

## **Remuneration Committee Terms of Reference**

### **Purpose**

The Remuneration Committee has delegated responsibility, on behalf of the Board of Trustees, for overseeing and determining the remuneration package for the Chief Executive and Deputy Chief Executive, Directors and Officer Trustees. In such regard, the Committee must pay due regard to relevant legislation and regulation, best practice guidance on senior executive pay in charities and to the views of the Union's beneficiaries and other stakeholders. The Committee is also responsible for ensuring that the Union's reward package is effective at attracting and retaining talented staff, whilst paying due regard to utilising the Union's limited resources as effectively as possible.

### **Remit**

1. To approve and monitor a remuneration policy detailing the Union's approach to determining the reward package for the Chief Executive and Deputy Chief Executive, Directors and Officer Trustees. The objective of such policy being to attract, retain and motivate senior leaders of the quality required to run the Union successfully without paying more than necessary.
2. Such remuneration policy should have regard to the risk appetite of the Union and alignment to its strategic goals, as well as regard to the pay and employment conditions across the Union.
3. To review the on-going appropriateness and relevance of the remuneration policy, especially in light of changes in regulation and/or best practice on senior executive pay in charities.
4. To receive and review a recommendation from management regarding the annual cost-of-living award for career and student staff pay and subsequently to make a recommendation on such award to the Board of Trustees.
5. To receive benchmarking reports on the Union's staff reward package as necessary and at least every 3 years to commission a benchmarking report on the reward package for staff, including pay, pension, annual leave and all other elements of the reward package.
6. To receive and review an annual report from management about staff reward, including the cost to the Union, relevant results from the staff satisfaction survey and changes in reward.
7. To maintain a watching brief over the Union's pension provision, ensuring compliance with legislation and best practice.
8. To review on a periodic basis, the remuneration package for the Officer Trustees, paying regard to benchmarking reports against other students' unions, and to make recommendations to the Board of Trustees as to any necessary changes to such package.
9. To review on a periodic basis, the remuneration package for the Chief Executive, Deputy Chief Executive and Directors, paying regard to benchmarking reports against other students' unions, charities and public sector organisations, and to make recommendations to the Board of Trustees as to any necessary changes to such package.

## **Responsibility and Authority**

- The Committee shall work closely with, and pay due regard to the deliberations of, the Human Resources Committee; the Committee shall normally meet immediately before or after a meeting of Human Resources Committee and the members of the Committee shall be largely drawn from Human Resources Committee.
- The Committee shall endeavour to promote a culture of openness and transparency in all of its dealings, as much as this is possible and practicable in dealings with remuneration.
- The Committee shall scrutinise and review the areas of work within its remit and make final recommendations to the Board as necessary.
- The Committee shall ensure that its deliberations and decisions are in line with the overall Kent Union People Strategy.
- The Board shall appoint an appropriately qualified, independent and external person to serve as Chair of the Remuneration Committee.
- The quorum shall be at least 3 trustees, as well as the Chair of Remuneration Committee or an external trustee member of the Committee.
- The Committee has the right to ask some or all of those 'in attendance' to leave for specific sections of meetings, as well as the right to ask Officer Trustee members to leave during discussions regarding their remuneration package.

## **Membership**

- Chair of the Board (ex-officio)
- At least four other trustees (appointed by the Board of Trustees), including at least one Officer trustee, one student trustee and one external trustee
- The Chair of the Committee, who shall be an appropriately qualified, independent and external person, appointed by the Board

## **In attendance**

- Up to three student members, the number of whom and appointment method for which, shall be confirmed by the Board
- Up to three external members, appointed via an external recruitment and selection process, the number of whom shall be confirmed by the Board
- Chief Executive
- Head of HR
- Head of Governance and Leadership Support

## **Resources**

- Any financial resources necessary to achieve the Committee's objective.
- Any management resources necessary to achieve the Committee's objective.
- The Head of HR to ensure the drafting of papers for the Committee and develop the agenda for Committee meetings in conjunction with the Head of Governance and Leadership Support and the Chair.

- Head of Governance and Leadership Support to take minutes and collate papers for Committee meetings.

**Regularity of Meetings**

At least two meetings per annum