Remuneration Annual Report to the Corporation 2025/26

1. Introduction

This report has been prepared in accordance with the AoC Senior Post-Holder Remuneration Code applicable during the 2025/26 reporting period. The Association of Colleges published a revised Senior Post-Holder Remuneration Code during 2026, with transitional arrangements allowing colleges to continue to apply the previous Code until 31 July 2027. The Corporation will consider the revised Code and any consequential changes to its remuneration arrangements during 2026/27.

The Corporation has designated the following posts as senior post holders:

- Chief Executive and Principal
- Chief Finance Officer
- Vice Principals (2 posts)
- Director of Governance

The Remuneration Committee has responsibility to make recommendations to the Corporation on the remuneration and benefits of all senior post holders.

2. Remuneration Committee

2.1 *Terms of Reference*

The terms of reference of the Remuneration Committee are included at appendix 1.

2.2 *Remuneration Committee membership*

The following members served on the committee during 2025/26:

Name	Eligible to attend	Actual attendance
Jason Parker (Chair)	3	3
Paul Noon	3	3
Wendy Davies	3	1
Sarah Wood	3	3

2.3 *Remuneration Committee meetings*

The following meetings took place during 2025/26:

- 7 November 2025
- 28 January 2026
- 13 May 2026

The meetings during the year took place via remote attendance for all meetings. The meetings of the committee continued to be effective, with full engagement from all members and attendees.

The Chief Executive and Principal is not a member of the Committee. No member of staff is present for the discussion of their own remuneration.

A brief summary of the matters considered by the Remuneration Committee during the year 2025/26 is as follows:

7 November 2025

- College Financial Handbook update in relation to senior pay noted.
- Annual Senior Remuneration Report and committee's annual report recommended to Corporation.
- Senior Post Holder Remuneration Policy updated and recommended to Corporation.
- Summative performance review of senior post holders recommended to Corporation.

28 January 2026

- Proposed objectives for 2026 recommended to Corporation.
- Salary benchmarking review in respect of senior post holders recommended to Corporation.
- A review of the role of the Director of Corporate Governance.

13 May 2026

- Committee chair and vice chair for 2026/27 appointed.
- Committee terms of reference for 2026/27 recommended to Corporation.
- Committee business plan for 2026/27 recommended to Corporation
- Performance reviews for Senior Post Holders noted.
- Approach to annual performance review for Chair agreed.

3. The Corporation's approach to performance management

The operational development plan details key performance indicators for the year which the Corporation uses to measure performance and distance travelled towards the strategic objectives. The College has a performance dashboard on its website called the Dudley Dashboard, which provides an overview of the College's performance in eleven strategic areas. The dashboard web address is http://www.dudleycol.ac.uk/Dashboard.aspx.

The performance of all staff of the College is reviewed in accordance with the performance management policy. The policy sets out the link between performance management and the College operational development plan and how this applies to all staff.

As at 31st July 2026, the College employed 845 staff across 1029 positions, including 64 management positions, 345 teaching positions, 125 learning support positions and 311 professional services and facilities positions.

4. The Corporation's approach to remuneration

The remuneration committee is concerned with all aspects of the employment of senior post holders, including recruitment, promotion, retention, setting and reviewing performance targets. The committee is also responsible for reviewing and making recommendations to the Corporation on the remuneration, terms and conditions of employment of senior post holders, taking account of affordability, comparative information on the remuneration, benefits and conditions of employment from within the further education sector and other organisations of a comparable size/turnover. The Corporation considers that it is compliant with the guidelines contained within the AoC's Colleges' Senior Post Holder Remuneration Code.

The College's Performance Management Policy sets out the framework under which performance reviews for all staff are carried out twice per year and explains the alignment of individual objectives with the College's strategic priorities and plans. In respect of senior post holders, the performance objectives are agreed by the remuneration committee prior to recommendation to the full Corporation for approval. Reports on the performance reviews, including summative reviews, are provided to the committee to inform their decision making in respect of the consideration of salary progression and recommendations are made to the full Corporation for approval. The remuneration committee does not hold any delegated decision-making power in respect of the remuneration of senior post holders, all decisions are made by the full Corporation.

The College's Pay Policy applies to all staff including senior post holders. In conjunction with the performance management policy, it is designed to motivate staff to achieve the College's strategic objectives. The Pay Policy is regularly reviewed and approved by the Corporation. The Senior Post Holder Remuneration Policy was revised to take account of the revised requirements of the College Financial Handbook with effect from 1st August 2025.

Decisions on the salaries of senior post holders are informed by market data including published information on other further education colleges of a comparable size, the AoC Senior Pay Survey, market intelligence obtained from wider comparable sectors, institutional and personal performance and affordability. The committee's aim is to pay a competitive salary but a significant part of this is dependent upon performance.

In respect of recruitment, the College aims to recruit senior post holders using remuneration packages that are market-competitive and consistent with the existing remuneration structure. In doing so, the College seeks to attract talented individuals. Newly recruited senior post holders are subject to a probationary period and are eligible to receive the same remuneration elements as existing senior post holders, namely salary, set at an appropriate level taking into account the experience and quality of the candidate, and membership of the appropriate pension scheme.

The College does not expect to make special recruitment arrangements outside the standard policy but may do so in exceptional circumstances in order to secure the appointment of the right candidate.

4.1 **Managing Public Money**

The committee has taken account of the HM Treasury requirements in relation to controls on senior pay which are set out within Managing Public Money guidance and incorporated within the College Financial Handbook.

For the year under review, senior pay approval requirements applied in accordance with the thresholds set by HM Treasury and reflected in the College Financial Handbook. During 2025/26 these thresholds were increased from £150,000 to £174,000 for total remuneration and from £17,500 to £25,000 for performance-related pay. The requirements also apply to relevant contractual changes for existing post-holders, including moves to a new post, and to pay awards which meet the applicable criteria for HM Treasury approval.

5. Institutional performance

The College's performance in 2025/26 is detailed in the Annual Report and can also be found on the College's website within the Dudley Dashboard.

6. Emoluments of the Chief Accounting Officer (Chief Executive and Principal)

Emoluments	**2024/25***			**2025/26**
	Postholder 1	Postholder 2	Total 24/25	
Salary	** £146,978	£68,750	£215,728	£160,680
Performance related pay	£0	£0	£0	£0
Benefits	£0	£0	£0	£0
Subtotal	£146,978	£68,750	£215,728	£160,680
Pension costs	£21,909	£19,717	£41,626	£45,188
Total	£168,887	£88,467	£257,354	£205,868

* The role of Chief Accounting Officer during 2024/25 was held as follows:
Post Holder A – 01 August 2024 – 14 February 2025
Post Holder B – 15 February 2025 – 31 July 2025

** Payment to Post Holder A included £3,872 accrued holiday pay and £43,671 relating to the final three months of the contractual notice period to 11 May 2025

Pay Ratio Disclosure Table

	Basic Salary	**Median Staff Salary**	**Pay Ratio**
Total Chief Accounting Officer pay for the year 2025/26	£160,680	£38,987	4.12:1

The pay ratio is calculated in accordance with the AoC Senior Post Holder Remuneration Code.

- **Basic salary** refers to gross pay excluding employer pension and national insurance contributions.
- The **median staff salary** is based on full-time equivalent gross pay and does not include employer pension or national insurance contributions.

The Corporation considers these ratios to be proportionate and reflective of the responsibilities and performance expectations of the role.

The Corporation continues to monitor pay multiples annually and ensures that remuneration decisions are made in line with the principles of fairness, transparency, and value for money.

7. Severance payments to Senior Post Holders

No severance payments were made to Senior Post Holders in 2025/26.

8. 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 Gifts and Hospitality Policy.

The Chief Accounting Officer served on the following external bodies with the approval of the Corporation:

- Trustee of Dudley Academies Trust
- Director of Transformational Technologies Partnership Limited

The Chief Executive and Principal also undertakes external inspection work as an Ofsted Inspector. This activity is supported by the College as part of its contribution to sector improvement and provides valuable professional development and sector insight. The College is reimbursed by Ofsted for time spent on inspection activity, however, no additional remuneration is paid to, or retained by, the CE and Principal in connection with this work.

In accordance with the College's overseas working policy, post holders are eligible to receive a £50 taxable overseas allowance for each night spent overseas on College business. During 2025/26 the post holder received no overseas allowance payments.

The total amount of expenses reimbursed during 2025/26 was:

	Expenses reimbursed	Expenditure on College business credit card
Chief Accounting Officer	£130.39	£1,298.13*

*All expenditure on the College business credit card related to purchases of goods and services on behalf of the College, in accordance with the College's Financial Regulations.

9. Governance Assurance

The Corporation is responsible for ensuring that senior post-holder remuneration is determined in a fair, proportionate and transparent manner, in accordance with the College's policies and the AoC Senior Post Holder Remuneration Code.

Having considered the work undertaken during the year, the Corporation confirms that:

- The procedures set out in the terms of reference for the Remuneration Committee have been followed.
- The College has operated in accordance with the requirements of the AoC Senior Post Holder Remuneration Code in determining senior post-holder pay during the period covered by this report.

This statement is approved by and published on behalf of the Corporation.

Approved by the Corporation on 17th November 2026.