**REMUNERATION COMMITTEE –TERMS OF REFERENCE 2025-26**

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| Composition: | Minimum of three members, no staff or student members are permitted<br>While the Chief Executive is not permitted to sit on the committee as a formal member, he will usually attend all meetings as an adviser (leaving meetings when his own performance and remuneration is under consideration) |
| Quorum: | Minimum quorum of 3 |
| Attendance: | The Corporation attendance target is 80%. Committee members are therefore expected to attend both of the meetings scheduled in 2025-26 |
| Chair: | Selected by committee, reviewed annually<br>The Corporation Chair cannot chair the Remuneration Committee. |
| Meetings: | At least one meeting annually |
| Public access to meetings: | By chair's invitation, with members' approval - see Standing Orders Section 12 |
| Conduct of meetings: | See Standing Orders Section 5 |
| Minutes: | Approval, see Standing Orders Section 4 vi |
| Minutes: | Circulation/publication – see Standing Orders Section 10 |
| Key functions and delegated powers: | 1. To conduct its business in accordance with the provisions of the Colleges' Senior Post Holder Remuneration Code, as adopted by the FE Corporation on 17 October 2019, and taking account of the College Financial Handbook, HM Treasury's Guidance for approval of senior pay, DfE guidance on senior pay controls for colleges[1] and any other relevant guidance documents.<br><br>2. To review the performance of the Chief Executive, other holders of senior posts[2] and the Group Director of Governance (taking into account the |

[1] See: Senior_Pay_Guidance_2025.pdf (publishing.service.gov.uk)

[2] The terms 'holders of senior posts' and 'senior post holders' refer to employees appointed to posts designated as 'Senior Post Holders', currently the Chief Executive, Deputy Chief Executive Officer, Chief Operating Officer and Chief Financial Officer. The committee may consider the performance of other senior managers but this is not a formal element of the committee's remit and decisions about the terms and conditions of senior managers other than designated 'Senior Post Holders' are the responsibility of the Chief Executive.

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| | Chair's appraisal of the Chief Executive and Group Director of Governance and the Chief Executive's appraisal of other senior post holders); and to report outcomes to the FE Corporation.<br><br>3. To agree performance objectives for the Chief Executive, senior post holders and the Group Director of Governance, on the advice of the Corporation Chair and Chief Executive, as appropriate, and report these to the People Committee<br><br>4. To consider terms and conditions of service, including job descriptions and remuneration for the Chief Executive, holders of senior posts and the Group Director of Governance and make recommendations to the People Committee. As part of its remit, the committee should regularly review remuneration for the Chief Executive, senior post holders and the Group Director of Governance and ensure this can be justified in light of agreed performance outcomes. The committee is also responsible for ensuring any required approval is sought from the Department for Education in relation to remuneration for new appointments, performance-related pay and pay awards; and for ensuring any application for approval is signed by the Remuneration Committee Chair[3].<br><br>5. To support with any senior post holder recruitment exercise.<br>Panels for the appointment of senior post holders |

[3] Currently, approval must be sought from the DfE for:

- remuneration for new appointments (including new roles and new appointments to existing roles) at or above £174,000 (pro rata for part-time staff) and for performance-related pay above £25,000. Approval must be gained before the post is advertised.
- pay awards over 6% for existing staff where their remuneration is already at or above £174,000 (subject to paragraphs 2.6 to 2.11 of the HMT Guidance for approval of senior pay)
- pay awards over 6% for existing staff which increase remuneration to or above £174,000 (subject to paragraphs 2.6 to 2.11 of the above HMT guidance)

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| | will include at least one member of the Remuneration Committee.<br><br>6. To consider equal pay matters and ensure the equality, diversity, inclusion and belonging principles are taken into account when considering staff pay.<br><br>7. To consider any severance payments to the Chief Executive, holders of senior posts and the Group Director of Governance , in accordance with the Remuneration Code and HM Treasury senior pay guidance, including seeking any legal advice from the external auditors, and to make recommendations to the People Committee.<br><br>8. To demonstrate to the public that the pay of the Chief Executive, holders of senior posts and the Group Director of Governance is set by a committee that has no personal interest in the outcome of its decision and which gives due regard to the interests of the public and of the financial health of the Etc..<br><br>9. To prepare an annual report on remuneration for presentation to the Corporation and an annual Remuneration statement for publication; and to ensure that the annual accounts disclose and justify the remuneration package for senior staff and disclose a comparison between the principal's remuneration and that of other staff.<br><br>To recommend a process for the annual review of the Corporation Chair's appraisal to the FE Corporation; to undertake an initial review of the outcomes[4] and report these to the FE Corporation |

[4] Remuneration Committee Chair to provide feedback to the Corporation Chair on outcomes