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| **TERMS OF REFERENCE**  **Purpose**  Effective remuneration of all staff, especially the Vice-Chancellor and their immediate team, is an important part of ensuring institutional sustainability, meeting regulatory requirements and protecting institutional reputation. The Remuneration Committee is responsible for providing assurance to the Board of Governors that decisions on senior staff remuneration and severance arrangements are made in accordance with the values that underpin the CUC HE Code of Governance, the CUC HE Senior Staff Remuneration Code and the principles of public life. | |
| **1.Delegated Authority** | |
| 1. To determine the salaries, benefits and other terms and conditions of service of the following Board appointments with reference to the employment framework recommended by the Finance and Employment Committee:    * Vice-Chancellor    * Deputy Vice Chancellors    * Chief Finance Officer    * University Secretary 2. To approve the University's policy and/or approach to the reward of senior staff extending to all Senior Staff Grade employees. 3. To approve the severance arrangements for Board appointments, University Executive Board (UEB) members and senior staff earning a basic FTE salary of £100k or more per annum and where the severance payment is £100k or more regardless of the salary of the individual staff member. 4. The Committee will have access to the necessary resources to inform its determinations on matters relating to senior staff remuneration and severance packages. The Committee is authorised by the Board of Governors to procure independent, external legal or other independent professional advice and to secure the attendance of non-members with relevant experience and expertise if it considers this necessary, normally in consultation with the designated officer and/or Chair of the Board of Governors. However, it may not incur direct expenditure in this respect in excess of £10,000, without the prior approval of the Board of Governors.   **Chair’s Action**   1. The Chair shall have authority to act between meetings after consulting with the Chair of the Board of Governors and the University Secretary who will liaise with the appropriate UEB lead. Details of any action taken will then be reported back to the Committee. | |
| **2.Duties** | |
| 1. In determining the remuneration of Board appointments, to review and approve their annual objectives, ensuring that any remuneration decisions taken by the Committee are informed by its assessment of performance. 2. To advise the Vice-Chancellor on salaries and conditions of service of key senior staff (specifically those holding the most senior management positions, currently members of UEB not listed above). 3. To receive details of UEB objectives (outside of Board appointments) to maintain oversight of this group of senior staff. 4. Oversight of those roles or individuals where the remuneration package is £100k or more, in line with the Office for Students’ (OfS) Accounts Direction. 5. To have oversight of University policy for authorising expense claims for senior staff and to have oversight of aggregate amounts of expenses claimed by senior post holders. 6. To monitor payments derived from external activity for staff within the Committee’s remit and to maintain oversight of policy in this area. 7. To produce an annual report to provide assurance on the work of the Committee for approval by the Board and a Remuneration Statement for publication in the financial statements. To discharge its responsibilities in line with the HE Senior Staff Remuneration Code (“the Code”), published by the CUC in June 2018 ensuring that the University’s approach to senior remuneration provides for:    * fair, appropriate and justifiable levels of remuneration;    * procedural fairness, and    * transparency and accountability. 8. In determining, and advising on, remuneration to take into account all factors which it deems necessary including relevant legal and regulatory requirements, the provisions and recommendations of the Office for Students requirements and sector best practice. Remuneration should be sufficient to recruit, retain and motivate staff of appropriate calibre in the context of the market for that role, but must be balanced against the need to demonstrate the achievement of value for money in the use of public funds. 9. To maintain oversight of EDI considerations including pay gap reporting based on gender, ethnicity and other protected classifications in relation to the Committee’s remuneration decisions. 10. To arrange for periodic reviews of its own performance and, at least annually, review its terms of reference to ensure it is operating at maximum effectiveness, and recommend any changes it considers necessary to Board of Governors for approval. | |
| **CONSTITUTION** | |
| **MEMBERS** | |
| Chair of the Board of Governors | |
| Deputy Chair of the Board of Governors | |
| Chair of the Audit and Risk Committee | |
| Chair of the Finance and Employment Committee | |
| One Independent member of the Board of Governors (Committee Chair) | |
| External co-opted member | |
| **Total Membership** | 6 |
| **Quorum** | 3 (of whom at least 2 must be independent members) |
| **Secretary** | Tracey Taylor, Senior Governance Advisor, Committee Secretary. |
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| **CURRENT MEMBERSHIP** |  |
| Penny Thompson | Independent Member of the Board of Governors (Chair) |
| Joanne Allen | Chair of the Audit and Risk Committee |
| John Cowling | Chair of the Finance and Employment Committee and Deputy Chair of the Remuneration Committee |
| Tim Smith | Chair of the Board of Governors |
| Giles Searby | Deputy Chair of the Board |
| Andrea Walters | External co-opted Member |
| **IN ATTENDANCE** | |
| Professor Sally Jackson | Chief People Officer and Pro Vice-Chancellor (Diversity and Inclusion) |
| Clair Marlow | Acting University Secretary and Clerk to the Board |
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| **SPECIAL NOTES** |  |
| In line with the Code’s principles on procedural fairness:   * senior post holder remuneration should be determined in the context of the University’s approach to rewarding all of its staff and consideration should be given annually to the increase in the average remuneration of all other staff; * the Vice-Chancellor must not be a member of the Remuneration Committee; * no individual can be involved in deciding their own remuneration. The VC, University Secretary and the Chief People Officer are invited as attendees and withdraw when their remuneration is under discussion; * remuneration committees must be independent and competent; and * when considering the Vice-Chancellor’s remuneration, the Committee must be chaired by an external Governor who is not the Chair of the Governing Body. | |