

Remuneration Committee

Terms of Reference

1. Remit

The Remuneration Committee is responsible for recommending to the Board the remuneration, terms and conditions, and performance objectives of the College Principal and Chief Executive and members of the Senior Management Team. The Committee also has responsibility for the consideration, recommendation, and approval of, any severance packages being offered by the College.

If required, the Committee advises the Board on pay policy for all staff in the organisation, having regard to public sector pay policy as set by Scottish Ministers and National Pay Bargaining.

2. Responsibilities

2.1 All staff should be fairly rewarded for their performance and their contribution to the overall performance of the College.

In order to make recommendations to the Board regarding remuneration of senior management the Committee will have due regard to:

- Other comparable colleges;
- Remuneration of other employees of the College;
- Affordability;
- Performance of the individuals in relation to their objectives set as part of the annual performance review;
- The principles of the Code of Good Governance; and
- The senior team structure and responsibilities.

2.2 If required, advise the Board on pay policy for all staff in the organisation, having regard to public sector pay policy as set by Scottish Ministers, National Pay Bargaining and affordability.

2.3 Consistent with the Financial Memorandum, the Committee will recommend to the Board the provisions of any severance schemes and approve the terms of individual settlements, seeking consent where required from the Scottish Funding Council.

2.4 Assist the Board demonstrate efficient and effective use of public funds and overall affordability in decision making so they reflect the performance of the organisation and the need for financial sustainability.

3. Membership

The membership comprises the Chairs of the Board, Planning and Resources, Learning and Teaching and Audit and Risk Committees and one other non-Executive Board member, appointed by the Board. The Committee will elect a Chair from amongst its members who will not be the Chair of the Board.

The Principal is not a member of the Remuneration Committee but will normally be in attendance to provide advice. The Principal will not be present when their own salary, performance, T&Cs or severance arrangements are discussed.

4. Working Practices

The Committee shall meet as required and not less than once a year.

The quorum will be one half of the members.

The minutes of the meeting will be reported to the next appropriate Board meeting, taking into account the confidential nature of the discussions and exemptions under the FOI (Scotland) Act 2002.

The Committee shall be serviced by the Secretary to the Board.

Approved by Board of Directors 15 June 2023