



## **WINDSOR ACADEMY TRUST**

### **PAY COMMITTEE: TERMS OF REFERENCE**

#### **1 Values and Principles**

The Pay Committee (The Committee ) of Windsor Academy Trust (WAT) will at all times:

- observe the highest standards of impartiality, integrity and objectivity in relation to the governance of WAT;
- be accountable to the Board of Directors, and hence to the Trust's stakeholders and regulatory bodies, for its activities;
- engage in a partnership with the Executive Team that enables and supports high and improving standards of education in all of the Trust's academies;
- act in accordance with the Trust's Governance Principles and Scheme of Delegation
- respect the important, confidential and sensitive nature of its work.

#### **2 Powers and functions of the Pay Committee**

The Committee's powers and functions are those delegated to it by the Trust's Board of Directors, as shown in the Trust's Scheme of Delegation to include the approval of:

- CEO performance award;
- Individual performance pay awards for eligible staff.

As currently determined, the Committee's responsibilities and functions include decision making on behalf of the Board, as well as making proposals and recommendations for decisions made elsewhere.

In general terms, the Committee has responsibility for decisions on pay and remuneration of staff in line with the Trust's Pay policy.

#### **3 Accountability of the Pay Committee**

The Committee is chiefly accountable to the Trust Board of Directors and reflects the Board's wider accountabilities.

## **4 The Business of the Pay Committee**

The Committee is expected to contribute to the development of a robust remuneration management framework for the Trust, with the aim of ensuring that the Trust is well staffed with suitable qualified and experienced staff within an agreed budget.

The work of the Committee must reflect a good understanding of remuneration legislation that applies to the Trust. The Committee is required to give assurance that the Trust is meeting its statutory and legal responsibilities in relation to the remuneration within the Committee's scope.

The Committee will:

- ensure effective reporting to the Board, and to other parties as appropriate
- encourage and promote collaboration between academies within the Trust, and with other schools and other sectors, including employers, locally and nationally to ensure that best practice is identified and promoted
- periodically review its policies and practice, making use of experiences and expertise outside the Board when appropriate.

In carrying out its work the Committee will follow the Seven Principles of Public Life set out by the Committee on Standards in Public Life (referred to as "the Nolan Principles" and set out in Annex 1), and will comply with:

- the Articles of Association
- the Principles of Governance
- the Academies Financial Handbook
- these terms of reference
- the scheme of delegation
- the conflicts of interest policy
- the code of conduct for Directors
- all other relevant policies of the Trust

The Committee is required to report to the Board on an annual basis:

- Evaluation of its own effectiveness
- Summary of its role and responsibilities and actions taken to discharge them, for inclusion in the Annual Report.

## **5 Delegation of powers of the Committee**

The Committee cannot delegate its powers. It can, however, make proposals to the Board for changes to the Scheme of Delegation.

## **6 Membership, Chair and Vice Chair of the Pay Committee**

The membership of the Committee comprises the Chair of the Board, and the Chairs or Vice Chairs of the Personnel and the Finance and Audit Committees. . At the first meeting in each school year, the Board elects the Committee's Chair. The quorum for the meeting will be 3.

The main role of the Chair is to chair meetings of the Pay Committee. He or she also provides leadership to the Pay Committee and acts as the main point of contact between the Pay Committee and the Board.

The Chair has a second or casting vote in any case of an equality of votes at a meeting of the Pay Committee.

It is recognised that periodic changes to the Chair can be beneficial and the Board therefore expects that the Chair of the Pay Committee will not hold this role for more than 6 years.

## **7 Meetings of the Pay Committee**

There will be a minimum of one meeting of the Pay Committee each academic year. The dates of meetings will be determined by the Board.

In determining the dates and agenda for Committee meetings, the Board and Committee will have regard to the requirement on them to:

- discharge their responsibilities as set out in the Scheme of Delegation
- take into account the roles of other elements of governance, so that suitable arrangements can be made for recommendations, proposals and consultation to be reflected in decision making.

The Committee will be advised by the Chief Executive Officer (CEO), who will provide information and guidance on remuneration and regulatory practice and procedures. Each academy's recommendations are moderated by the CEO before approval by the Pay Committee as outlined in the Scheme of Delegation.

The Committee will have a clerk who will take minutes of the meetings. The Committee is required to report the minutes of its meetings to the Board of Directors to note.

Other persons shall attend meetings at the invitation of the Committee.

## **8 Risk Management**

The Pay Committee should be familiar with the principal pay -related risks and uncertainties facing the Trust and any subsidiary undertakings. These should be reflected in the Committee's decisions, recommendations, proposals and consultation responses.

## **9 The Management of Conflicts of Interest**

The Companies Act 2006 imposes a statutory duty on Directors to avoid situations in which they have or could have an interest, which conflicts (or could conflict) with the interests of the Trust. The duty is to:

- declare the nature and extent of any interest in any matter relating to the Academy Trust; and
- avoid any conflict of interest between that interest and the interests of the Academy Trust.

In addition, charity law and guidance issued by the Charity Commission confers obligations on the Directors to manage any conflict between a Director's duty to the Academy Trust and their own personal interests or for a Director to be influenced by conflicting duties to the Academy Trust and a third party.

Further details are set out in the Conflicts of Interest Policy with which the Directors are obliged to comply.

## **10 Training and Development of Directors**

Directors on the Pay Committee are expected to keep up to date with developments relating to HR/employment matters in the environment in which the Academy Trust operates.

The Board will ensure that it is able to appoint suitably knowledgeable and experienced Directors to the Pay Committee. The Pay Committee will work with the Board to develop succession plans and invest in the development of Directors to prepare them for the roles of member, chair and vice chair of the Pay Committee.

## **Annex 1 the Seven Principles of Public Life set out by the Committee on Standards in Public Life ("the Nolan Principles")**

### **1. Selflessness**

Holders of public office should act solely in terms of the public interest.

### **2. Integrity**

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

### **3. Objectivity**

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

### **4. Accountability**

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

### **5. Openness**

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

### **6. Honesty**

Holders of public office should be truthful.

### **7. Leadership**

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.