



## **Board Regulation 1.5**

### **REMUNERATION COMMITTEE TERMS OF REFERENCE**

#### **1.0 PURPOSE**

This Committee is responsible for:

##### ***Remuneration***

- 1.1 Ensuring that the University's remuneration policies and approaches support the attraction, motivation and retention of high calibre staff.
- 1.2 Determining the remuneration and terms and conditions of the Vice-Chancellor and acting on behalf of the Board of Governors as the sole authority for approving changes to the remuneration and terms and conditions of the Vice-Chancellor.
- 1.3 Ensuring that the University's approach to remuneration for its senior staff complies with the principles of the Committee of University Chairs (CUC) Higher Education Senior Staff Remuneration Code, and the regulatory expectations of the Office for Students (OfS), by providing for: (i) fair, appropriate and justifiable levels of remuneration; (ii) procedural fairness; and (iii) transparency and accountability.

##### ***People***

- 1.4 Receiving assurance that the University's HR policies are effective and comply with legal and regulatory obligations.

#### **2.0 MEMBERSHIP**

- 2.1 The Committee will be chaired by an independent member of the Board of Governors.
- 2.2 In addition to its Chair, the Committee shall comprise at least two other independent members of the Board of Governors.
- 2.3 The Chair of the Board of Governors shall be an ex officio member of the Committee but shall not function as Chair of the Committee.
- 2.4 The Vice-Chancellor is not permitted to serve as a member of the Committee.

#### **3.0 QUORUM**

- 3.1 The quorum shall be 50% of the membership rounded up to the next whole number.

#### **4.0 CLERKING ARRANGEMENTS**

- 4.1 Clerk to the Board supported by Minuting Secretary.

#### **5.0 NORMALLY IN ATTENDANCE**

- 5.1 The following postholders will normally attend meetings to provide clarification, advice and guidance to the Committee but must withdraw for all items that pertain to their own remuneration and/or conditions of employment:

Vice-Chancellor

Chief Operating Officer

University Secretary (attending in their capacity as Clerk to the Board)

Director of Human Resources

#### **6.0 BY INVITATION**

- 6.1 Other parties may attend meetings or attend for discrete agenda items at the invitation of the Committee to provide specific advice or insights. Such parties shall only contribute to discussion at the invitation of the Committee.

#### **7.0 FREQUENCY OF MEETINGS**

- 7.1 The Committee shall meet at least twice per academic year.
- 7.2 The Committee may hold extraordinary meetings as might be required or, if agreed by its chair, conduct business via correspondence.
- 7.3 The Committee may hold a private pre-meeting for the purpose of formative discussion. However, all formal decisions must be taken within the formal meeting and recorded in the minutes of that meeting.

#### **8.0 TERMS OF REFERENCE**

##### **Remuneration<sup>1</sup>**

##### ***Remuneration of the Vice-Chancellor***

- 8.1 To determine the remuneration and terms and conditions of the Vice-Chancellor upon appointment.
- 8.2 To approve the annual performance objectives of the Vice-Chancellor.

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<sup>1</sup> Remuneration in this context refers to total compensation received, encompassing basic salary, pension contributions, other monetary benefits and the monetary value of benefits in kind.

- 8.3 To determine the ongoing remuneration and terms and conditions of the Vice-Chancellor, which shall be informed by the nationally agreed pay settlement, assessment of performance and an annual benchmarking exercise.

***Remuneration of the Senior Leadership Team***

- 8.4 To consider and approve recommendations from the Vice-Chancellor for the remuneration and terms and conditions of members of the Senior Leadership Team (SLT), which shall be informed by the nationally agreed pay settlement, assessment of performance and a bi-annual benchmarking exercise. Recommendations shall be aligned with the University's policies and approaches for the remuneration of other staff.
- 8.5 To ensure that any performance related bonus payments for SLT members demonstrably reflect exceptional performance and are awarded on the basis of clear justification.
- 8.6 To monitor any payments derived from external activity undertaken by SLT members.

***Remuneration of Other Staff***

- 8.7 To consider and agree the University's policies and approaches to remuneration for all staff, ensuring that these support the attraction, motivation and retention of high calibre staff.
- 8.8 To receive an annual report detailing all posts and associated salaries for those defined as "senior staff" by the OfS accounts direction<sup>2</sup>. This report will be received for the purposes of (i) monitoring the overall number of senior staff and any year-on-year changes and (ii) maintaining awareness of the roles that fall within its responsibility for approving any severance packages.

***Severance***

- 8.9 To consider and approve the proposed parameters for all severance packages for those posts defined as "senior staff" by the OfS accounts direction or where issues arise for the public interest and safeguarding of public funds, ensuring that any such packages are: (i) reasonable; (ii) justifiable; and (iii) meet contractual obligations.<sup>3</sup>

***Underpinning Principles***

- 8.10 To consider the public interest, safeguarding of public funds and the interests of the University when considering all forms of payment, reward and severance.
- 8.11 To provide an annual report to the Board of Governors that complies with the good practice cited within the CUC's Higher Education Senior Staff Remuneration Code, including arrangements for its release in a publicly available form. This should contain:

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<sup>2</sup> The OfS accounts direction currently defines "senior staff" as all staff in receipt of full-time equivalent salaries of over £100k.

<sup>3</sup> Where practical, severance packages will be considered and approved at Committee meetings. If this is not possible due to the exigencies of timing then the parameters will be considered and approved via correspondence. Outcomes will be formally reported to the next meeting. No severance package should be offered to any postholder defined as "senior staff" by the OfS accounts direction without the approval of the Committee.

- (a) A list of post holders within the remit of Remuneration Committee.
- (b) Membership of the Remuneration Committee.
- (c) Its policy on the remuneration for postholders within the remit of Remuneration Committee.
- (d) Its choice of comparator institutions/organisations.
- (e) Its policy on income derived from external activities.
- (f) The pay multiple of the Vice-Chancellor 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.
- (g) An explanation of any other significant changes.

## **People**

- 8.12 To oversee the successful delivery of the University's HR policies and processes.
- 8.13 To gain assurance that the University complies with its legal and regulatory duties as an employer, including compliance with the Equality Act and Public Sector Equality Duty (PSED); gender, ethnicity and disability pay gap reporting; and tackling bullying and harassment.
- 8.14 To gain assurance that the University has policies and processes that promote and deliver effective and efficient HR practices, including staff development; succession planning; and performance management.
- 8.15 To receive and monitor the University's key performance indicators for People.

## **Strategic Risks**

- 8.16 To monitor and provide assurance to the Board of Governors upon any strategic risks pertaining to its remit, ensuring that these are fully reported within the University's strategic risk register.

## **9.0 AMENDMENTS TO THE TERMS OF REFERENCE**

- 9.1 Amendments to the membership and terms of reference may be proposed by the Committee at any time but shall only be formally approved by the Board of Governors.

## **10.0 REVIEW OF THE TERMS OF REFERENCE**

- 10.1 The membership and terms of reference of the Committee shall be formally reviewed on an annual basis by the Committee and any proposals for amendments will be submitted to the Board of Governors for approval.

Approved by Board of Governors 25<sup>th</sup> June 2025