

Annual Statement on Remuneration of Senior Post Holders 2022/23

1. Introduction

Milton Keynes College Group has adopted the AOC Colleges' Senior Post Holder Remuneration Code (the Code) and as required by the Code, publishes this annual statement.

Senior Post Holders (SPHs) are appointed by the Board of Governors.

The posts designated as SPH during 2022/23, and therefore falling within the scope of this report, were:

- CEO and Group Principal (Dr Julie Mills OBE) (to 31/8/22)
- CEO and Group Principal (Sally Alexander) from 1/11/22 (Acting CEO 1/9/22 to 31/10/22)
- COO (Jason Mansell) from 1/2/23
- Head of Governance (Karen Brown)

As at the date of this report, the posts designated as SPH are:

- CEO and Group Principal (Sally Alexander)
- Chief Operating Officer (Jason Mansell)
- Head of Governance (Karen Brown)

The Remuneration Committee met three times in 2022/23 including a virtual meeting.

2. Remuneration Policy

The College is committed to ensuring that SPH remuneration is fair, appropriate, and justifiable, that procedures and decision making are fair and transparent, that proper accountability is demonstrated and that an appropriate balance is struck between recruiting, retaining and rewarding the best staff possible, whilst delivering the best outcomes for students and demonstrating effective use of resources.

SPHs receive an annual salary. There are no performance-related bonuses or other benefits. SPHs are enrolled in either the Local Government Pension Scheme (LGPS) or the Teachers' Pension Scheme (TPS).

3. 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).

From August 2023, the members of the committee were Alan Cook (Vice-Chair and Chair of Audit & Risk Committee), David Meadowcroft (Chair of Governors), Ruby Parmar (Vice Chair and Chair Elect), Angela Novell (Chair of the CQG) and Amit Nayyar.

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

4. 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 on 12th July 2023, the CEO summarised progress at the end of the 2022/23 academic year.

The Board operates a Carver style of governance where the full Board meets eight or nine times a year with only statutory committees. Task & Finish Groups provide an additional layer of scrutiny of quality, finance and capital projects. 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.

5. Emoluments of the CEO and Group Principal

The CEO is the College's Accounting Officer and the highest paid member of staff.

Table 1: Total Remuneration CEO and Group Principal over time and Pay Multiples 2022/23

1 st August 2022 to 31 st July 2023	2022/23 £	2021/22 £	2020/21 £	2019/20 £	2018/19 £
Salary	150,000	175,000	164,583	150,000	150,000
Performance Related Pay	None	None	None	None	None
Benefits	None	None	None	None	None
Subtotal	150,000	175,000	164,583	150,000	150,000
Pension Costs	35,520	40,390	38,973	34,620	24,000
Total	180,570	215,390	203,556	184,620	174,000
Pay multiple of the CEO & Group Principal ¹	4.84	7	6.34	6.0	5.05

6. Expenses

All expenses paid to SPHs 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. Expenses of SPHs and governors are reported to the Audit and Risk Committee annually and are published on the College website.

7. External Appointments

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 and the Head of Governance are directors / company secretary of subsidiary companies of the College for which they receive no additional remuneration.

The former CEO also served on the following external bodies (unremunerated) in 2022/23: Helena Kennedy Foundation, Women Leaders UK, MK Dons SET, MK Business Leaders.

The current CEO serves on the Board of CIWM (Chartered Institute of Waste Management (unremunerated).

8. Severance Payments

Appropriate severance payments require three key elements – namely:

- a) Reasonable, appropriate, and justifiable amount.
- b) Procedural fairness.
- c) Transparency and accountability.

¹ The pay multiple of the Chief Executive / Principal and the median earnings of MKCG's whole workforce.

Where severance payments relating to SPHs are under consideration, advice is taken from the external auditor to ascertain the legitimacy of any proposed payment. The Board complies with the Managing Public Money guidance and the Association of Colleges' Senior Post Holder Remuneration Code in relation to severance payments. The Board will draw any such payments to the attention of the College's regularity auditor.

There were no severance payments to SPHs in the 2022/23 accounting year.