

## TERMS OF REFERENCE: REMUNERATION COMMITTEE

### 1. Introduction

The Committee will report directly to the Corporation. Minutes, once approved by the Remuneration Committee, will be circulated to all members of the Corporation. Decisions on the remuneration of Senior Post Holders and other confidential items will be recorded in a separate addendum which will be available for inspection by Board members on request to the Head of Governance.

The Head of Governance will be the Clerk to the Remuneration Committee whose role is to accurately record recommendations of the Remuneration Committee to the Corporation. A member of the Remuneration Committee will act as Minute Secretary if the Head of Governance's performance and/or salary is considered.

### 2. Membership

The Remuneration Committee will comprise an independent Chair with relevant experience appointed by the Corporation and up to 5 further members drawn from the Chairs of the Corporation and Committees and members, as approved by the Board.

- The role of Chair of the Remuneration Committee should be approved by Corporation.
- The Chair of Corporation may be a member, but may not undertake the role of Chair.
- In the absence of the Independent Chair, another member of the Committee may be selected as Acting Chair (except for the Chair of Corporation).
- The Assistant Principal for People & Culture and other advisers may be invited to attend as appropriate.
- The Staff and Student Governors will not be members of the Committee.
- The Remuneration Committee will invite relevant officers to present the data and information required to make appropriate recommendations to the Corporation on matters pertinent to its role. Those officers will not be present for any debate on recommendations.

### 3. Role

The Remuneration Committee will review and determine the Corporation's policy on executive remuneration packages of the Senior Post Holders, so as to:

- a) Ensure compliance with the AoC SPH Remuneration Code (adopted by the Corporation February 2019).
- b) Ensure that the Senior Post Holder is fairly rewarded for his/her individual contributions to the College's overall performance; and
- c) Demonstrate to the public that the pay of the Senior Post Holder 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.

### 4. Terms of Reference

The Committee will:

- a) Receive a report from the Chair of Corporation or Principal/CEO (as appropriate) regarding individual and college performance relevant to any recommendations regarding overall pay and performance of individual Senior Post Holders.

- b) Advise the Corporation on conduct, composition and procedures for selection panels of Senior Post Holder interviews and generally on appointments of Senior Post Holders.
- c) Advise Corporation on matters concerning the termination of employment of Senior Post Holders.
- d) Under the direction of the Independent Chair of Remuneration, make recommendations under its specific Terms of Reference directly to the Corporation.
- e) Advise and make recommendations to the Corporation on the remuneration, terms and conditions of designated 'Senior Post Holders' at the College i.e. the post of Principal/Chief Executive and such other senior posts as the Corporation may determine.
- f) Ensure all decisions regarding the remuneration of designated Senior Post Holders will take into account the context in which the college operates and will consider:
  - A fair, appropriate and justifiable level of remuneration
  - Procedural fairness and
  - Transparency and accountability
  - Take into account the public interest and the safeguarding of public funds, alongside the interests and market position of the college, when considering all forms of payments, rewards, terms and conditions and severance within its remit
  - Consider comparative and benchmarking information when considering the remuneration, benefits and terms and conditions of Senior Post Holders
- g) Annually receive reports on SPH overall performance, achievement of objectives and value added to the organisation.
- h) Produce an Annual Report for Corporation.
- i) Publish a readily accessible annual statement, based on the Annual Report to Corporation.
- j) Review its terms of reference biennially.

## **5. Quorum**

A quorum for the Committee shall be 3 members of the Committee, the majority of whom should be full members of the Corporation.

## **6. Frequency of Meetings**

The Committee shall meet at least once a year and may meet up to 4 times a year to meet business needs.