



PLUMPTON

COLLEGE

Remuneration Committee

Terms of Reference

(Revised by the Corporation 16 July 2002; 4 October 2005; 26 September 2006; 25 September 2007, 14 July 2009, 30 March 2010, 26 February 2019, Dec 22, Dec 23, Apr 25)

1. Membership

- 1.1. The members of the Committee, and its Chair and Vice-Chair, shall be appointed by the Corporation. The committee shall be appointed by the Corporation and shall consist of:-
 - The Corporation Chair *ex officio*
 - The Corporation Vice-Chair *ex officio*
 - The Chair of Audit Committee *ex officio*
 - One Corporation Member excluding the Principal, the Staff and Student Members.
- 1.2. The Vice Chair of the Corporation will be the Chair of the Remuneration Committee.
- 1.3. Quorum shall be three members.

2. Attendance at Meetings

- 2.1. The Principal may attend meetings to advise the Corporation, except for items relating to his/her pay and performance. Other members of staff including the Head of HR, may be invited to attend to advise the committee.
- 2.2. Other Corporation Members shall also have a right of attendance save that the Committee may exclude staff and student members and any other Corporation Members who are employees of the College.
- 2.3. The Clerk to the Corporation shall be the Clerk to the Committee, except for items relating to his/her pay and performance.

3. Frequency of Meetings

- 3.1. Meetings shall be held at least once a year but members may reach a consensus by correspondence and the Chair produce a report of this on behalf of members with recommendations submitted to Corporation for approval.

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 request made by the committee.
- 4.2. The Committee is authorised by the Corporation to obtain legal or other independent professional advice and to secure the attendance of outsiders with the relevant experience and expertise if it considers this necessary, provided that the Committee may not incur direct expenditure in this respect in excess of £5,000 without the prior approval of the Corporation.

5. Duties

- 5.1. The Committee shall advise the Corporation on the pay and conditions of service of the Principal and Clerk. The committee will ensure that contracts agreed with the Principal and Clerk are fair, reasonable and justifiable and do not expose the college to significant potential liabilities, for example by being able to explain notice periods of more than six months.
- 5.2. The Committee shall evaluate the specific remuneration packages of the Principal and Clerk against:
- Recent performance (summary to be provided by the Chair as line manager, who is responsible for completing appraisals and setting targets for the Principal and Clerk)
 - Benchmarking data, including the AoC Senior Postholders pay survey
 - The college's approach to rewarding all of its staff, and in particular, consideration should be given annually to the rate of increase of the average remuneration of all other staff.
 - principles set out in HM Treasury's [senior pay guidance](#).
- 5.3. The Committee will provide an annual report to Corporation containing the pay multiple of the Principal and the median earnings of the institution's whole workforce, illustrating how that multiple has changed over time and, if it is significantly above average, an explanation of why and any explanation of any significant changes. The report will also include its policy for remuneration of the Principal, and its choice of comparator organisations for benchmarking purposes and its policy on income derived from external purposes.
- 5.4. The Committee will review and agree draft text on the Principal remuneration for inclusion in the Corporation's Annual Report and Accounts.
- 5.5. Where severance payments are under consideration for the Principal or Clerk, external professional advice should be taken to ascertain the legitimacy of any proposed payment. The Corporation should comply with the Colleges Senior Staff Remuneration Code in relation to severance payments. In line with the funding agreement, the Corporation must draw any payments to the attention of the College's regulatory auditors.
- 5.6. The Committee will oversee the expenses policies and procedures for reimbursing the travel and other incidental expenses of external members.
- 5.7. Monitor Governor Remuneration trends within the sector and contribute to the wider debate where appropriate.
- 5.8. To advise the Board regarding the approval of private/external work to be undertaken by the Principal

6. Reporting Procedures

- 6.1. The Clerk to the committee shall circulate the minutes of the meetings of the Committee to all independent Corporation Members. Any minutes not taken by the Clerk, due to their withdrawal from the meeting, will be circulated separately to Governors by the person who took them.