

Senior Staff Remuneration Statement 2021/22



1. Background

- 1.1. The B&FC Corporation Board adopted *The Colleges' Senior Staff Remuneration Code*, published by the Association of Colleges, at its meeting on 3 December 2019. In doing so, the Corporation Board recognised the intention to demonstrate leadership and stewardship in relation to remuneration within further education institutions and recognised that adoption of the Code can help to protect the college's reputation and provide greater assurances to key stakeholders and partners, including the student community and wider society.
- 1.2. The Code recognises the need for the process of setting remuneration to be transparent and, as such, contains a requirement for each college to publish a readily accessible annual statement containing a number of prescribed matters. This statement is intended to satisfy those requirements.

2. Senior Post Holders

- 2.1. At B&FC, the Senior Post Holders within the remit of the Remuneration Committee are as follows:
 - (a) Principal and Chief Executive;
 - (b) Vice-Principal for Finance and Planning;
 - (c) Vice-Principal for Quality and Curriculum; and
 - (d) Clerk to the Corporation

3. Policy on remuneration of Senior Post Holders

- 3.1. B&FC aims to ensure that key management personnel are remunerated at an appropriate level, taking into account relevant market conditions. Consideration is given to the organisation's ability to award any increase and the level of any B&FC- wide award already approved.
- 3.2. The table overleaf sets out the component parts of B&FC's remuneration package for executives which are all intended to help promote the long-term success of B&FC and to retain high calibre executives:

Element of pay	How operated	Maximum opportunity	Description of performance metrics	Change from previous year
Base salary	As determined by the Remuneration Committee	There is no prescribed maximum annual increase	Individually set at the start of the year	No change
Benefits	The Remuneration Committee has the option to provide additional benefits such as additional annual leave, either as well as or in lieu of pay awards	There is no formal maximum	N/A	No change
Pension	Local Government Pension Scheme (LGPS) or Teachers' Pension Scheme (TPS) is offered to all employees	As per standards LGPS or TPS pension schemes	N/A	No change
Pension exchange	If set criteria are met, Senior Post Holders have the opportunity to participate in a pension exchange scheme in order to reflect the changes both of the market and the pension lifetime allowance	Initially 10% of annual salary, subject to periodic review so that it never matches or exceeds what would have been B&FC's pension contribution	There is a requirement for individuals to apply to the Remuneration Committee and to demonstrate their eligibility as per the policy and procedure.	No change
Annual proactive medical screening	Senior Post Holders are able to receive an annual proactive medical screening as a taxable benefit if they wish to do so	One screening per year	N/A	No change

- 3.3. The Remuneration Committee has also had regard to the content of a letter from the Chief Executive of the Education and Skills Funding Agency (“ESFA”) received during 2020/21. In her letter, she wrote:

“Colleges need to demonstrate to stakeholders that decisions made on executive pay are evidence-based, proportionate and represent value for money. We have increased our requirements for disclosures around executive pay to support accountability and to help maintain public confidence and trust. I encourage you to consider adopting the Colleges’ Senior Staff Remuneration Code (developed by the Association of Colleges’ Governors Council) in deciding on fair and appropriate remuneration.”

- 3.4 The Remuneration Committee also had regard to wider arrangements for senior staff pay across a number of sectors.

4. Choice of comparator colleges or organisations

- 4.1. In making remuneration decisions, the Remuneration Committee’s discussions are informed by benchmarking data provided by the Association of Colleges as well as data published by the Education and Skills Funding Agency based on the annual accounts of all colleges. At its meeting in November 2022, the Remuneration Committee considered data from FY2020/21 which had been published in May 2022, i.e. the most recent available.

5. Policy on income derived from external activities

- 5.1. 53% of B&FC’s income in 201/22 was derived from Government funding bodies, although reliance on education sector funding bodies has been decreasing over recent years and is well below the sector average. B&FC actively seeks to diversify income streams to reduce this reliance even further.
- 5.2. B&FC welcomes Senior Post Holders undertaking external activity where it adds value to the organisation. Any such activity requires prior approval and any financial gain is normally donated to B&FC.

6. Pay multiple of the Principal and Chief Executive

- 6.1. The Principal and Chief Executive’s basic salary as a multiple of the median of all staff in 2021/22 was 6.7 (2020/21: 6.6).
- 6.2. The Principal and Chief Executive’s total remuneration as a multiple of the median of all staff in 2021/22 was 5.6 (2020/21: 5.6).

7. Explanation of any significant changes

- 7.1. There are no significant changes requiring explanation.