

TERMS OF REFERENCE

REMUNERATION COMMITTEE

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THE REMUNERATION COMMITTEE

Terms of Reference

1. The Corporation has established a committee of the Corporation, to be known as the “Remuneration Committee”, and formally approves its terms of reference.

2. **Membership**

The committee shall consist of three Members of the Corporation, and may include 1 co-opted additional member with appropriate experience as required, comprising:

Vice Chair of the Corporation
Chair of Audit Committee
Chair of the Finance & Resources Committee.

The Clerk to the Corporation & Legal Officer shall be in attendance and be responsible for:

- advising the committee on matters in relation to the Instruments and Articles of Government and other associated regulations;
- taking or overseeing the taking of minutes of the meetings.

The Chair of the Committee shall be appointed by the Corporation annually.

Members of the Committee shall be considered for re-appointment on an annual basis.

A member of the Committee may resign from membership of the Committee by giving notice in writing to the Clerk to the Corporation & Legal Officer.

Vacancies which arise on the Committee will normally be filled by the Corporation, at the next following Corporation meeting. However, The Chair of the Corporation may appoint members to the Committee between meetings of the Corporation where necessary to ensure a balance of skills and interests and quoracy.

A member of the Committee will cease to be a member if they have been absent from three consecutive meetings of the Committee without the permission of the Committee. It is the responsibility of the Chair of the Committee to address member attendance.

3. **Frequency of Meetings**

The Committee shall normally meet twice a year with one meeting in October and the other in April or as required. At least one meeting shall meet face to face per annum.

4. **Quorum**

The quorum for meetings of the Committee shall be 3 members of the committee.

5. Role Description of the Remuneration Committee

The Role of the Remuneration Committee is to advise and make recommendations to the Corporation, subject to the overriding authority of the Corporation. The Chair of the Committee shall present these as part of the Standing Items under 'Committee Reports for Recommendation by Committee Chairs'.

The Committee shall make recommendations to the Corporation on the remuneration and conditions of service of Senior Post Holders (as defined by the Corporation) and the Clerk to the Corporation & Legal Officer. For the purposes of the role and duties of this committee, the term Senior Post Holder shall include the Clerk to the Corporation & Legal Officer.

6. Terms of Reference for the Remuneration Committee

Key duties and responsibilities of the Remuneration Committee are to:

- Advise the Chair of the Corporation on the remuneration packages of designated Senior Post Holders, including the Chief Executive, the Director of Technical Training and the Commercial Finance Director, with due regard to public interest and the financial health of the College.
- Demonstrate that the remuneration of Senior Post Holders is based on the advice of the Committee which has no personal interest in the outcome of its recommendations.
- Review annually the performance of the Chief Executive. This may be delegated to the Chair of the Corporation who will make recommendations to the Committee.
- In the case of designated Senior Post Holders, other than the Chief Executive, the annual review and appraisal may be delegated to the Chief Executive who will make written recommendations to the Committee.
- Review annually the performance of the Clerk to the Corporation & Legal Officer. This may be delegated to the Chair of the Corporation and the Chief Executive who will make written recommendations to the Committee.
- Advise on the framework for appraisal, appointments, suspension and dismissal and pay and conditions of service of Senior Post Holders.
- Facilitate the recruitment, retention and motivation of Senior Post Holders with appropriate qualifications, experience and ability within levels of affordability and in the light of the organisation's strategic objectives.
- Ensure clarity regarding which elements of remuneration are pensionable and non-pensionable.
- Ensure that specific remuneration packages are transparent, objectively auditable and openly defensible.

- Establish annually a programme of training, support and development for the Senior Post Holders.

7. Remuneration Review Process

The Committee will make its remuneration recommendations based on the following:

- Written appraisals of designated Senior Post Holders, including a summary of responsibilities and performance against specific objectives set for the individual(s) appraised. These to be provided by the appraiser and to be used to assess performance and rewards.
- A clear written recommendation from the appraiser for Remuneration Committee action.
- Details of the annual pay settlement for College Staff.
- Independent data on national FE salary pay scales for Senior Post Holders.

8. Attendance at Meetings

- The Chief Executive shall normally be invited to attend meetings of the Committee save where their remuneration is being considered. At the discretion of the Chair, the Chief Executive may be excluded from any part of any meeting convened to discuss remuneration of Senior Post Holders.
- At the request of the Committee, any or all of the Senior Post Holders shall be invited to attend a meeting to answer questions relevant to the work of the Remuneration Committee. The Clerk to the Corporation & Legal Officer may also be invited to answer questions at the point that their remuneration and conditions of service (including their remuneration and conditions of service as a member of staff) are taken on the agenda.
- Specialist advisers may attend meetings of the Committee or be asked to provide information if required.
- The Clerk to the Corporation & Legal Officer shall be the Clerk to the Remuneration Committee.
- Where the agenda item concerns the Clerk to the Corporation & Legal Officer (including where the Clerk is, or is to be appointed as, a member of staff, their remuneration and conditions of service as member of staff), the Chair of the Committee will forward any exempted information to members of the Committee.
- Where the agenda item concerns the Clerk to the Corporation & Legal Officer (including where the Clerk is, or is to be appointed as, a member of staff, their remuneration and conditions of service as a member of staff), the Clerk to the Corporation & Legal Officer will withdraw from the meeting and a member of the Committee will take a confidential minute of the item discussed.

9. Financial Limitations

The committee has no delegated financial powers.

10. Terms of Reference Document Approval

Name/Role		Signature	Date:
Approved by:	Corporation Board (Clerk to the Corporation & Legal Officer)	<i>Sally Brook Sharahan</i>	24 th July 2017