

Remuneration Committee Terms of Reference

Revised May 2015

Purpose

1. Arts Council England has established a Remuneration Committee to oversee the pay, performance and particular employment terms of senior staff and the pay of the Chairs of national and area councils.

Responsibilities

2. Senior staff – remuneration and other employment terms

- 2.1 The Committee decides
 - on the remuneration and particular employment terms which apply to members of Executive Board
 - on a review of the annual performance against organisational and individual objectives of the Chief Executive, advised by the Chair of National Council
 - on performance related, variable pay for the Chief Executive, advised by the National Chair, including consolidated salary increases and non-consolidated lump sum payments
 - on a review of the annual performance against individual objectives of other members of Executive Board, advised by the Chief Executive
 - on performance related, variable pay for the deputy chief executive and executive directors, advised by the Chief Executive, including consolidated salary increases and non-consolidated lump sum payments
- 2.2 The Committee will review the remuneration and employment terms of the senior staff in the context of the overall remuneration and employment terms framework for all Arts Council employees.

3 Chairs of national and the area councils

- 3.1 Under the terms of the Royal Charter, the National Chair and chairs of area councils are permitted to receive remuneration in recognition of their role. The responsibility for establishing the rate of remuneration lies with the Secretary of State. The Secretary of States consults the Chair of National Council on changes to the remuneration for area council chairs.

- 3.2 The Committee maintains an overview of the arrangements for the remuneration of chairs of national and area councils. The Committee may advise the Chair of National Council on rates of remuneration, bearing in mind the overarching interests and responsibilities of the Council as a whole.

4 Delegated Authority

- 4.1 The Committee has authority to act within the remit of these terms of reference.
- 4.2 Remuneration Committee is responsible for ensuring that equality and diversity implications are considered on all matters that it decides.

5. Frequency

- 5.1 The Committee will meet once a year or as needed.

6. Reporting Line

- 6.1 The Committee will report to National Council.

7. Membership

- 7.1 The membership of the Remuneration Committee shall be four members of the National Council who are members of the Performance and Audit Committee plus the Chair of the National Council. The Chair of the Performance and Audit Committee will Chair the Committee.

8. Quorum

- 8.1 The quorum is 3.

Last revised May 2017.