

REMUNERATION COMMITTEE

TERMS OF REFERENCE

PURPOSE

The non-delegable functions of the Corporation include—

‘the appointment, grading, suspension, dismissal and determination of the pay and conditions of service of the holders of senior posts and the Clerk, including, where the Clerk is, or is to be appointed as, a member of staff, the Clerk’s appointment, grading, suspension, dismissal and determination of pay in the capacity of a member of staff.’¹

The purpose of the Remuneration Committee is to advise the Corporation on these matters.

OBJECTIVES

The Remuneration Committee's objectives are to review and determine the Corporation’s *Procedure for the Remuneration of Senior Postholders*, and to advise on the specific remuneration packages of senior postholders so as to:

- Ensure that senior postholders are fairly rewarded for their individual contribution to the College’s overall performance; and
- Demonstrate to the public that the pay of senior postholders is set by a committee that has no personal interest in the outcome of its decision and that gives due regard to the interests of the public and of the financial health of the College.

The Remuneration Committee also provides advice on the pay and conditions of service of the Clerk to the Corporation.

¹ Articles of Government 3(1)(e)

MEMBERSHIP

- i. The Committee shall be appointed by the Corporation and shall consist of:
 - four Corporation Members, excluding staff and student members, and include
 - the Chair of the Corporation and the Chair of the Finance and Resources Committee.
- ii. A quorum shall be three Corporation Members.
- iii. The Chair of the Committee shall be appointed by the Corporation. Members present will decide who will act as Chair of the Committee at any meeting that the appointed Chair is unable to attend.
- iv. The Clerk to the Corporation shall act as Clerk to the Committee.

ATTENDANCE AT MEETINGS

- i. The Committee may invite senior postholders, as designated by the Corporation, to attend meetings when necessary.
- ii. Other Corporation members shall also have a right of attendance by arrangement save that the Committee may exclude staff and student members and any other Corporation members who are employees of the College.

FREQUENCY OF MEETINGS

Meetings shall be held at least once a year.

AUTHORITY

- i. The Committee is authorised to seek any information it requires from any employee of the College and all employees of the College are directed to co-operate with any request made by the Committee.
- ii. 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. The Corporation may also require experts to be present and to advise when drafting disclosures to be made in the Corporation's report and accounts.

DUTIES

- i. The Committee shall advise the Corporation on the specific remuneration packages of the Principal/Chief Executive, other senior postholders, and the Clerk, and in so doing shall consider the following component elements:
 - Basic salary
 - Benefits in kind
 - Annual bonus/performance related elements
 - Pension provision
 - The main terms and conditions in each senior postholder's contract, with particular reference to the notice provisions.
- ii. The Committee shall evaluate annually the specific remuneration packages of the Principal/Chief Executive, other senior postholders, and the Clerk on the basis of the Procedure Used by the Corporation to Determine the Remuneration of Senior Postholders, which is an Appendix to the Corporation Standing Orders.
- iii. 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/Chief Executive, any other senior postholder, or the Clerk, with the broad aim of:
 - Avoiding rewarding poor performance; and
 - Dealing fairly with cases where early termination is not due to poor performance.
- iv. The Committee shall review on a continuing basis the Corporation's policy in relation to all aspects relating to the remuneration of the Principal/Chief Executive, other senior postholders, and the Clerk.