

REMUNERATION COMMITTEE TERMS OF REFERENCE

1. CONSTITUTION

The Corporation hereby resolves to adopt the following Terms of Reference for the Remuneration Committee.

2. OBJECTIVE

2.1 The Committee shall keep under review the Corporation's policy on remuneration and advise on the specific remuneration packages of senior post-holders so as to:

- Ensure that senior post-holders are fairly rewarded for their individual contributions to the College's overall performance;
- Demonstrate to the public that the pay of senior post-holders 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; and
- Act as a source of advice to the Principal on the salaries of other senior staff within the framework set by the Personnel Committee.

2.2 Keep under review Human Resource Policies in relation to senior post-holders and put forward recommendations to the Corporation as appropriate.

2.3 Keep under review the Appointments Procedure for Senior Post-holders.

3. ATTENDANCE AT MEETINGS

The Committee may invite the Principal and other senior post-holders to attend meetings when necessary.

4. AUTHORITY

4.1 The Committee is authorised by the Corporation to investigate any activity within its Terms of Reference. It 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 requests made by the Committee.

4.2 The Committee is authorised by the Corporation to obtain outside legal or other independent professional advice up to a value of £3,000 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.

5. DUTIES

5.1 The Committee shall advise the Corporation on specific remuneration packages of the Principal and other Senior Post-holders and in so doing shall consider the following elements:

- Basic salary;
- Benefits in kind;
- Annual bonus / performance related elements;
- Pension provisions;
- The contract of employment for each Senior Post-holder's Service Agreement with particular references to the notice provisions.

5.2 The Committee will review and assess performance target goals and objectives established before the commencement of the relevant period and determine whether such goals and objectives have been achieved at the end of the relevant period.

5.3 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 or any other Senior Post-holder with the broad aim of avoiding rewarding poor performance and dealing fairly with cases where early termination is not due to poor performance.

5.4 The Committee shall review on a continuing basis the Corporation's policy in relation to all aspects relating to the remuneration of the Principal and other Senior Post-holders.

6. FRAMEWORK

The Committee shall advise the Corporation on a suitable framework to determine the specific remuneration package of the Senior Post-holders, the Remuneration Committee will operate within the following framework.

Resulting packages must be:

- Competitive;
- Affordable;
- Meritable;
- Justifiable.

7. MEMBERSHIP

7.1 The Committee shall be appointed by the Corporation and shall consist of the Chair of the Corporation, the Vice-Chair of the Corporation, the Chair of the Finance and General Purposes Committee, and the Chair of the Standards and Performance Monitoring Committee. Where a member holds more than one of the above offices, the Corporation will appoint another member to join the Committee for the period of duplication.

The Remuneration Committee at its sole discretion will co-opt one additional member of the Corporation, excluding Staff and Student Members, to serve on the Committee with full voting rights.

8. QUORUM

The Committee shall be quorate when 2 Corporation Members are present.

9. COMMITTEE CHAIR

9.1 The Chair of the Committee will be the Chair of the Corporation.

9.2 The Committee will not normally appoint a Vice-Chair.

9.3 If the Committee Chair is not present at the meeting, the members will elect a Chair for the meeting from amongst their number.

10. CLERKING ARRANGEMENTS

The Clerk to the Corporation shall be the Clerk to the Committee. If the Clerk to the Corporation withdraws from the meeting, the Committee will appoint a member, other than the Chair, to take the relevant minute and forward it to the Clerk to the Corporation.

11. FREQUENCY OF MEETINGS

Meetings shall be held not less than once per year.

12. STANDING ORDERS

The Corporation Standing Orders will apply to the running of the Committee as appropriate.