

# **Main report: revised terms of reference and membership for a combined Remuneration & Nominations Committee**

The Remuneration & Nominations Committee provides advice to the Board of Governors. The joint Remuneration and Nominations Committee combines two distinct roles for which there are separate expectations within the CUC HE Code of Governance. Therefore, wherever possible, the agenda will define the two distinct areas of business. It is recognised that all matters relating to the employment of staff fall within the purview of the City of London's Establishment Committee.

## **Constitution**

Chair of the Committee: a senior independent governor who is not the Chair of the Board (*CUC HE Code of Governance refers*)

Other members:

- The Chairman of the Board of Governors of the Guildhall School of Music & Drama (*a requirement of the CUC HE Code*)
- The Deputy Chairman of the Board of Governors of the Guildhall School of Music & Drama
- At least two non-Common Council Governors
- At least one other Common Council Governor
- One senior member of the Academic Staff (not a Vice-Principal)
- May include up to two other lay/independent members (who are not necessarily members of the governing body)

*[Note a Remuneration Committee should have a majority of independent members; in this instance this means independent of the School but not necessarily independent of the City of London.]*

In attendance:

- The Principal of the Guildhall School of Music & Drama (except when the Committee discusses his or her remuneration)
- VP for Advancement (except when the Committee discusses his or her remuneration)
- Head of HR
- Secretary & Dean of Students

**Quorum:** of any five Committee Members.

All Members are entitled to vote.

## Terms of reference

### *Nominations*

- To keep and review a skills register for the Board of Governors and its subcommittees
- To reflect upon the composition of the Board and its subcommittees and take steps to ensure that the Board and its committees reflect societal norms and values (CUC Code refers)
- To seek out and recommend the appointment of new lay/independent/co-opted members to the Board of Governors and its subcommittees. The Committee will consider advertising vacancies in order to increase the pool of talent available. (CUC Code and Instrument of Government refer)
- Satisfy itself that plans are in place for an orderly succession of the Board's membership
- To consider and recommend any application(s) for nominations for Fellowships and/or Honorary Fellowships.

*Note: The issue of inclusion of members of the local community (the School's instrument of Government refers) is addressed via the elected Common Council members. I propose that this requirement is therefore removed from the Instrument at the next revision of the Instrument & Articles.*

### *Remuneration*

- To take note of staff remuneration, the pay structure and benchmark the School against the rest of the higher education sector generally
- To consider all characteristics protected under the Equality Act 2010 and to flag any significant discrepancies within the School's staffing composition.
- To satisfy itself with the procedures in place at the School to allow staff to make representations about their pay.
- To satisfy itself that any ad hoc or personalised payments, including severance payments, that might distort the basic remuneration structure are made according to transparent and justifiable rules.
- To benchmark the salary of the Principal and Vice-Principals (the senior post holders) against a defined list of sector comparators and is (or is not) content with the outcome of the benchmarking.
- To make recommendations to the Board of Governors and the Establishment Committee in respect of overall staffing pay structure, having regard to equal opportunities.
- To produce an annual report to the Board of Governors that provides assurance that the committee has collectively discharged its responsibilities and produce a public annual statement (see note).

#### *Note on annual report:*

*The report should cover senior staff remuneration (Principal and Vice-Principals) and include, amongst other things, the approach to remuneration and type of factors used in considering*

*reward proposals such as performance against strategic objectives, reference to job evaluation schemes etc, and the current value for the university of the pay multiple of the Principal's earning against the median of all staff and how this indicator has changed over an extended period of time (Remuneration Code and "Possible outline structure for a Remuneration Annual Report" refer).*

*It is recommended that the annual report and the annual statement are one and the same but modifications may be necessary to preserve commercial confidentiality (Remuneration Code refers). Whilst the full report to the Board may be private it should not be withheld from any member of the Board of Governors (CUC HE Code of Governance refers).*

Sept 2018

## **Appendix 1: original terms of reference**

### **Remuneration Committee – Terms of Reference**

The Remuneration Committee provides advice to the Board of Governors of the Guildhall School of Music & Drama. It is recognised that all matters relating to the employment of staff are within the purview of the City Corporation's Establishment Committee.

#### **Constitution**

- The Chairman of the Board of Governors of the Guildhall School of Music & Drama
- The Deputy Chairman of the Board of Governors of the Guildhall School of Music & Drama
- At least three non-Common Council Governors
- Two Common Council Governors
- May include up to three other lay/independent members (who are not necessarily members of the governing body)

**Quorum:** At least three Governors

**In attendance** (but not a member of the Committee)

- The Principal of the Guildhall School of Music & Drama (except when the Committee discusses his or her remuneration)

#### **Terms of Reference**

- To take note of staff remuneration, the pay structure and benchmark the School against the rest of the higher education sector.
- To consider all characteristics protected under the Equality Act 2010 and to flag any significant discrepancies within the School.
- To satisfy itself with the procedures in place at the School to allow staff to make representations about their pay.
- To satisfy itself that any ad hoc or personalised payments that might distort the basic remuneration structure are made according to transparent and justifiable rules.
- To benchmark the salary of the Principal and Vice-Principals (the senior post holders) against sector comparators and is (or is not) content with the outcome of the benchmarking.
- To make recommendations to the Board of Governors and the Establishment Committee in respect of overall staffing pay structure, having regard to equal opportunities.

## **Nominations Committee – Terms of Reference**

### **Membership**

- Chairman and Deputy Chairman of the Board shall serve as Chairman and
- Deputy Chairman of the Nominations Committee.
- Members should include three co-opted Governors, three Common Council Members and one senior Member of the Academic Staff.

Quorum of any three Committee Members.

All Members are entitled to vote.

### **Remit**

- To consider any application(s) for nominations for Fellowships and/or Honorary Fellowships and;
- To make recommendations to the Board of Governors of the Guildhall School of Music & Drama on any applications, as and when required.
- To seek out and recommend the appointment of new lay/independent/co-opted members to the Governing Body