



## **Committee**

### **Terms of Reference**

<b>Committee</b>	<b>Remuneration</b>
<b>Version</b>	<b>Version 2.0</b>
<b>Approved by</b>	<b>Remuneration Committee – 17<sup>th</sup> October 2024</b>
<b>Date approved</b>	<b>10<sup>th</sup> December 2024 (Corporation Board)</b>
<b>Lead responsibility</b>	<b>Remuneration Committee Chair</b>

## **1. Purpose**

1.1. The purpose of the Committee is to consider the terms, conditions, performance and pay of the following Senior Post Holders:

- Principal and Chief Executive
- Deputy Principal / Deputy Chief Executive
- Vice Principal – Finance and Resources
- Clerk to the Corporation / Head of Governance

1.2. The Committee is expected to make recommendations to Corporation as appropriate.

1.3. The AoC Code of Good Governance outlines the need for:

- Corporations to determine the pay and conditions of service of the Principal and Chief Executive, other senior postholders and the Clerk.
- Remuneration decisions to be informed by benchmarking data and by a recent performance appraisal.

## **2. Remit**

2.1. Recommend to the Corporation the policies/revised policies for the conduct, discipline, grievance, and dismissal of senior postholders.

2.2. Recommend to the Corporation for approval the senior postholders' annual Performance Targets.

2.3. Ensure annual appraisals are carried out effectively and the extent to which performance targets have been met are monitored.

2.4. Ensure that the College's senior post holders are fairly and competitively remunerated. Align the remuneration packages with the College's strategic goals and values. Monitor and apply scrutiny to the performance of senior postholders.

2.5. Promote transparency, accountability, and fairness in remuneration and performance decisions.

2.6. Recommend to the Corporation the remuneration of senior postholders and the Head of Governance in accordance with the SPH Remuneration Code and having regard for comparative data from the Association of Colleges and / or any other relevant organisations for benchmarking purposes.

2.7. In accordance with the SPH Remuneration Code, to provide an Annual Report on the activities of the Remuneration Committee.

2.8. The Committee shall ensure that all remuneration recommendations are made with due consideration to:

- any pay awards made to other (non-senior postholder) staff,
- pay ratios between senior postholders and other (non-senior postholder) staff.

- 2.9. The Committee is also responsible for making recommendations to the corporation on appointment and (if necessary) dismissal and remuneration of the Principal and Chief Executive and senior post holders.
- 2.10. Ensure compliance with legal and regulatory requirements, including statutory and contractual obligations.

### **3. Authority**

- 3.1. The Committee is established in accordance with paragraph 4 of the Articles of Government of Derwentside College. Its name shall be the Remuneration Committee (“the Committee”).
- 3.2. The Committee is a committee of Derwentside College and its actions are open to scrutiny and approval by the full Corporation.
- 3.3. The delegation of functions does not absolve the Corporation from accountability for the conduct and decisions of its committees. The Corporation remains responsible for the proper conduct of the College for undertaking its duties under the instruments and articles of government and for complying with the other legislation to which it is subject.
- 3.4. The Terms of Reference of the Committee may be varied at any time by the Corporation. The Committee should review its Terms of Reference at least every three years

### **4. Composition**

- 4.1. The Committee shall comprise up to 3 Independent Governors (one of which to be the Chair of the Corporation).
- 4.2. The Committee may invite the Corporation’s advisers or other third parties to attend meetings as appropriate (such persons shall be entitled to speak at the meeting, but not to vote).
- 4.3. The Director of Human Resources will be expected to attend all meetings of the Remuneration Committee.
- 4.4. The Principal and Chief Executive will be expected to attend for all items excluding those that relate to their own remuneration and performance.

### **5. Frequency of Meetings**

- 5.1. The Committee will meet not less than two times a year.

### **6. Quorum**

- 6.1. The quorum for meetings shall be 40%, including Co-opted members – the majority of whom shall be Governors.

## **7. Chair**

7.1. The Chair of the Committee will be appointed by the Committee/Corporation for a term of four years. This position would not normally be held by the Corporation Chair.

7.2. In the absence of the Chair from the meeting, the Committee will appoint another member to act as Chair for that meeting.

## **8. Clerk**

8.1. The Head of Governance shall act as Clerk to the Committee.

## **9. Term of Office**

9.1. Appointments of members of the Committee will cease at the end of their term of office as a Governor, although they will be eligible for re-appointment if their membership of the Corporation is renewed.

9.2. Co-opted members will be appointed for a term of one-year and will be eligible for re-appointment if their membership is approved by the Corporation.

9.3. Governors may terminate their membership by notice of resignation to the Head of Governance.

## **10. Reporting to the Corporation**

10.1. The Committee shall make recommendations annually to the Corporation on matters of performance and remuneration of senior post holders.

10.2. The Committee will provide an annual report to the Corporation of its activities.

10.3. The Committee shall report to the Corporation by a verbal report from the Committee Chair.

## **11. Delegated Authority from the Corporation**

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

11.2. The Committee shall make recommendations to the Corporation.

11.3. Where an urgent suspension of a senior post holder is required, the committee shall have delegated authority to make this interim decision which will then be recommended to the Corporation for ratification at the earliest opportunity.