



Ministry
of Defence

DE&S Secretariat
Defence Equipment & Support
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Email: DESec-FOI@mod.uk

[Redacted]

Please reply to:

Our Reference:
FOI2015/08513
Date: 26 October
2015

Dear [Redacted]

Your email dated 30th September is considered to be a request for information under the Freedom of Information Act (FOIA) 2000. You requested the following:

I'd like to request release of the following information relating to the Defence Equipment & Support (DE&S) Remuneration Committee (REMCOM):

*The Terms of Reference
The established/proposed membership
Minutes of Meetings for 2014 and 2015*

I can confirm that the Ministry of Defence (MOD) holds information relevant to your request. The Terms of Reference for the DE&S Remuneration Committee form part of the DE&S Board Charter and the relevant extract is enclosed.

The established membership of the DE&S Remuneration Committee comprises:

Mr James Dorrian Non-Executive Director (Chairman)
Ms Kath Harmeston Non-Executive Director
Mr Jonathan Slater Non-Executive Director

Jonathan Slater left the MOD on 19 October and his duties are being covered by Mr Mark Preston (Director Business Resilience) on Temporary Managed Promotion, although he has not attended a DE&S Remuneration Committee meeting to date. Other officials may be present at meetings on an 'in attendance' capacity only.

The minutes of meetings of the DE&S Remuneration Committee are being withheld in full under qualified exemption Section 36(2)(b)(i)(ii) and (c) of the FOIA. Section 36 is a qualified exemption and subject to a public interest test. This means that the information requested can only be withheld if the public interest in doing so outweighs the public interest in disclosure. The public interest test weighed the need for the transparency and accountability of decisions related to the remuneration of DE&S staff; against the need for the Committee to have a 'safe space' in which to debate and discuss issues, free from external pressure and disruption; the sensitivity of some information related to individuals; and the impact release might have on future decision-making. On balance it was concluded that the public interest would best be served through withholding the information in full. The level of prejudice in this case has been set at the lower level of "would be likely to".

Defence Equipment & Support

If you are not satisfied with this response or you wish to complain about any aspect of the handling of your request, then you should contact me in the first instance. If informal resolution is not possible and you are still dissatisfied then you may apply for an independent internal review by contacting the Information Rights Compliance team, 1st Floor, MOD Main Building, Whitehall, SW1A 2HB (e-mail CIO-FOI-IR@mod.uk). Please note that any request for an internal review must be made within 40 working days of the date on which the attempt to reach informal resolution has come to an end.

If you remain dissatisfied following an internal review, you may take your complaint to the Information Commissioner under the provisions of Section 50 of the Freedom of Information Act. Please note that the Information Commissioner will not investigate your case until the MOD internal review process has been completed. Further details of the role and powers of the Information Commissioner can be found on the Commissioner's website, <http://www.ico.org.uk>.

Yours sincerely,

DE&S Secretariat

DEFENCE EQUIPMENT AND SUPPORT REMUNERATION COMMITTEE TERMS OF REFERENCE

Purpose

The Board of DE&S (the Board) has constituted a Remuneration Committee (the "Committee"), the purpose of which is to advise the Owner, the Board and the Chief Executive of DE&S on matters relating to the proper development and application of the DE&S total compensation strategy, including its pay structures, and as set out in the published 'Framework Document'⁴. It also advises the Board on the remuneration of the Chief Executive, the top civilian executive team and other senior staff as appropriate, where these are not set by Senior Civil Service or Departmental guidelines.

Membership

The Committee shall comprise at least three members, all of whom shall be Non-Executive Directors. One of the members shall be a Ministry of Defence Non-Executive Director on the DE&S Board, or his/her designate as approved by the Chairman of the Board.

The Board shall appoint the Committee chairman who should be an independent Non-Executive Director. The Chairman of the Board shall not be Chairman of the Committee nor full-time member but has a standing invitation and will attend as appropriate

If a regular member of the Committee is unable to act due to absence, illness or any other cause, the Committee Chairman, or in his/her absence the Board, may appoint another Non-Executive member of the DE&S Board to serve as an alternate.

Appointments to the Committee shall be made by the Board, and shall be for a period of up to three years, which may be extended for a further period of up to three years, so long as they remain independent.

Attendance

Only members of the Committee have the right to attend meetings. Other individuals may be required to attend all or part of any meeting as appropriate, including the Chief Executive, the DE&S HR Director, the DE&S DG Resources, and other Executives or Non-Executives, unless there is a conflict of interest.

By agreement with the Committee Chairman, a member or other required attendee may participate by video conference, telephone or other acceptable means.

Secretary

The Director of Corporate Affairs or his or her nominee should act as the Secretary of the Committee.

The Committee Secretary shall record the proceedings and resolutions of all meetings of the Committee, including the names of those present and in attendance.

⁴ Refer to 'Responsibilities' section in Terms of Reference.

The meeting record shall be confirmed at the next meeting of the Committee and shall be available on request from the Committee Secretary to all Non-Executive Directors (unless a conflict of interest exists).

No individual (Non-Executive or Executive) shall be involved in any consideration of or decision on their own remuneration.

Responsibilities

The Committee shall:

- Have regard to but not be bound by pay and employment conditions elsewhere in the Civil Service and public sector pay policy, especially when determining annual salary increases;
- Review the DE&S Total Compensation Strategy, including pay structures, and provide advice to the Board to ensure that:
 - i) it is financially sustainable, takes into account the longer term spending position and ensures the organisation retains control of the pay bill;
 - ii) it is consistent with the allocated pay freedoms, evidence-based and appropriately incentivised;
- Review DE&S' application of its pay freedoms ensuring those are applied effectively and appropriately to meet business needs;
- Advise on the remuneration of the Chief Executive;
- Advise on the framework and broad policy, including performance framework, for the remuneration packages of the Executives (defined as an Executive Board Member) and senior staff as appropriate, where this is not set by Departmental, Service or SCS guidelines;
- Based on recommendation from the Chief Executive, consider any individual reward package of the Executives and other senior staff as appropriate;
- Consider what compensation commitments (including pension contributions and all other elements) the Executives' terms of appointment would entail, and as part of a specific policy, in the event of early termination.
- Consider any other remuneration and conditions of employment issues as directed by the Board or the Chief Executive.

Reporting Requirements

The Committee shall, through its Chairman, report to the Board on its proceedings after each meeting.

Quorum

The quorum necessary for the transaction of business shall be two members. A duly convened meeting at which a quorum is present shall be able to exercise all or any of the authorities exercisable by the Committee.

Frequency

The Committee shall meet four times a year and as frequently as required to perform the duties set out in these Terms of Reference.

Information Requirements and Support

The Director HR for DE&S and the MOD HR Director will ensure that the Committee is effectively informed on pay and remuneration matters to enable members to discharge their duties properly. Papers will be provided no less than 5 working days before a meeting. Papers which request a decision or guidance from the committee should be in the form of a business case which makes clear the associated costs and benefits.

Other

The Committee shall also perform such further functions related to the foregoing as the Board may, from time to time, request.