



**THE CORNWALL COLLEGE GROUP
REMUNERATION COMMITTEE ANNUAL REPORT
FOR THE YEAR ENDED
31 JULY 2020**

THE CORNWALL COLLEGE GROUP (TCCG) REMUNERATION COMMITTEE ANNUAL REPORT 2019/20

1. REMUNERATION COMMITTEE TERMS OF REFERENCE

1.1 The Remuneration Committee terms of reference were reviewed and approved by the Board in October 2020. These are attached as Annex A.

1.2 The purpose of the committee is to consider all matters relating to the remuneration of the senior management of the Corporation and the Clerk to the Corporation so as to:

- ensure that senior postholders are fairly rewarded for their individual contributions to the Group's overall performance and
- demonstrate to the public that the pay of senior postholders is set by a committee which has no personal interest in the outcome of its decision and which gives due regard to the interests of the public and of the financial health of the Group.

2. COMMITTEE MEMBERSHIP

2.1 Committee constitution and membership

2.1.1 The constitution of the committee is:

- The Chair of the Board
- The Vice Chair of the Board
- The Chair of the Audit and Risk Committee
- The Chair of the Curriculum and Quality Committee
- The Chair of the Finance and Resources Committee

The committee has the power to co-opt an additional member with relevant experience who is not a Board member

2.1.2 Membership of the Remuneration Committee during the year ended 31 July 2020, as agreed by the Board at its July 2019 meeting, was as follows:

- Dr Ian Tunbridge
- Mr Peter Child
- Mr Jeff Beer (resigned 30 November 2019)
- Dr Wilf Hudson
- Mrs K Burrows

2.1.3 The Chairperson was Mr Peter Child, Vice Chair of the Board.

2.1.4 All of the above were governors.

2.1.5 The attendance of members at committee meetings was very good despite two special meetings being called at short notice. During the year, of the meetings that members were eligible to attend, three members attended all meetings, two members attended two. Patrick Newberry joined the committee in February 2020 after the meetings had taken place.

2.1.6 Ms N Taylor resigned from the committee with effect from 16 September 2019.

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2.1.7 The Secretary to the committee was Mrs Alison Phillips, Corporation Secretary until her retirement in 30 September 2020.

2.1.8 The Principal and Chief Executive is usually invited to attend these meetings to present information and advice but is not a member of the Committee.

2.2 Meeting dates

2.2.1 The committee met on the following dates in the year ended 31 July 2020: -

1 October 2019
18 November 2019
4 December 2019

2.2.2 The committee also met on the following date relevant to the year 2019/20: -

24 September 2020

3. APPROACH TO REMUNERATION

3.1 Context

3.1.1 The Cornwall College Group is a very large general further education college with seven campuses in Cornwall and one in Devon. It also provides education and training in outreach centres and with many local employers and partners. The college offers courses in 14 subject areas, including an extensive land-based curriculum, reflecting the rural economy it serves. It is the largest education and training provider in the south west region.

3.1.2 The Group's Annual Report and Financial Statements for the year ended July 2020 provides detailed information about the Group including its mission, strategy, markets, governance arrangements and financial position.

3.1.3 In July 2019 the board appointed a new Principal and Chief Executive who took up the role on 30 September 2019. During the year the Corporation recruited a Vice Principal Group Operations and a Vice Principal Group Curriculum and Quality.

In June 2020 the Corporation recruited a new Clerk to the Corporation to succeed the Corporation Secretary, who retired on 30 September 2020. The new Clerk to the Corporation started on the 1 September 2020.

3.1.4 The Corporation adopted the Association of Colleges' Senior Staff Remuneration Code on 3 April 2019.

3.2 Approach to setting remuneration

3.2.1 The Corporation has decided that the senior postholders, who are the senior staff accountable to the Corporation, should be fairly rewarded for their individual contributions to the Group's overall performance and their remuneration be set by a committee which has no personal interest in the outcome of its decision and gives due regard to the interests of the public and of the financial health of the Group.

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- 3.2.2 The Corporation has identified the roles of Principal and Chief Executive, Vice Principal Group Operations and the Vice Principal Group Curriculum and Quality as the Group's senior postholders. These roles are complex and relate to key business activities and require high level decision making.
- 3.2.3 The Clerk to the Corporation is directly accountable to the Corporation and is also therefore within the remit of the Remuneration Committee.
- 3.2.4 The Senior postholders and Clerk to the Corporation's remuneration is reviewed annually by the committee following a review of their performance against targets for the year agreed with the Committee.
- 3.2.5 The Remuneration Committee benchmarks senior postholders' remuneration against the Association of Colleges' Senior Staff Survey but also takes into consideration other factors such as market forces, the college environment and complexity, ease of recruitment, risk and retention as well as value for money and staff pay levels.

3.3 Principal and Chief Executive's Earnings

- 3.3.1 The Principal and Chief Executive is the highest paid senior postholder in the Group during 2019/20. The pay multiplier, comparing the basic salary of the Principal and Chief Executive to that of the median salary for all other staff was 8.1 (2018/19 6.7)
- 3.3.2 Details of the Principal's, and other senior postholders' remuneration during the year is detailed in the notes to the Financial Statements for the year ended 31 July 2020.

3.4 College Policy on Paid External Appointments

- 3.4.1 Whilst the College recognises the value of staff, including senior postholders, undertaking external appointments, income from external activities, if those activities occur during normal working hours, should be paid to the College or the staff member should take annual or unpaid leave. External appointments and activities include work as an external examiner or Ofsted Inspector.

4. CONCLUSION

- 4.1 In April 2019 the Corporation adopted the Association of Colleges' Remuneration Code which states that fair and appropriate remuneration requires three key elements:
- a fair, appropriate and justifiable level of remuneration;
 - procedural fairness;
 - transparency and accountability.
- 4.2 The Remuneration Committee is committed to ensuring that senior postholders' and the Clerk to the Corporation's remuneration is fair and appropriate.

APPENDIX A

**UPDATES TO THE TERMS OF REFERENCE
TO BE ADDED FOLLOWING APPROVAL**