nescot

**Senior Staff Performance & Remuneration Committee**
**Terms of Reference 2026-27**

## 1. Constitution

1.1 The Senior Staff Pay & Remuneration (SSPR) Committee has approved and adopted these terms of reference.

## 2. Objectives

2.1 The SSPR Committee shall review and make recommendations on the Corporation's policy on executive remuneration.

2.2 The SSPR Committee shall advise on the remuneration packages of senior postholders, to ensure that they are fairly and appropriately rewarded for their individual contributions to the College's overall performance, in the context of the College's financial position.

2.3 The SSPR Committee will monitor and review arrangements for appraisal of Senior Postholders, taking into account the Corporation's responsibility to support their wellbeing.

2.4 The SSPR Committee will operate in accordance with relevant law, guidance and Codes of Practice, including but not limited to:

- FE and Sixth Form College Corporations Governance Guide (DfE)
- AoC Senior Postholder Remuneration Code (AoC)
- College Financial Handbook (DfE)
- Managing Public Money (HM Treasury)
- Senior Pay Controls Process (HM Treasury)
- Effective Senior Postholder (SPH) Appraisal and Chair Performance Review (FEC)

## 3. Membership

3.1 The SSPR Committee shall be appointed by the Corporation and will consist of the Chair and Vice-Chair of the Corporation, the Chair of the Audit & Risk Committee, the Chair of the Curriculum & Quality Committee and the Chair of the Finance & General Purposes Committee.

3.2 The CEO/Principal, Staff Governors and Student Governors may not be appointed to the SSPR Committee.

3.3 The quorum shall be three members.

3.4 The Chair of the SSPR Committee will be appointed by the Corporation, but must not be the Chair of the Corporation.

## 4. Attendance at Meetings

4.1 The CEO/Principal may be invited to attend to advise the SSPR Committee on matters other than their own remuneration. The Committee may invite other Senior Postholders to attend meetings where necessary, but they shall withdraw when matters relating to their own remuneration are considered.

4.2 The SSPR Committee may invite members of staff and other persons to attend meetings where it would assist their work. Such persons shall be entitled to speak but not to vote at the meeting, and may be asked to withdraw at any time.

4.3 The Head of Governance shall be clerk to the SSPR Committee, but must withdraw when matters relating to their remuneration are considered, and the Chair of the Committee will prepare a formal minute of the Committee's decision on the matter.

**5. Frequency of Meetings**

5.1 Meetings shall be held not less than twice per year. The SSPR Committee shall meet even in the event of there being no recommendations regarding pay changes.

**6. Authority**

6.1 The SSPR Committee is authorised by the Corporation to investigate any activity within its terms of reference. Employees of the College must respond to any reasonable requests for information or assistance.

6.2 The SSPR Committee is authorised by the Corporation to obtain legal or other independent professional advice and to secure the attendance of external advisers at meetings if necessary.

6.3 The Corporation has delegated authority to the Committee to make recommendations with regard to pay and conditions of Senior Postholders, including where these relate to appointment and dismissal. Decisions on pay and conditions will be made by the Corporation, other than where Senior Postholders are subject to the same pay award applied to all staff in College.

**7. Duties**

7.1 The SSPR Committee shall ensure that the level of remuneration of the CEO/ Principal and other Senior Postholders is:

- In the interests of the students.
- An appropriate use of resources.
- Proportionate and reasonable.
- Good value for money.

7.2 The SSPR Committee shall recommend to the Corporation which staff, in addition to the CEO/Principal, should be categorised as Senior Postholders. The designation of Senior Postholders will be reviewed annually.

7.3 The Committee shall advise the Corporation on the specific remuneration packages of the CEO/Principal, other Senior Postholders and the Head of Governance, ensuring that remuneration is sufficient to recruit, retain and motivate staff of an appropriate calibre, whilst also demonstrating value for money.

In advising on specific remuneration packages the Committee shall consider the following component elements:

- Basic salary
- Benefits in kind
- Annual bonus/performance related elements, if any
- Pension provisions
- The terms and conditions in each senior postholder's contract of employment, with particular reference to the notice provisions.

7.4 The SSPR Committee shall evaluate annually the specific remuneration packages of the CEO/Principal and other Senior Postholders against:

- Pre-established performance goals and objectives.
- The value of the role and College performance.
- Relevant information published by the AoC and other relevant bodies.
- The rules set out in Managing Public Money (MPM) regulations relating to senior executive pay.
- The Corporation's budget.
- The context of the rate of increase of the average remuneration of all other staff.

For that purpose, the Committee will review and assess performance, target goals and objectives established before the commencement of the relevant period and determine whether such goals and objectives have been achieved at the end of the relevant period.

7.5 The Committee shall receive updates on the annual and mid-year appraisal of Senior Postholders and the Head of Governance. This should include feedback on discussions around wellbeing and workload of Senior Postholders.

7.6 The Committee shall advise the Corporation on any compensation (including the augmentation of pension benefits) which may be payable in dealing fairly where early termination is not due to poor performance. In the event of an individual not achieving their expected performance this should be addressed through performance management procedures.

7.7 The Committee shall review on a continuing basis the Corporation's approach in relation to any aspects relating to the remuneration of the CEO/Principal and other Senior Postholders, ensuring that this is aligned with the College's Equality & Diversity Policy, so that there are no biases pertaining to gender or other protected characteristics within the pay structure.

7.8 The SSPR Committee shall receive an annual, audited, update on the pay multiples for staff in relation to the CEO/Principal's salary.

7.9 The SSPR Committee shall receive the outcome of the AoC's Annual Senior Pay Survey.

7.10 To receive details of any income earned by senior postholders from other employment or consultancy sources not directly related to their role, and to approve and report to the Board.

**8. Reporting Procedures**

8.1 The minutes of each Committee meeting shall be reported to the next meeting of the Corporation, taking into account the confidentiality around matters within the Committee's remit. This may most appropriately be delivered verbally by the Chair.

**Last reviewed and approved: 26th June 2026**

**Date of Next Review: June 2027**