

**WEST SUFFOLK COLLEGE**

**REMUNERATION COMMITTEE  
ANNUAL REPORT FOR THE YEAR ENDING 31 JULY 2024**

**1 Introduction**

This report is prepared in accordance with the College's Senior Staff Remuneration Code issued by the AoC Governors Council in December 2018. West Suffolk College adopted by the Corporation in July 2019.

This Senior Staff Remuneration code report covers the year ended 31 July 2024.

Each college must publish a readily accessible annual statement, based on an annual report to its governing body. This report must contain:

- a) a list of Senior Post Holders within the remit of Remuneration Committee;
- b) its policy on the remuneration for post holders within the remit of Remuneration Committee;
- c) its policy on income derived from external activities;
- d) the pay multiple of the Chief Executive / Principal and the median earnings of the institution'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 report should also contain:

- Its choice of comparator college(s)/organisation(s);
- An explanation of any significant changes.

**Membership**

The membership of the Remuneration Committee during the year was:

- Chris Higgins – Vice Chair of the Corporation
- Elton D'Souza – Chair of the Corporation
- Sarah Howard – Chair of the Remuneration Committee
- Sue Daley – Vice Chair of the Corporation, and Vice Chair of the Remuneration Committee

The terms of reference state that the membership of the Committee shall comprise up to four members including the Chair of the Corporation.

Malcolm Downes (WSC Governor) observed the meeting as part of his induction.

The Remuneration Committee met on 26 June 2024. At the meeting the Committee discussed the performance and remuneration of the Senior Post Holder, considered the AoC College Senior Pay Survey as comparable remuneration benchmarking data, and recommended to the Corporation the amount to be budgeted for the remuneration of Senior Post Holder in 2023/24.

There was 75% attendance of Governors at the meeting. The Governance Professional (who was not a Senior Post Holder) clerked the meeting.

**Senior Post Holders**

During the 2023/24 academic year, the CEO (Nikos Savvas) was the sole Senior Post Holder appointed by the Corporation.

**Policy on the Remuneration for Senior Post Holders**

The Remuneration Committee is concerned with all aspects of the employment of Senior Post Holders, including recruitment, promotion, retention, setting and reviewing performance targets. The Committee is also responsible for reviewing and making decisions on the remuneration, terms and conditions of employment of Senior Post Holders, taking account of affordability, comparative

information on the remuneration, benefits and conditions of employment from within the further education sector and other organisations of a comparable size/turnover.

The Performance Management Policy sets out the framework under which performance reviews for all staff are carried in the year and explains the alignment of individual objectives with the College's strategic priorities and plans. In respect of senior post holders, the performance objectives are agreed by the Remuneration committee and reports on the performance reviews are provided to the Committee to inform their decision making in respect of the consideration of and salary award/progression.

The College's Pay Policy applies to all staff including Senior Post Holders. In conjunction with the performance management policy, it is designed to motivate staff to achieve the College's strategic objectives.

Decisions on the salaries of senior post holders are informed by market data including data on other General Further Education Colleges, and comparable roles in other sectors/organisations of a comparable size, institutional and personal performance, and affordability. The Committee's aim is to pay a competitive salary based on benchmarking and other market median data (informed by appropriate market intelligence, and consider, where relevant, the remuneration of its Senior Post Holders in comparison with other sector pay intelligence and the AoC Senior Pay Survey, which is produced annually).

In respect of recruitment, the College aims to recruit senior post holders using remuneration packages that are market-competitive and consistent with the existing remuneration structure. In doing so, the College seeks to pay no more than necessary to attract talented individuals. Newly recruited Senior Post Holders are subject to a probationary period and are eligible to receive the same remuneration elements as existing Senior Post Holders, namely salary, set at an appropriate level taking into account the experience and quality of the candidate, and membership of the appropriate pension scheme.

Where the appointment of Senior Post Holders is required the Corporation ensures there is diversity in recruitment panels and other senior roles and monitor the strategies and extent to which the pools of candidates for senior roles are diverse.

The College does not expect to make special recruitment arrangements outside the standard policy, but may do so in exceptional circumstances in order to secure the appointment of the right candidate.

### **Policy on Income Derived from External Activities**

The Senior Post Holder Code states that there "should be a 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".

The Principal and CEO is employed by the Corporation on a 0.60FTE contract and carried out additional external work to Suffolk Academies Trust, fulfilling the role of CEO for 0.4FTE. This additional work was approved by the Corporation and was additional to his role and terms and conditions of employment at the College. The College earned no income on the services provided to Suffolk Academies Trust, the Principal and CEO was remunerated for this additional work at the same rate as his work for West Suffolk College.

### **Expenses**

All expenses paid to Senior Post Holders are solely in reimbursement of expenses incurred in furtherance of the business of the College and comply with the College's Financial Regulations. The total amount of expenses reimbursed in the year to Senior Post Holder was:

|                   |         |
|-------------------|---------|
| Principal and CEO | £955.80 |
|-------------------|---------|

## Median Earnings

In previous years the CEO has been awarded both salary increases and cost of living awards to align to the median salary. On each occasion he has deferred acceptance of these awards.

The data used below is the actual salary accepted and received by the Senior Post Holder.

### • Principal and CEO

| College                 | 2020/21         | 2021/22        | 2022/23         | 2023/24        |
|-------------------------|-----------------|----------------|-----------------|----------------|
| <b>Salary</b>           | <b>£148,063</b> | <b>£97,836</b> | <b>£108,136</b> | <b>£99,000</b> |
| Performance Related Pay | £0              | £0             | £0              | £0             |
| Benefits                | £0              | £0             | £0              | £0             |
| Subtotal                | £148,063        | £97,836        | £108,136        | £99,000        |
| Pension Costs           | £34,990         | £22,160        | £24,552         | £23,443        |
| Total                   | £183,053        | £119,996       | £132,688        | £122,443       |

## Ratio of median full-time equivalent salary

When considering the remuneration of Senior Post Holders, the Committee considers the ratio of the Senior Post Holders relative to the salaries paid to the median full-time equivalent salary paid to all College employees. This figure was £26,776 per annum on 31 July 2024..

Based on these figured the ratios are tabled below:

|                                      | 2020/21 | 2021/22 | 2022/23 | 2023/24 |
|--------------------------------------|---------|---------|---------|---------|
| Ratio to median pay of all employees | 01:05.2 | 01:05.3 | 01:05.6 | 01:062  |

### • Principal and CEO

## Comparators

When considering remuneration for the period of this report the College used the AoC College Senior Pay Survey as comparable remuneration benchmarking data and compared to other colleges within the £40-50 million turnover bracket. The Committee recognised that given Principal and CEO operates in a 'Group' role (i.e. in senior post roles across the College and Suffolk Academies Trust) their salary should be considered against the combined 'Group' turnover (including what was then Suffolk Academies Trust) within the £80 million plus turnover bracket for academic year 2024/25.

The AoC College Senior Pay Survey is based on voluntary responses from colleges and the latest version relates to salaries up to 31 July 2024.

### • Principal and CEO

The AoC College Senior Pay Survey data demonstrated that the remuneration is below the median for a College Group, therefore the Committee agreed to recommend that remuneration be aligned.

| College Income   | Base | Lower Quartile | Median   | Upper Quartile |
|------------------|------|----------------|----------|----------------|
| >= £20m to <£25m | 17   | £136,620       | £141,156 | £149,875       |
| >= £25m to <£30m | 9    | £145,000       | £151,529 | £159,384       |
| >= £30m to <£40m | 43   | £153,155       | £159,992 | £171,422       |
| >= £40m to <£50m | 24   | £160,992       | £170,400 | £179,598       |
| >= £50m          | 33   | £169,151       | £185,706 | £198,649       |

Overall Salary Levels for the Level 0 Chief Executive of a College Group

| College Income   | Base | Lower Quartile | Median   | Upper Quartile |
|------------------|------|----------------|----------|----------------|
| >= £0m to <£40m  | 6    | £147,162       | £155,145 | £158,626       |
| >= £40m to <£60m | 13   | £168,706       | £173,463 | £193,479       |
| >= £60m to <£80m | 5    | £169,420       | £173,590 | £203,251       |
| >= £80m          | 9    | £206,250       | £220,000 | £224,576       |