

Appendix 5: Remuneration Committee Terms of Reference

Introduction

1. In accordance with Paragraph 8 of Schedule 4 of the Gambling Act 2005 the Commission has established a Remuneration Committee.
2. These terms of reference set out the purpose, membership and delegated authority of the Remuneration Committee.
3. Nothing in these terms of reference shall detract from the authority of the Chief Executive as Accounting Officer.

Purpose

4. The Remuneration Committee has been established to support the Board of Commissioners (the Board) and Chief Executive (as appropriate), in their responsibilities for performance management, senior appointments and departures, HR Policy and Practice and proposals in relation to Commissioner remuneration and expenses.

Membership

5. Membership of the Remuneration Committee shall comprise a minimum of two non-executive Commissioners.
6. The Board will appoint the Chair of the Remuneration Committee.
7. The Chairman of the Board will not normally be Chair of the Remuneration Committee.

Delegated Powers

8. The Board authorises the Remuneration Committee to investigate any activity specified as a responsibility of the Remuneration Committee within these terms of reference.
9. The Remuneration Committee provides advice to the Board and the Chief Executive.

Functions and Duties

10. Acting with delegated authority from the Board of Commissioners:

Chief Executive and the Executive Team

- Devise the appointment process for the appointment of the Chief Executive and oversee its implementation
- Review and recommend to the Board an appropriate remuneration policy for the Chief Executive and the Executive Team, consistent with the organisational objectives and within the overall budget agreed by the Board.
- Determine the terms of any special severance arrangements applying in the event of any required and unplanned early termination of employment of the Chief Executive or any member of the Executive Team, having regard to relevant guidance and codes of practice and their contracts of employment.
- Oversee the framework for the appraisal of the Chief Executive by the Chair and oversight of the operation of that framework in relation to any performance-related pay for the Chief Executive.
- Oversee the framework for the appraisal of the Executive Team's performance by the Chief Executive.
- Review the arrangements for succession planning of the Chief Executive and the Executive Team.

HR Policy and Practice

- Advise the Chief Executive and the Head of HR on any significant changes to HR policy or changes to the employee benefits structure, including the pension scheme
- Review the agreed indicators of HR performance and the action planned in the light of the results of the annual staff survey
- Review the Commission's Equality and Diversity policy and objectives and their implementation
- Provide oversight of the suite of people policies, including Learning and Development and talent management, or other similar work streams as required
- Advise the Board on any actions which it must or should take as an employer under pension fund arrangements
- Review the HR Risk Register and the actions being taken to mitigate these risks

The Chair and the Board

- Recommend to the Board any proposals for changes to the remuneration and terms of service for Board Members, including the Chair, before these are submitted to DCMS.
- Review the expenses policy for Board Members and employees and recommend any changes for approval by the Board.
- Advise the Board on the process for the appraisal of Board Members and the Chair.
- Agree with the Chair arrangements for the Board to review annually its performance and effectiveness.

Meetings

11. The Remuneration Committee shall meet at least two times in each financial year.
12. The Chair of the Remuneration Committee may convene additional meetings as considered necessary.
13. The Board of Commissioners may ask the Remuneration Committee to convene additional meetings to discuss particular issues on which they want its advice.
14. The Remuneration Committee may meet via telephone conference or Skype.

Quorum

15. Two members of the Remuneration Committee will comprise a quorum for decision making.

Attendance at meetings

16. Meetings of the Remuneration Committee will normally be attended by:
 - the Chief Executive
 - the Chief Operating Officer
 - the Head of Human Resources
 - a secretary to the Committee

17. The Remuneration Committee may ask any other employees of the Commission to attend meetings to assist with discussions on any particular matter.
18. The Remuneration 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.
19. The Remuneration Committee will take steps to preserve the confidentiality of discussions, and any related documents, in any matters which involve personal information about individual employees.

Reporting

20. The Chair of the Remuneration Committee will formally report back orally or in writing to the Board after each meeting of the Committee.
21. The Remuneration Committee's activities will be reported in the Commission's Annual Report, to the extent that it can without breaching confidentiality.