

STAFFORDSHIRE UNIVERSITY BOARD OF GOVERNORS

COMMITTEE TERMS OF REFERENCE 2021-22

REMUNERATION COMMITTEE

Composition

- Chair of the Board
- Deputy Chair of the Board
- Chair of Strategy and Performance Committee

In Attendance (not Members of the Committee)

- Vice Chancellor (Professor Martin Jones)
- Clerk to the Board (Ian Blachford)

It may be necessary, on occasion, to seek advice from an additional person with HR expertise on senior pay and remuneration. This will be at the discretion of the Committee.

N.B. For absolute clarity, no person will be in attendance for discussions regarding their own remuneration.

Quoracy

- For a meeting to be quorate, two independent Governors must be present.
- "Independent Governor" refers to a Governor who is not a staff or student Governor.

Special Conditions

- The Chair of the Committee must be the Deputy Chair of the Board.
- The Remuneration Committee is responsible for the employment and remuneration of Senior Postholders as determined by the Instrument and Articles of Government ("Senior Postholders" / "holder/s of senior post/s"). Senior Postholders as defined by the Instrument & Articles of Government are Executive roles only.
- The role of the Remuneration Committee will be reviewed by Internal Audit every two years.

No. of Scheduled Meetings Per Year

Two

Monitoring of University-level Risk

The University is committed to implementing a risk management framework, to enable an appropriate and proportionate level of risk management across the University and to ensure that key risk related issues are addressed in a timely fashion.

The objectives are to:

- Continuously develop risk management to raise its profile across the University
- Further integrate risk management into the culture and decision making of the University
- Manage risk, including the University's risk appetite

The following risks are overseen by this Committee:

Risk	Risk Appetite Level
Legal compliance	Cautious
People and organisational development	Open

	Approach to achieving aims and objectives	Potential Reward/Benefit from Risk taking
Avoid	Safe; exposure to only the very lowest levels of risk	Very Low
Cautious	Guarded; as little risk as reasonably possible	Low
Moderate	Balanced; exposure to middle-ground risks	Medium
Open	Creative; elevated levels of risk exposure	High
Hungry	Pioneering; substantial levels or risk exposure	Extremely High

Terms and Conditions of Senior Postholders

- a) To approve, on behalf of the Board, the employment, contract and remuneration arrangements applying to the designated holders of senior posts, including pay, non-pay benefits, and terms and conditions of service and related matters.
- b) To approve, on behalf of the Board, any changes to the employment base remuneration arrangements and related matters applying to the designated holders of senior posts, including, for example, the review of salary levels which normally takes place on an annual basis, taking into account the context of the institution, and in the light of changing conditions, sustained performance and experience. In particular, remuneration must be linked to the value delivered by an individual acting within a role, which could include consideration of complexity, impact, discretion, experience, knowledge and skills, professional credibility and in the context of external comparisons, and the ability to attract and retain key staff

Review of Performance of Senior Postholders

- c) To receive, at the start of the academic year, an overview of objectives for Senior Postholders for the coming year.
- d) To receive, on an annual basis, feedback on the appraisal of the designated holders of senior posts, with particular reference to the delivery of the University Plan and other objectives as agreed with the post holder.

Appointment and Termination of Senior Postholders

- e) To approve, on behalf of the Board, the arrangements for the appointment of holders of senior posts and ensuring that contracts agreed with Senior Postholders are fair, reasonable and justifiable and do not expose the institution to significant potential liabilities.
- f) To approve, on behalf of the Board, the terms, as appropriate, of any severance arrangements applying in the event of any required and unplanned early termination of employment of any holder of a senior post, ensuring these are justifiable and reasonable, in accordance with the CUC Guidance on Decisions Taken About Severance Payments in HEIs.

Transparency and Accountability































- g) To approve and publish an annual statement containing a list of postholders within the remit of the Remuneration Committee; the policy statement of remuneration of those individuals; choice of comparator external benchmarks; policy on income derived from external activities; the pay multiple of the Vice Chancellor and the median earnings of the institution's workforce, and how this pay multiple has changed over time; together with any underpinning explanation. This would be reviewed by the Board of Governors to provide assurance that the Remuneration Committee has effectively discharged its responsibilities.

- h) To have oversight and assurance that business expenses incurred by Senior Postholders are appropriate and in accordance with the published Scheme/Policy and Procedure.

Other

- i) To review the Remuneration of Senior Postholders Policy every three years or earlier if appropriate.
- j) To consider, on behalf of the Board of the Governors, any other matters as referred to the Committee from time to time by the Board.
- k) To be aware that the Board of Governors and its sub-committees continue to have oversight and governance of all appropriate matters for Staffordshire University and for Staffordshire University Services Limited.

Appendix: Risk Appetites (Autumn 2021)

Financial HLR 3	Operational HLR 1, HLR2, HLR 13, HLR14, HLR15	Student Experience HLR 5, HLR6, HLR10, HLR12, HLR15	Strategy and Reputation HLR 1, HLR4, HLR7	Infrastructure HLR 9, HLR11,
Financial Sustainability/ Investment Strategy  Cautious	Health and Safety  Avoid – Cautious	Quality Assurance  Moderate	Academic Portfolio Development  Open – Hungry	Business Transformation  Hungry
Procurement  Cautious	Business Continuity  Avoid – Cautious	Employability  Open – Hungry	Learning and Teaching Enhancement  Open – Hungry	Digital Capacity  Hungry
Pensions  Cautious	People and Organisational Development  Open	Student Support  Open – Hungry	Research Funding  Open – Hungry	Estates  Moderate – Open
Financial compliance/ control  Cautious	Legal Compliance  Cautious	Student Recruitment  Open - Hungry	Civic Engagement  Open – Hungry	Cyber Security  Cautious
Insurance  Cautious	Equality Diversity and Inclusion  Open - Hungry	Student Satisfaction  Moderate – Open	UK Partnerships  Open – Hungry	Commercial Services  Open – Hungry
Fraud  Avoid	Regulation and Compliance  Avoid		International Partnerships  Cautious – Moderate	Environmental Sustainability  Open
Employer Enterprise  Open – Hungry				