

RMET

Scheme of Delegation

Appendix 3 – Terms of Reference

Executive Remuneration Committee

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Document Change History

Date:	Version:	Description of Changes:
1 st September 2023	1.0	New Policy
1 st May 2024	2.0	Review of Terms of Reference following benchmarking report

1. Constitution and Standards

- 1.1. The Board of Trustees for RMET (“**Trust Board**” or “**the Trust**”) has established a committee of the Trust Board which will be known as the Executive Remuneration Committee (“**the Committee**”).

2. Membership

- 2.1. The Trust Board will appoint and remove all members of the Committee.
- 2.2. The chair of the Committee will be the Chair of Trustees.
- 2.3. No person can act as Chair of the Committee if they are also an employee of the Trust.
- 2.4. The Committee shall have a minimum of three members and the Committee members must be Trustees of the Trust Board. The members will be;
 - 2.4.1. The Chair of Trustees
 - 2.4.2. The Chair of the Finance, Audit and Risk Committee
 - 2.4.3. The Chair of the Quality of Education Committee
- 2.5. The Committee may appoint an independent adviser in the execution of their duties to sit as a member of this Committee.
- 2.6. The Trust Board will ensure that the Committee members have the knowledge and experience to fulfil the duties of this Committee.

3. Proceeding of the Committee

- 3.1. Meetings of the Committee should coincide with key Human Resources dates in the Trust’s reporting cycle.
- 3.2. Any two members of the Committee may request that the Chair convene a meeting by giving no less than fourteen days’ notice via the Clerk.
- 3.3. The quorum for any business to be transacted by the Committee shall be two members. No vote of any matter shall be taken at a meeting unless those members are Trustees of the Trust Board.
- 3.4. Every matter to be decided by the Committee must be determined by a majority vote of the members present in person and entitled to vote on the matter.
- 3.5. Each Committee member present in person shall be entitled to one vote.
- 3.6. Where there is an equal division of votes the Chair of each Committee will have the casting vote.

- 3.7. In the absence of the Chair, those present will elect a Chair from amongst their number in accordance with paragraph 2.3.
- 3.8. Any Member of the Committee may attend the meeting in person, by telephone or by virtual means provided that notice has been given to the Clerk prior to the start of the meeting.
- 3.9. The Committee may invite other guests to attend who are not members, to report or aid the Committee on a particular agenda item. These guests may speak with the permission of the Chair but have no voting rights.
- 3.10. A Clerk will be in attendance to take minutes at the meetings of the Committee.
- 3.11. The associated papers for each meeting will be prepared and circulated seven days prior to the meeting date.
- 3.12. A register of member attendance shall be maintained and published annually on the Trust website.

4. Authority

- 4.1. The Executive Remuneration Committee is a committee of the Trust Board and is authorised to investigate any activity:
 - 4.1.1. Within these terms of reference;
 - 4.1.2. Specifically delegated to it by the Trust Board.
- 4.2. The Committee is authorised by the Trust Board to request any information it requires in furtherance of its investigative powers from the Trust.

5. Reporting Procedures

- 5.1. Within fourteen days of each meeting, the Committee will (subject to 5.5):
 - 5.1.1. Produce and agree confidential minutes of meetings;
 - 5.1.2. Produce a summary document identifying (i) decisions made, (ii) recommendations to the Trust Board, (iii) any items for the information of the Trust Board and (iv) items for further discussion by the Board, (together the “**Committee Reports**”).
- 5.2. The Committee Reports can be agreed by Committee members via email.
- 5.3. The Committee Reports will be available to Trust Board within fourteen days of each Committee meeting.
- 5.4. The Committee recommendations for remuneration will be confidentially delivered to the Trust Board for ratification.
- 5.5. The Committee will arrange for any further reports or updates as requested by the Trust Board and be available within an agreed timeframe.

- 5.6. The Committee may exclude specific reports being circulated to the Trust Board which contain confidential information relating to any executive, which has been agreed should remain within their personnel files.
- 5.7. The Committee will conduct an annual review of its roles and responsibilities in line with the Trust Board requirements and will make any recommendations to the Trust Board accordingly.

6. Conduct of Committee Members

- 6.1. All Committee members shall observe at all times the provisions of the Trust's Governance Code of Conduct.

7. Members' Interests

- 7.1. Committee members are required to declare any interests in any item being discussed at a meeting and adhere to the agreed protocols within the Trust's Articles of Association.

8. Disqualification and Removal of Committee Members

- 8.1. A Committee member shall immediately cease to be a member under the definitions of the Trust's Articles of Association.

9. Purpose

- 9.1. The Executive Remuneration Committee shall maintain oversight of:
 - 9.1.1. Performance Management of the Executives;
 - 9.1.2. Remuneration of the Executives;
 - 9.1.3. Any Formal Recommendations to the Trust Board around the review of the Executive Pay Policy;
 - 9.1.4. Any external benchmarking of Executive Remuneration.

10. Remit and Responsibilities

- 10.1. The remit and responsibilities of the Executive Remuneration Committee are set out in the Schedule.

Schedule of the Executive Remuneration Committee

Decisions about performance and remuneration will follow an evidence-based process and reflect their role, responsibilities and performance.

Decisions about pay and leadership structure must be in keeping with the Nolan Principles, is both affordable and sustainable in the long term, and is appropriate for the level of responsibility undertaken.

Decisions made around remuneration must follow the requirements of the ESFA's Academy Trust Handbook (ATH), ensuring the approach is transparent, proportionate and justifiable.

The responsibilities of the Executive Remuneration Committee:

1. To ensure the Trust Board has considered the ESFA's guidance on setting executive salaries including the core areas of consideration:
 - Academic performance
 - Benchmarking
 - Educational Challenge
 - Characteristics of the Trust
 - Experience of the Individual
 - Location
 - Additional Challenges
 - Ratios
 - Financial Performance
 - Gender Pay Gap
 - Fixed-Term Appointments
 - Succession Planning
 - Total Remuneration Package
 - Public Scrutiny

2. To ensure that an external benchmarking report is commissioned (when preparing the Executive Pay Policy and Performance Management) and takes account of the context and scope of the role as well as:
 - Trust Size
 - Income
 - Location
 - Pupils Numbers
 - Type of Schools
 - School Phase

3. To make formal recommendations to the Trust Board on the external benchmarking report in regard to monitoring and reviewing the Executive Pay Policy.

4. Advise the Trust Board on the objectives of the Executives, ensuring consideration taken for the Trust's Strategic Plans.
5. Define and maintain oversight of the Key Performance Indicators of the Executives.
6. Undertake the Performance Management Review of the Executives (which may be completed in two parts each academic year aligned to key outcomes).
7. To make the formal recommendations to the Trust Board on the Executives remuneration each academic year.
8. Regular CEO monitoring updates by way of Chair of Trustees/CEO weekly meetings.