

Document Title: Terms of Reference for Nomination, Remuneration and Governance Committee
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Terms of Reference for Nomination, Remuneration, and Governance Committee

- 1 Constitution
- 2 Purpose
- 3 Role and Responsibilities
- 4 Committee Membership
- 5 Reporting and Authority
- 6 Meetings
- 7 Attendance
- 8 General

1. Constitution

The Nomination, Remuneration, and Governance Committee (the “Committee”) was constituted upon the basis of these terms of reference at a full meeting of the Registered Members held on XXXX in accordance with the Articles of Association of the Architectural Association (Inc.). These terms of reference replace any previous versions.

2. Purpose

- a) The Committee will oversee the succession planning, selection and recruitment of Council and Committee membership, the President and School Director. Seeking to ensure the Council has the right balance of skills and experience to meet the opportunities and challenges at the Architectural Association (AA).
- b) The Committee will oversee the employment policies of the AA.
- c) The Committee will oversee the senior management remuneration packages, including the School Director.
- d) The Committee will oversee the regular review of corporate governance for AA Inc.

3. Role and Responsibilities

(i) Nomination Committee

As the Nomination Committee, the Committee will be responsible for the following: -

- a) Review annually the structure and size of Council and make recommendations to Council for any proposed changes;
- b) Review, at least annually, the competencies, skills and experience required on Council and its committees taking in accounts the opportunities and challenges of the AA;
- c) Undertake, as required, the succession planning for members of Council including opportunities to diversify, and oversee the selection and recruitment of Council members in accordance with the relevant Standing Order;

- d) To put forward for election, AA members as candidates for Council, or make recommendation to Council on candidates to be appointed as members of Council;
- e) Undertake, as required, succession planning for the President and Vice-President, and agree the procedure for the selection and nomination process for the President and Vice-President in accordance with the relevant Standing Order;
- f) Review, at least every 3 years, the Standing Order for recruitment, suspension and removal of Council members and make recommendations to Council on proposed changes;
- g) Review, at least every 3 years, and recommend to Council any changes to the role profile for Council members;
- h) Receive and approve the induction programme for new members of Council when new appointments are being made;
- i) Administer the process for suspending or removing a member of Council in accordance with the relevant Standing Order and to obtain legal advice on such matters when it is deemed necessary by the Committee;
- j) Review, at least every 5 years, and approve a framework and/or procedure for the performative evaluation of Council members.
- k) Based on the performance evaluation to make recommendations to Council on the re-appointment of Council members at the end of their first 3-year term;
- l) Identify training needs of Council members as trustees and directors as part of their effectiveness review, and seek to ensure those training needs are met through internal or external training within an agreed budget;
- m) Review, at least every 3 years, the Standing Order for the School Community and make recommendations to Council on any proposed changes in consultation with the School Community membership;
- n) Receive recommendations from the School Director, and approve, any major changes in employee benefits to offered,
- o) Oversee the succession planning, selection and recruitment of the School Director in accordance with the relevant Standing Order
- p) Receive and approve as necessary the succession plan, selection and recruitment process for senior management roles.
- q) Review and approve the Council Member's Expenses Policy.
- r) Approve a policy for authorising claims for expenses from the School Director.

(ii) Legal and Regulatory Compliance

The Committee will receive an annual report from management that the AA Employee Handbook has been reviewed and reflect both best practice, and the legal and regulatory requirements of: -

- Equality Act 2010 (in respect of employment)
- Employment Act 1996
- ACAS guidance

The Committee may seek such external advice or assurance as it deems necessary in respect of the compliance.

(iii) Remuneration Committee

As the Remuneration Committee, the Committee will be responsible for the following: -

- a) Upon the recommendation from the School Director, to approve senior management remuneration packages or salary bands when recruiting. And to approve salary increases for senior management and the School Director that exceed the staff annual salary increase (approved annually by Council);
- b) Negotiate and agree the remuneration package for a new School Director;
- c) Receive and approve a staff pay policy at least every 3 years;
- d) Receive a report from management at least every 5 years on the comparability of AA staff salary banding levels with the higher education sector. The Committee will obtain such external advice on the market comparisons and salary banding as it deems necessary.

(iv) Governance Committee

As the Governance Committee, the Committee will be responsible for the following: -

- a) Ensuring that a governance effectiveness framework is being maintained and adhered to;
- b) Regularly review, the AA Inc corporate governance against the Higher Education Code of Governance or such other best practice as the Committee deems relevant to the AA;
- c) Review, at least every 3 years and make recommendations to Council on the accountability and transparency of Council to AA membership.

4. Committee Membership

- a) The Council will appoint the members of the Committee and its Chair from time to time as required, upon the recommendation of this Committee;
- b) The Committee will have at least three independent members of the Council, and a quorum of least two members;
- c) At least one member of the Committee will ideally have recent relevant experience in overseeing human resources, people, or culture for an organization;
- d) Members of the Committee will not have executive responsibility for the management of the AA, or other significant interests in the AA, unless an exception is agreed by Council;
- e) Appointments to the Committee will be for three years, renewable at the Council's discretion.

5. Reporting and Authority

- a) The Committee will make whatever recommendations to the Council it deems appropriate on any area within its remit, for example, where action or improvement is needed, or risks have been identified that are not being effectively mitigated.
- b) The Committee will report at least annually to the Council on the fulfilment of its responsibilities as set out in these terms of reference, and on such other matters as reasonably delegated to it by Council. The report will be made by the Chair, or other nominated members of the Committee.

6. Meetings

- a) The proceedings and resolutions of meetings of the Committee, including the names of those present and in attendance, will be minuted. Each meeting's minutes will be circulated with the next subsequent meeting's papers for review and approval by the Chair. Once approved, the minutes of each meeting will be kept on file by the Company Secretary for inspection.
- b) The Committee will meet at least three times per year.

- c) The members of the Committee should make themselves available at each Annual General Meeting of the AA to answer questions concerning the Committee's work.
- d) Meetings of the Committee will be called by the secretary of the Committee at the request of its Chair or at least two members of the Committee.
- e) Unless otherwise agreed, notice of each meeting confirming the venue, time, and date together with an agenda of the matters to be discussed at the meeting will be forwarded to each member and any other person required to attend no later than five working days before the date of the meeting. Any supporting papers will be sent to each member of the Committee and to other attendees (as appropriate) at the same time.

7. Attendance

The Chair of the Committee shall decide ahead of each meeting the staff members who will be required to attend that meeting. Noting that attendance will be required at least once per year by the following: -

- School Director
- Head of Human Resources

8. General

- a) The Council will ensure that the Committee: -
 - Has access to sufficient resources to carry out its duties, including access to the Company Secretary and senior staff of the AA, as required;
 - Is provided with appropriate and timely training, both in the form of an induction programme for new members and annual training for Council members. The Committee may request specialist training on new or developing areas of responsibility, via the Company Secretary.
- b) The Committee will ensure that it adheres to the governing documents of the AA including the Articles of Association, By-laws, Standings Orders and AA Code of Behavioural Expectations in undertaking its business.
- c) The Committee will consider the provisions of the UK Corporate Governance Code, the CUC Higher Education Code of Governance and the Charity Governance Code and observe applicable laws and regulations including but not limited to relevant portions of the Charities Act 2011 and Higher Education and Research Act 2017 (as may be amended, from time to time).
- d) The Committee will regularly review its own performance and, at least every two years (ideally at the start of each year), review its terms of reference to ensure it is operating at maximum effectiveness, and recommend any changes it considers necessary to the Council for approval.
- e) The Committee is authorised by the Council to examine any activity within its terms of reference and to obtain, at AA's expense, professional advice as deemed reasonably necessary by the Committee on any matter within its terms of reference. The Committee is authorised to seek any information it requires in order to discharge its responsibilities, from any employee or the School Director as reasonably deemed necessary by the Committee,

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