



## **REMUNERATION COMMITTEE TERMS OF REFERENCE**

### **1. PURPOSE**

- 1.1 To consider, approve and report to the Board on decisions regarding the remuneration package, terms and conditions (including the annual reviews of such) and, where appropriate, severance payments of the College Principal and Chief Executive and College Executive Team.

### **2. AUTHORITY**

- 2.1 The Committee operates under the authority of, and reports to, the Board.
- 2.2 The Committee is authorised by the Board of Management to obtain independent professional advice if it considers this necessary.

### **3. ROLE & REMIT**

- 3.1 In relation to its purpose (Paragraph 1.1 above), the Committee will take into account;
  - 3.1.1 That senior management should be fairly rewarded for their individual performance and contribution to the College's overall performance;
  - 3.1.2 That performance-related elements of remuneration be designed to give keen incentives to highest level performance based on individual KPIs which are aligned to the College's measures of performance;
  - 3.1.3 Where, in terms of senior management remuneration, the College stands in relation to other comparable institutions in the sector;
  - 3.1.4 The relationship between the remuneration of the senior management and that of other employees of the College;
  - 3.1.5 The benefits granted to senior management;
  - 3.1.6 The need to contain costs whilst employing suitably qualified and experienced staff;
  - 3.1.7 The adequacy of pension arrangements and also the cost implication of pension arrangement, including the pension effect of remuneration proposals.
- 3.2 To consider and respond to any appeals made by senior executives in relation to Paragraph 1.1 above.

- 3.3 To retain an overview of wider HR and workforce issues within the College and bring matters to the attention of the Board as appropriate.
- 3.4 To oversee and approve policy and decision-making in relation to severance, having regard to the relevant guidance:
  - 3.4.1 To approve any relevant schemes or individual enhancements prior to seeking consent where required from the Funding Council;
  - 3.4.2 To bring severance matters to the attention of the Board as appropriate.
- 3.5 To review its operation annually and report any proposed changes to the Nominations Committee or the Board as appropriate.
- 3.6 To undertake other relevant duties as determined by the Board of Management.

#### **4. MEMBERSHIP**

- 4.1 The Members of the Committee shall be a minimum of three non-executive Members of the Board of Management.
- 4.2 The Principal shall be an advisor to the Committee regarding proposals relating to other members of the College Executive Team within its remit. The Principal may not, however, have a vote in any such matter.
- 4.3 The Board may co-opt persons who are not members of the Board to the Committee but they shall not be entitled to vote.
- 4.4 The Committee shall elect a Chair from among its Members. The Chair of the Board of Management shall not act as Chair of the Committee.
- 4.5 The Clerk to the Board of Management shall act as Clerk to the Committee.

#### **5. QUORUM**

- 5.1 A quorum shall consist of two Committee members with entitlement to vote.

#### **6. FREQUENCY OF MEETINGS**

- 6.1 The Committee shall meet as required and not less than once per year.