

Remuneration Committee Terms of Reference

Status

The Committee is a sub-committee of the Board of Trustees with delegated authority as set out below.

Purpose

1. To determine the remuneration of the Director.
2. To consider and determine recommendations from the Director for the remuneration of those grade nine and ten staff who report directly to her/him within the agreed parameters of the grading structure and arrangements for assessing individual performance.
3. To advise the Chair of the Board, who has delegated authority for such decisions, on any cases where it is proposed by the Director that any member of staff's salary should exceed the top of the grade ten scale.
4. To consider any other relevant matters put forward by the Director and Company Secretary.

In reaching decisions about any aspects of activity under points one to four above, the Committee shall have regard to the overall shape of remuneration for the staff concerned; the Institute's financial context; the agreed grading structure for the staff concerned; the agreed arrangements for assessing individual performance; and external information as appropriate.

The Committee's decisions are final.

Process

The Committee will meet at least once a year and will report annually to the Board. Part of the discussion at the Board shall be in closed session.

Membership

The Committee will be chaired by the Chair of the Board.

There will be four to six other members comprising:

- the Chair of the Resources and Audit Committee
- the Director
- between one and three other Trustees (excluding the staff nominees)
- one external (non-Trustee) member with senior professional expertise in remuneration and reward issues relevant to the Institute

Trustee membership of the sub-committee will usually be coterminous with Board membership.

The external member will be appointed by the Board following a recommendation from the Chair of the Board, for a term of office between two and four years.

The quorum shall be the Chair plus the Director and half of the other members. Where the decision concerns the Director's remuneration, the quorum shall be the Chair plus half of the other members not including the Director.

The Chair shall have the casting vote in the event of a split decision.

Meetings may be conducted remotely where necessary.

The Committee will be supported in its work by the Director of Finance and Operations and the Director of Human Resources.

