

## **Milton Keynes College Senior Post Holder Annual Remuneration Statement for year ending July 2020**

### **Introduction**

Milton Keynes College has adopted the AOC's Colleges Senior Post Holder Remuneration Code (the Remuneration Code) and, as required by the Remuneration Code, publishes this annual statement. Senior Post Holders (SPHs) are appointed by the Board of Governors. The SPHs in the year ending 31<sup>st</sup> July 2020 were: CEO and Group Principal (Dr Julie Mills OBE), Group Chief Operating Officer (Imelda Galvin), Principal: Milton Keynes College (Chris McLean) and Head of Governance (Karen Brown).

The Remuneration Committee did not meet in 2019/20; there were no pay awards to SPHs. The Remuneration Committee met in September 2020 to review the executive leadership structure.

### **Remuneration Policy**

The SPH remuneration approach is to recruit, retain and reward highly talented and effective SPHs to deliver the College's strategy and to achieve the best outcomes for students, communities and employers while ensuring effective use of resources. SPHs receive an annual salary. There are no performance-related bonuses. SPHs are enrolled in either the Local Government Pension Scheme (LGPS) or the Teachers' Pension Scheme (TPS).

### **Decision Making Processes**

The Board of Governors has a Remuneration Committee made up of external governors and served by the Head of Governance (clerk to the Corporation). At November 2020, the members of the committee were: Gwynneth Tan (Committee Chair); David Meadowcroft (Chair of Governors); Dr Liz Marr (Vice-Chair of Governors); Alan Cook (Chair of Audit & Risk Committee); and Ruby Parmar.

To inform its decisions, the Committee receives relevant external comparators (using data from the most recent AOC Senior Pay Survey of college's with a similar income level, location and scope of operations) and the performance of each SPH in relation to the College's strategic plan and financial health.

The Board has delegated responsibility to the Remuneration Committee for reviewing and making decisions on the remuneration of the College's SPHs. The Board is advised when the Committee has met. The Committee's terms of reference are annexed to this statement.

### **Strategic Objectives**

The Board agrees strategic priorities annually which are aligned to the College's Strategic Plan. The Board monitors progress through the CEO's report and Board agenda items. In her CEO's report to the Board in July 2020, the CEO summarised progress at the end of the 2019/20 year.

The Board also agrees and monitors implementation of the People Strategy and KPIs for academic and finance performance. Reporting against 'people' KPIs is dependent on implementation of the new HRIS.

The Board operates a Carver style of governance where the full Board meets eight or nine

time a year with only statutory committees. Task groups provide an additional layer of scrutiny of quality, finance and property development. Governors have significant experience across a range of specialisms including Education, Finance and Business. The College is rated as Good by Ofsted following its inspection in May 2017 and is rated as having good financial health by the ESFA. The Board also ensures that identified risks are included in the College's Strategic Risk Register and that appropriate action is taken to manage and mitigate the effects of these risks.

### Emoluments of the CEO and Group Principal

The CEO is the College's Accounting Officer and the highest paid member of staff. Her remuneration in 2019-20, which remained unchanged from 2018-19, was as follows:

	2019/20	2018/19	2017/18	2016/17	2015/16
	2019/20	2018/19	2017/18	2016/17	2015/16
Salary	150,000	150,000	150,000	133,000	133,000
Performance Related Pay	None	None	None	None	None
Benefits	None	None	1,000	7,000	6,000
Subtotal	150,000	150,000	150,000	140,000	139,000
Pension Costs	34,620	24,000	24,000	22,000	22,000
<b>Total</b>	<b>184,620</b>	<b>174,000</b>	<b>175,000</b>	<b>162,000</b>	<b>161,000</b>
Pay multiple of the CEO & Group Principal basic pay and the median earnings of the College's whole workforce	4.76	5.05	5.38	6.09	5.10
Expenses	Expenses are authorised and paid in accordance with the College's Financial Regulations Section 7. The Audit and Risk Committee receives an annual analysis of expenses payments and this is then published on the College website.				
External appointments and expenses	The CEO also serves on the following external bodies (unremunerated): Helena Kennedy Foundation, Women Leaders UK, MK Dons SET, MK Business Leaders Partnership, SEMLEP Skills Advisory Panel				

### External Appointments and Expenses

All expenses paid to senior post holders are solely in reimbursement of expenses incurred in the furtherance of the business of the College and comply with the College's Financial Regulations and Expenses (Travel and Subsistence) Policy and Guidelines.

SPHs may represent the College on various bodies and boards and / or carry out academic and civic responsibilities at other organisations. Where this is the case the activity will be agreed by the line manager as part of the role and any income generated may be retained by the College.

The CEO, COO, Principal: Milton Keynes College and the Head of Governance are directors / company secretary of subsidiary companies of the College for which they receive no additional remuneration.

The CEO also serves on the following external bodies (unremunerated): Helena Kennedy Foundation, Women Leaders UK, MK Dons SET, MK Business Leaders Partnership.

### Severance Payments

The Board complies with the Association of Colleges' Senior Post Holder Remuneration Code in relation to severance payments. No severance payments were made to SPHs during the period 1<sup>st</sup> August 2019 to 31<sup>st</sup> July 2020.