



Remuneration Committee Terms of Reference

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TERMS OF REFERENCE AND MEMBERSHIP

Remuneration Committee

CHAIR: Eliot Ward

1. AUTHORITY

The Committee is authorised by the Board of Governors to investigate any activity within its terms of reference. The Committee is also authorised by the Board of Governors to obtain outside legal or other independent professional advice and to secure the attendance of non-members with relevant experience and expertise it considers necessary, normally in consultation with the Vice-Chancellor & Chief Executive and the Chair of the Board of Governors.

2. SPECIFIC RESPONSIBILITIES

Policy & Strategy

- 2.1 To ensure the University has a clear policy on senior staff remuneration and associated procedures approved by the governing body, which clearly aligns to the University's People and Organisational Development Strategy and its Strategic Plan, and is aligned to the University's commitment to equality and diversity. Senior Staff are defined as all staff on HAY grades and above, including the Professoriate.
- 2.2 To have oversight of the University's policy framework on severance.
- 2.3 To have oversight of the University's framework for rewards, which will operate within a pre-defined budget, in relation to exceptional performance and to delegate decisions regarding the application of reward to the Vice-Chancellor & Chief Executive

Vice-Chancellor & Chief Executive

- 2.4 To determine on behalf of the Board of Governors all matters relating to the initial salary and subsequent performance reviews, benefits in kind, pension provisions, and terms and conditions, including any severance payments, relating to the employment of the Vice-Chancellor & Chief Executive.
- 2.5 To determine for the approval of the Board of Governors the recruitment process to the office of Vice-Chancellor & Chief Executive when required.

Holders of Senior posts

- 2.6 To determine on behalf of the Board of Governors all matters relating to the salary, benefits in kind, pension provisions, and terms and conditions, including severance payments, relating to the employment of holders of senior posts and to ensure that all arrangements are unambiguously and diligently recorded and report on such matters to the same.
- 2.7 To determine the amount available for any annual increase for the holders of senior posts, including determining the budget available for non-consolidated bonuses and the consolidated pay progression for holders of senior posts.

- 2.8 To ensure no individual shall be present during discussions reached in relation to his/her own remuneration.
- 2.9 To ensure appropriate and robust arrangements are in place for determining salaries of other senior staff, as determined by the Vice-Chancellor & Chief Executive and to receive proposals.

Monitoring and Benchmarking

In the determination of 2.1-2.5 above, the Committee will take into account the following factors:

- 2.10 The level and range of responsibilities and the performance of the Vice-Chancellor & Chief Executive and holders of senior posts assessed through an agreed appraisal system (that element of the University Secretary's duties that pertain directly to the Board being appraised by the Board).
- 2.11 Oversight and approval of any confidentiality agreements in relation to senior posts.
- 2.12 Benchmarking against appropriate and comparable posts/postholders, particularly provided by the Committee of University Chairs (CUC) Vice-Chancellors' salaries survey; data provided by the Universities and Colleges Employers' Association (UCEA) and the annual survey undertaken by the Times Higher Education (THE).
- 2.13 General salary increases within the University and the University sector.

Governance

- 2.14 Report on an annual basis on its decisions and operation to the Board of Governors to provide assurance that a rigorous, fair and defensible process has taken place in determining senior staff pay, and the resulting overall levels of increase in the wage bill.
- 2.15 The Committee will undertake an annual review of its own performance and effectiveness as part of the overall review of the Board and its committees.
- 2.16 The work of the Remuneration Committee will be included within the Annual Corporate Governance Statement.

Termination

- 2.17 The Committee shall advise the Board of Governors on any compensation (including severance payments and the augmentation of pension benefits) which may be payable in the case of termination of employment of the Vice-Chancellor & Chief Executive, holders of senior posts.

Risk Management

- 2.18 To keep under review the risks associated with those matters considered the responsibility of the Committee.
- 2.19 To consider the public interest and the safeguarding of public funds alongside the sustainability and interests of the Institution when considering all forms of payment, reward and severance to the staff within its remit.

3. CONSTITUTION

The constitution of the Committee is detailed below:

3.1 Reporting and Membership

Reporting to:	Board of Governors
Reporting Committees:	N/A
Working Panels/Groups:	N/A
Receive minutes from:	N/A

	Job Title / Representative	Title and Name
Chair	Independent Governor	Eliot Ward
Secretary	Clerk to the Board	Michael Thompson
Members	Chair of the Board of Governors	Mike Parker
	Chair of Employment Committee	Wendy Williams
	Chair of Finance Committee	Charles Oddy
	Chair of Audit Committee	Brian McCann
Attendees	Vice-Chancellor & Chief Executive	Ian G Campbell
	University Secretary & General Counsel	Maria Burquest
	<u>If and when called to attend:</u>	
	Deputy Finance Director	Belinda McGuinness
	Registrar & Chief Operating Officer	Mark Power
Invitees	Invitees including members of the Board are permitted to attend subject to the Chair's approval	

3.2 Quorum

To ensure that the Remuneration Committee is quorate, meetings will only proceed if three external members are present.

3.3 Frequency

A minimum of two meetings per academic year.

4. STANDING ORDERS

- 4.1 Notice of Committee meetings will be left or sent to the usual place of residence of each member or to any other address a member may specify.
- 4.2 At least five clear days' notice shall be given prior to each meeting.
- 4.3 For urgent notification of a meeting, the minimum period of notice shall be one working day.
- 4.4 The notice of the meeting should specify the time, place of the meeting and the items of business to be transacted.
- 4.5 The inadvertent non-delivery of the notice of the meeting shall not affect the validity of the meeting.
- 4.6 Documents and reports to be considered at the meeting shall normally be circulated with the agenda.
- 4.7 The Committee may request other staff or external advisers to attend from time to time as required.
- 4.8 Members shall not be entitled to appoint proxies to attend or vote instead of them at meetings.
- 4.9 If any Committee member has any pecuniary, family or other personal interest, direct or indirect, in any contract or proposed contract or other matter and is present at the meeting at which the proposed contract or other matter is the subject of consideration, then the member, as soon as practicable, shall disclose that fact and shall not take part in the consideration or discussion of or vote on any question with respect to the contract or other matter. The member, if requested by the Chair, will withdraw from the meeting.
- 4.10 The Vice-Chancellor shall withdraw from any meeting or part thereof where the position of the Vice-Chancellor is being considered.
- 4.11 The Chair may designate certain items of business as confidential or "reserved business". Items which are deemed confidential or reserved items of business are matters relating to named members of staff or students, or prospective members of staff or students, or to matters which the Committee having satisfied itself should be dealt with on a confidential basis.
- 4.12 During discussion of items of reserved business, the Chair may require certain Governors, the Vice-Chancellor, or members of staff to withdraw from the meeting.
- 4.13 Any minutes of items designated as "reserved business" shall be excluded from the published minutes made available to staff and students and to those Governors who withdraw from that item, except where the Chair expressly

requests inclusion of a full or summary minute to be included for wider circulation.

- 4.14 The Chair shall be empowered, following consultation, to deal with matters of urgency arising outside the Committee meetings where it is not deemed advisable to await until the next scheduled meeting. Any matters of urgency dealt with under such action shall be reported to the next meeting of the Committee.
- 4.15 The minutes of Committee meetings shall be kept by the University's Secretariat and are available on request.
- 4.16 The minutes shall be available for inspection by any Committee member at any time.
- 4.17 The minutes shall be signed at the next meeting of the Committee by the Chair of the meeting.

5. AMENDMENTS AND REVOCATION OF TERMS OF REFERENCE

These Terms of Reference may only be amended or revoked by decision of the Board.

The Terms of Reference are reviewed on an annual basis and as part of the 4-yearly Governance Effectiveness Review, or more frequently in the light of experience or changes in governance practice.