

# Office for Students - Remuneration and Nominations Committee: terms of reference

## Purpose

1. The Office for Students (OfS) has established a Remuneration and Nominations Committee to support the OfS board and accounting officer, in their responsibilities for the pay and performance management of senior management and for the pay remit relating to OfS staff. It also provides advice to the OfS chair on the nominations and appointments of independent members to any OfS Committee.

## Responsibilities

2. The responsibilities of the Committee shall be:
  - a. To make recommendations to the OfS board on the terms and conditions of employment of the chief executive, noting that some aspects of the terms and conditions will then need to be referred to the Department for Education (DfE) for approval. Unless there are exceptional circumstances, the board delegates consideration and approval of these recommendations to the chair of the board.
  - b. To support the OfS chair in setting objectives with the chief executive and monitoring the chief executive's performance.
  - c. To carry out an annual review of the remuneration of the chief executive and the director for fair access and participation (DFAP) including making recommendations to DfE about proposed changes to basic pay and levels of performance related pay within the context of the terms and conditions agreed by the board.
  - d. To agree the terms and conditions of employment of other OfS directors.
  - e. To support the OfS chief executive in monitoring the directors' performance.
  - f. To carry out an annual review of the remuneration of directors, and to make decisions about changes to basic pay and levels of performance related pay involving DfE as required.
  - g. To review the aims of the annual pay remits, which seek authority from DfE for the nature and scale of pay awards to OfS staff, delegating the details to the chief executive. To set and review the ongoing appropriateness and relevance of the approach to remuneration.
  - h. To review the remuneration report that forms part of the OfS' Annual Report and Accounts which must include details of the remuneration of all board members, chief executive, DFAP and directors.
  - i. To support the OfS chair, chief executive and DfE in the consideration of succession planning requirements at board and executive level.
  - j. Provide advice to the OfS chair on the appointment of suitable independent members to any OfS board committee, and seeking to ensure that recruitment is open, fair and promotes equality of opportunity.

3. The Committee will take account of remuneration and appointments policy and advice provided by the HM Treasury, the Cabinet Office and DfE in carrying out its work.

### **Authority**

4. The Committee is authorised by the OfS board to:
  - a. Seek any information it needs from any employee of the OfS and any others with in order to perform its duties
  - b. Procure specialist ad-hoc advice (including legal advice) at the expense of the OfS up to £10k per annum or as agreed by the board.

### **Membership**

5. The Committee shall be appointed by the OfS board. It shall consist of not less than three non-executive, ordinary members of the board one of whom will be appointed as chair of the Committee. The chair of the OfS board may be a member of the Committee but should not act as its chair.
6. Appointments to the Committee shall be for a period of up to three years, which may be extended for up to a further three-year period, providing the board member still meets the criteria for membership of the committee.
7. Any two members of the Committee will comprise a quorum for decision making.
8. All members of the Remuneration and Nominations Committee are legally indemnified against negligence by the Department for Education.

### **Meetings**

- The Committee will normally meet at least once a year. The chair of the Committee may convene additional meetings as they deem necessary
- In the absence of the chair, the meeting will be chaired by another member that is also a member of the OfS board
- While only members have a right to attend meetings, the Committee may also require any other officials of the OfS to attend to assist it with its discussions on any matter
- The Committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate open and frank discussion of particular matters
- The Committee may invite the chief executive to attend any parts of its meetings other than those directly affecting their personal remuneration or performance assessment.

### **Reporting**

- The Committee will formally report in writing to the OfS board after each meeting.
- Committee meetings shall be minuted and draft minutes circulated to members as soon as possible after the meeting.

- The Committee's activities will be reported in the OfS annual report and account including disclosure of all senior staff remuneration as required by HM Treasury's Financial Reporting Manual (FReM)
- Committee papers and minutes are available to the National Audit Office on a need to know basis and to any OfS board member by agreement with the chair of the board (and subject to compliance with data protection rules). They will otherwise remain confidential.

## **Other**

9. The Committee shall, from time to time, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the OfS board for approval.