



Annual Remuneration Report: 2022-23

1. Introduction: Senior Staff Remuneration Code

This report is prepared annually and in accordance with the Colleges' Senior Post Holder Remuneration Code issued by the Association of Colleges Governors Council in December 2018.

York College follows the principles set out in the Senior Post Holder Remuneration Code for the reasons of transparency and openness and has a Designated Senior Post Holder Pay Policy in place. The policy sets out how the College takes decisions on the remuneration of its Designated Senior Post-holders (DSPs). A Designated Senior Post-holder is a senior manager who is answerable and accountable directly to the Corporation Board. The Director of Governance is also a Designated Senior Post-Holder.

The Remuneration Code sets out the following principles:

- (i) DSP remuneration should be fair, appropriate and justifiable
- (ii) There should be demonstration of procedural fairness, and
- (iii) There should be transparency and accountability.

DSPs are the College's most senior and highest paid staff. By adopting the Code, York College seeks to demonstrate a high standard of stewardship in terms of DSP pay. This is so that our various stakeholders can have confidence that there is proper oversight of DSP pay, and that public money is being used appropriately.

2. The Responsibilities of the Remuneration Committee

The Corporation has delegated to the Remuneration Committee the determination of the remuneration and other terms and conditions of the Designated Senior Post-holders. The Terms of Reference for the Remuneration Committee, and hence its responsibilities, can be found in Appendix 1. The committee revisited its terms of reference in the past year, considering the new mandates established by the Department for Education following the reclassification of colleges. Consequently, the committee is now obligated to comply with the Senior Pay Controls outlined by HM Treasury.

3. Membership of the Remuneration Committee

As of 31st July 2023, the membership of the Committee was:

- Helen Crews (Chair of the Remuneration Committee; Vice Chair of the Governing Body)
- Ian Looker (Chair of the Governing Body)
- Janet Dean (Chair of Audit Committee)
- Ann Lees (Chair of Quality & Curriculum Committee)
- Donald Inglis (Chair of Finance & General Purposes Committee)
- Libby Bush (Chair of People & Governance Committee)

The Director of Governance acts as the Clerk to the Remuneration Committee.

Consistent with the Senior Post Holder Remuneration Code:

- The Chair of the Remuneration Committee is not the Chair of the Board
- The Principal/CEO is not a member of the Remuneration Committee

4. Context

York College is one of the most successful colleges in the country, and despite economic and financial challenges it remains in good financial health. However, given the government funding challenges affecting the Further Education Sector and the economic challenges, the College continues to maintain rigorous financial discipline whilst at the same time investing in students, staff and facilities.

The college has an annual turnover of £32M, with staff costs of £22.4M.

It employs 466.9 full time equivalent staff salaried, staff, plus a further 182 staff who are part time variable hours (PTVH) staff, paid via submission of monthly pay claims.

All staff are eligible to join one of two occupational pensions. Both are defined benefits schemes, and as such employer contribution rates are relatively high:

Scheme	Eligible Staff	Employer contribution rate
Local Government Pension Scheme	<ul style="list-style-type: none">• Business Support Business Support Managers	15.00%
Teachers' Pension Scheme	<ul style="list-style-type: none">• Academic Staff Curriculum Managers	23.68%

DSPs are eligible for membership of one or other of the above schemes. No other schemes are provided.

It is policy not to pay bonuses, performance related pay, private health cover (from 1st August 2020) or other benefits which are not also available to other staff.

At its meeting on the 12 December 2022, the full Governing Body agreed to implement a 2.5% consolidated payment to staff from 1 January 2023. Approval was also given to implement and pay in December 2022 a differentiated non-consolidated payment in favour of lower paid staff varying from £300 to £800 (full time equivalent). In addition, the National Living Wage was implemented from 1 January 2023 rather than the start of April 2023. The Governing Body recognised the financial pressures faced by many staff, particularly those in lower paid roles and expressed their wish that the decision was communicated to staff before the Christmas break.

Strategic Leadership Team

Key management personnel are those people who have authority and responsibility for planning, directing and controlling the activities of the College and are represented by the Strategic Leadership Team. During the 2022-23 year this comprised:

- Chief Executive and Principal
- Two Deputy Chief Executive and Principals (one left on 31st January 2023; the other commenced on 5th June 2023)
- Vice Principal of Finance & Professional Services,
- Three Directors of Curriculum, Director of Young People's Learning, Director of Quality of Education, Director of Student Experience, Director of Data and Information Services, Director of Human Resources, and Director of Strategic Partnerships and External Relations.

The Strategic Leadership Team was restructured during July 2023 to realign roles and to reflect the scale of responsibility by aligning areas of provision to government policy. As of 1st August 2023, the Strategic Leadership Team comprised:

- Chief Executive and Principal
- Deputy Chief Executive and Principal (Curriculum and Quality)
- Vice Principal of Finance & Professional Services
- Director of Curriculum – Higher, Technical and Professional
- Director of Curriculum – Further Education
- Director of Student Experience
- Director of Quality of Education
- Director of Strategic Partnerships and External Relations
- Director of Information and Data Services
- Director of Human Resources

[The Directors of Young People's Learning and Director of Adult remained on the payroll to 30th September 2023 to assist on student recruitment].

5. Designated Senior Post-holders' Pay Increase: 2022-23

During 2022-23, the DSPs were:

Lee Probert	Chief Executive and Principal
David Hawkins	Vice Principal for Finance and Professional Services
Danny Brett	Deputy Chief Executive and Principal: Curriculum and Quality (left on 31 st January 2023)
Ken Merry	Deputy Chief Executive and Principal: Curriculum and Quality (Commenced 5 th June 2023)
Carolyn Barker	Director of Governance

Decisions on the salaries of senior post holders are informed by market data including data on other General Further Education Colleges with reference to the Association of Colleges Annual Pay Survey, and comparable roles in other sectors/organisations of a comparable size, institutional and personal performance and affordability. The remuneration agreed for the Deputy Chief Executive/Principal, appointed during the year, was agreed on this basis.

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.

6. Remuneration of the Chief Executive and Principal

The table below sets out the remuneration of the Principal and Chief Executive for the past three years. The consolidated pay increases awarded to staff are also included for comparison purposes.

In 2021-22 the committee approved a £2,000 pay award to the Chief Executive and Principal to reflect his performance however it was declined on the basis that it wasn't the right time to accept a pay increase that was greater than the rate applied to the general staff.

Also, in 2021-22 it was decided to move the College's pay year from August to July, to the calendar year - commencing 1st January 2022. Hence the 2021-22 figures below represent 5 months' pay (Aug to Dec 2021 inclusive); similarly the 2023 figure represents 7 months' pay (Jan to Jul 2023 inclusive).

	2020-21	2021-22 (Aug – Dec)	2022	2023 (Jan – Jul)
Salary	£142,814	£60,101 [£144,242/year]	£146,406	£87,538 [£150,066/year]
Principal: % consolidated pay increase	1%	1%	1.5%	2.5%
Staff: % consolidated pay increase	1%	1%	1.5%	2.5%
Principal: non-consolidated increase	£0	£0	£0	£0
Staff: non-consolidated increase	£500 (pro-rated for P/T staff)	£0	£300-£800* (pro-rated for P/T staff)	£0
Performance Related Pay	N/A	N/A	N/A	N/A
Benefits	£Nil	£Nil	£Nil	£Nil
Sub Total	£142,814	£60,101	£146,406	£87,538
Pension Costs	£33,928	£14,232	£34,669	£20,729
Total	£176,742	£74,333	£181,075	£108,267

*paid Dec 2022

7. Policy on income derived from external activities

Designated Senior Post Holders may, in the course of their duties, incur travel and other expenses on behalf of the College. Claims for expenses incurred by senior post holders are approved by the Chief Executive and Principal. Expenses incurred by the Chief Executive and Principal are approved by the Chair of the Governing Body.

8. Pay Multiple: Chief Executive and Principal to Median and Lowest Paid Employee

The following table details the pay multiple of the Chief Executive and Principal when compared to the median pay of all employees, and the lowest paid employee.

	As at 31 st July 2022	As at 31 st July 2023
Pay multiple of Chief Executive and Principal to median	5.24	5.34
Pay multiple of Chief Executive and Principal to lowest paid employee	7.46	7.46

The College's Gender Pay Report (snapshot data as of March 2022) identified that 46 staff were employed as caterers and cleaners (5.5% of all staff). These are our lowest paid staff (excluding a small number of apprentices and interns). York College does not contract out its Cleaning or Catering provision. Lower paid staff distort the overall pay data downwards; therefore, should be borne in mind when considering the data provided.

(end)

