650
Performance related pay	Nil	Nil	Nil	Nil
Benefits	Nil	Nil	Nil	Nil
Expenses incurred	£1,357	£97	£721	£1,262
Total	£151,357	£150,097	£150,721	£161,912

The following table takes data from the Association of College's Senior Pay Surveys for 2019, 2020, 2021, and 2022 which were published in, May 2020, April 2021, May 2022 and April 2023 respectively. It shows the median salaries both nationally and from across comparator groups for Telford College.

AoC Senior Pay Survey 2022												
Competitor group	lower quartile				median				upper quartile			
	2019	2020	2021	2022	2019	2020	2021	2022	2019	2020	2021	2022
Overall salary levels for Principals / CEOs	£120,000	£120,313	£124,965	£127,458	£139,091	£140,000	£140,299	£145,766	£155,000	£152,505	£157,617	£162,758
College income £20m to £25m	£125,000	£130,333	£130,975	£134,700	£130,000	£136,350	£136,198	£138,210	£135,000	£142,380	£140,350	£147,087
West Midlands location	£138,505	£98,326	£103,522	£129,514	£156,487	£146,450	£146,450	£152,500	£177,259	£158,475	£160,000	£166,359
Overall GFE college	£120,000	£121,519	£124,930	£127,000	£139,046	£139,091	£140,000	£146,044	£150,000	£150,000	£154,399	£159,738
GFE college income £20m to £25m	£124,000	£130,047	£130,650	£135,421	£129,802	£135,763	£136,000	£140,441	£135,000	£140,000	£139,533	£147,087

The salary of the Principal & Chief Executive at Telford College:

- Is closer to the upper quartile figure for all Principals/CEOs than the median quartile
- Is above the upper quartile figure for colleges with a similar income to Telford College

- Is mid-way between the median and upper quartile figures for colleges in the West Midlands
- Is above the upper quartile for general FE colleges
- Is above the upper quartile figure for general FE colleges with a similar income level to Telford College

The current value of the pay multiple of the Principal & Chief Executive's earnings against the median of all staff, compared to previous years is as follows:

Median pay multiple				
Year	No of employees	Total salaries	Median salary	Pay multiple
As at 31 July 2020	425	£9,997,548.66	£21,444.45	6.99
As at 31 July 2021	403	£10,074,274.75	£23,693.00	6.33
As at 31 July 2022	405	£10,343,125.12	£25,670.66	5.84
As at 31 July 2023	387	£10,414,345.57	£25,451.01	6.43

Please note:

- the median pay multiple has been calculated based on actual salaries, rather than FTE salaries. Casual (zero-hours) employees have been excluded from the calculation and the figures are net of any employer contributions.