

## **Remuneration Committee Terms of Reference 2019/20**

### **1 Objectives**

1.1 The Committee shall:

- review and determine the Corporation's policy on senior post holders' and the Clerk to the Corporation's remuneration so as to:
  - ensure that each is fairly rewarded for their individual contributions to the College's overall performance; and
  - demonstrate to the public that the pay of each such person 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 College;
- review and revise, as necessary, the Corporation's grievance and disciplinary procedures relating to senior post holders.

### **2 Membership**

2.1 The Committee shall be appointed by the Corporation on the advice of the Search Committee and shall consist of 4 members comprising:

- the Chair of Corporation
- the Vice Chair of Corporation
- 2 external members

2.2 Membership precludes the Principal and the staff and student Governors.

2.3 A quorum shall be 3 members.

2.4 The Search Committee shall review the membership of this Committee on an annual basis.

### **3 Appointment of Chair and Vice Chair**

3.1 At the first meeting of the Committee of each College year, the members shall appoint a Chair and Vice Chair from among their number.

3.2 The Chair and Vice Chair shall hold office for one year, and until the first meeting of the Committee of each College year.

3.3 At the end of the term of office the Chair and Vice Chair shall be eligible for re-appointment.

3.4 If the Chair and Vice Chair are absent from any meeting of the Committee, the members shall choose one of their number to act as Chair for that meeting.

## **4 Meetings**

### **4.1 Attendance**

- The Clerk to the Corporation shall be Clerk to the Committee, except for that part where the remuneration of the Clerk is being considered;
- The Principal shall not attend meetings of the Committee unless invited by the Committee. If invited, the Principal shall not be entitled to be present for any part of the meeting where the Principal's remuneration is being considered;
- The Executive Director: Human Resources and Organisational Development shall normally be invited to attend meetings of the Committee to advise members as may be necessary;
- The Committee may invite other senior post holders to attend meetings when necessary.

### **4.2 Frequency of Meetings**

- Meetings shall be held not less than once per year.

## **5 Authority**

5.1 The Committee is authorised by the Corporation to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with the relevant experience and expertise if it considers this necessary.

## **6 Duties**

6.1 The Committee shall determine on behalf of the Corporation the specific remuneration of the Principal and other senior post holders and the Clerk to the Corporation and, in so doing, shall consider the following component elements:

- basic salary
- benefits in kind
- annual bonus/performance related elements
- pension provisions
- the main terms and conditions in each such person's service agreement, with particular reference to the notice provisions.

6.2 The Committee shall evaluate annually the specific remuneration of the Principal and other senior post holders and the Clerk to the Corporation against:

- established performance goals and objectives
- an appropriate peer group.

6.3 The Committee shall advise the Corporation on any compensation (including the augmentation of pension benefits) which may be payable in the event of the early termination of the employment of the Principal or any other senior post holder, with the broad aim of:

- avoiding rewarding poor performance; and
- dealing fairly with cases where early termination is not due to poor performance.

- 6.4 The Committee shall review on a continuing basis the Corporation's policy in relation to all aspects relating to the remuneration of the Principal and other senior post holders and the Clerk to the Corporation.
- 6.5 The Committee shall on a regular basis review and revise, as necessary, the Corporation's grievance and disciplinary procedures relating to senior post holders.
- 6.6 The Committee shall review its Terms of Reference and its compliance with them on an annual basis.
- 6.7 The Committee shall seek to comply, as far as is possible, with the Colleges Senior Post Holder Remuneration Code ('Remuneration Code') when carrying out its duties in relation to senior post holders.
- 6.8 The Committee shall be responsible for preparing an annual report to the Board of Governors relating to the remuneration of senior post holders in accordance with the requirements of the Remuneration Code.

## **7 Reporting Procedures**

- 7.1 The Chair of the Remuneration Committee shall notify the Principal and other senior post holders and the Clerk to the Corporation of the outcome of the annual review.
- 7.2 The Clerk to the Corporation shall circulate minutes of the meetings to all Corporation Members.
- 7.3 Governors wishing to raise comments or queries in relation to the appraisal or remuneration of senior post holders and the Clerk to the Corporation can do so by contacting the Chair of the Remuneration Committee outside of any formal meeting.