

## **APPENDIX TO CORPORATION STANDING ORDERS**

### **Policy for the Remuneration of Senior Post Holders**

#### **1. Introduction**

- 1.1 This document covers the policy for the remuneration of Senior Post Holders and the Clerk to the Corporation.

#### **2. Scope**

- 2.1 This policy applies to the remuneration of Senior Post Holders and the Clerk as defined by the Instruments and Articles of Cambridge Regional College.
- 2.2 The following are designated as Senior Post Holders by the Corporation:
- Principal/Chief Executive
  - Vice Principal Curriculum Development
  - Deputy Principal Finance & Resources
  - Deputy Principal Commercial

#### **3. Procedure**

- 3.1 The remuneration of Senior Post Holders and the Clerk will be determined by the Corporation on the recommendation of the Remuneration Committee.
- 3.2 The Committee will meet annually to review the salary packages of the Senior Post Holders and the Clerk [see Terms of Reference of the Remuneration Committee]. The Clerk to the Corporation will act on behalf of the Chair of the Remuneration Committee to provide an annual update on market rates in the further education sector, and where agreed to engage the services of an external consultant to provide a wider review as set out in para 5.3. The Committee may also ask for advice and guidance from the Head of Human Resources. Any review will be implemented with effect from 1 August or from an alternative date determined by the Corporation.
- 3.4 The Committee will make recommendations to the next Corporation meeting following the Remuneration Committee for action.
- 3.5 It is recognised that on appointment of a new Senior Post Holder, additional flexibility may be needed to recruit a high quality applicant to the role. Should it be necessary to review any aspect of the remuneration package at any stage during the recruitment process, any proposals for variation to the agreed remuneration package shall require the approval of a minimum of 3 members of the Remuneration Committee in a timely manner prior to appointment.

#### **4. Key Principles**

- 4.1 The College has adopted the AoC Colleges' Senior Post Holder Remuneration Code. The principles outlined in the Remuneration Code are reflected in this policy and in the Committee's Terms of Reference.
- 4.2 Cambridge Regional College has developed a Pay Strategy applicable to all of its staff. It is underpinned by the College's values and principles and aims to assist the achievement of objectives set out in the College's Strategic Plan. These reward principles are that:
- Our approach to reward will ensure congruity between the values of the organisation and the design of job evaluation, pay systems and benefits packages.
  - Our reward packages will be designed to ensure the college's ability to attract, retain and motivate the calibre and mix of people required.
  - Our reward packages will be affordable to the organisation and ensure accountability.
  - Our reward packages will aim to be fair, transparent and flexible.
  - We will ensure that our approach to pay does not discriminate on any grounds as defined in the Equalities Act 2010.
  - Our approach to reward will be designed to recognise the value of individuals' contribution to the organisation and its work.
  - We will use a job evaluation process to establish the relative size of all jobs in the College.
  - We aim to provide pay structures that enable the recruitment and retention of high calibre staff, having regard for the local and national labour market.
  - We will seek the views of staff in the development and implementation of pay systems.

The Corporation seeks to operate according to these principles where possible in assessing the remuneration of Senior Post Holders and the Clerk.

- 4.3 The Corporation aims to benchmark Senior Post Holder and Clerk salaries with other appropriate colleges and to offer a competitive salary with reference to the levels of pay at similar colleges. Consideration is also given to ensuring that the differential between the salaries of Senior Post Holders and other groups of staff remains stable.
- 4.5 The Corporation reserves the right at any time to review the contents of this document to respond to changing requirements. This includes the introduction of a performance related bonus scheme for Senior Post Holders if Corporation agree that it is appropriate to do so.

## **5. Basic Salaries**

- 5.1 The basic salaries of Senior Post Holders and the Clerk will be considered in line with the following:
- 5.1.1 The value delivered by the individual, taking into account the complexity and impact of the role, and the knowledge, skills and level of experience required.
- 5.1.1 Any increase or decrease in the level of responsibility of the post either actual or proposed.
- 5.1.2 The performance and achievements of Senior Post Holders in support of the College's strategic objectives as evidenced through the Principal's annual appraisal discussion, and the appraisal discussions of the other Senior Post Holders.
- 5.1.3 The pay award it is anticipated at the time of the annual review that the College will be awarding to all staff.

- 5.1.4 The current budgetary situation prevailing in college at the time of the review, and the affordability of any salary increase.
- 5.1.5 Salary levels within the sector (including, but not limited to sector salary data published in the AOC Payskills Survey).
- 5.1.6 The competitive environment in the local area and issues of recruitment and retention
- 5.1.7 Differentials between salaries of Senior Post Holders and other groups of staff. In particular, the committee will assess the pay multiple of the Principal and the median earnings of the College's workforce and, where data is available, assess how that multiple has changed over time.

5.2 Due consideration will be given to all the points above when determining the level of remuneration and of any other influences prevailing at the time of the meeting. The minutes should clearly record the rationale behind the decisions taken.

5.3 The Corporation may engage the services of an external consultant prior to the annual salary review to advise the Corporation on comparable remuneration packages in the education sector, and where appropriate broader local and national markets, to ensure Cambridge Regional College continues to remunerate Senior Post Holders to enable recruitment and retention of high quality and valued staff in a competitive educational environment. If the College has therefore become out of line with the market, adjustments can be made if the Committee agrees it is appropriate.

5.4 Expenses of Senior Post Holders will be paid in accordance with the College's policy on expenses as set out in the College's Financial Regulations.

## **6. Discretionary Recognition Award**

6.1 The College does not currently hold a performance-related pay scheme for Senior Post Holders. However, Corporation has the discretion to award up to 5% of the basic salary as an additional non-consolidated amount in recognition of exceptional circumstances. The minutes should clearly record the rationale behind any decision taken to make such an award.

## **7. Health Insurance**

7.1 All Senior Post Holders shall be provided with health insurance in accordance with the scheme currently in operation within the College for themselves and their partners/spouses.

7.2 The Senior Post Holders may if he/she wishes pay for additional health insurance cover for his/her dependent children in accordance with the scheme currently in operation in the College.

## **8. Relocation Scheme**

8.1 Details of the relocation scheme which are applicable to all senior staff are as outlined in the *Relocation Guidance for Senior Management Positions*.

## **9 Severance payments**

9.1 The Remuneration Committee will advise on any severance payments made to Senior Post Holders and the Clerk. The Committee may seek legal advice to ensure that all such payments are reasonable and justifiable and in line with contractual obligations.

## **10 Retention of income**

10.1 In line with their employment contracts which contain an exclusivity clause, Senior Post Holders and the Clerk must seek approval from the Remuneration Committee for the retention of any income generated from external bodies in a personal capacity. There must be a clear and justifiable rationale for the retention of any such income.