



Employee & Trustee Remuneration Policy

2017/18

Last Updated:	23 rd April 2018
Last Reviewed by Trustees:	15 th December 2017
Next Review Due:	December 2018





Employee & Trustee Remuneration Policy

Policy

Active Cheshire is committed to ensuring that we pay our people fairly and in a way which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives. Our approach to executive pay is in line with the Association of Chief Executives of Voluntary Organisations (AECVO) Good Pay Guide. In line with Active Cheshire's commitment to equality and diversity (see separate policy), Active Cheshire is committed to equal pay.

TRUSTEES

Don't receive payment, just reimbursement of out of pocket expenses in line with charity commission guidelines.

EMPLOYEES

Being an accredited Living Wage Employer means that every member of staff in our organisation earns at least the Living Wage. The Living Wage is an hourly rate set independently and updated annually, based on the basic cost of living in the UK.

Policy Detail

TRANSPARENCY

In accordance with the Statement of Recommended Practice (SORP), Active Cheshire:

- disclose all payments to trustees (no trustees receive 'pay');
- disclose the number of staff in receipt of more than £60,000 and above (in bands of £10,000);
- Disclose pensions and other benefits.
 - Our Annual Reports outline our remuneration in more detail.

PROPORTIONALITY

Support use of pay ratios as recommended by the National Council for Voluntary Organisations, and will aim to maintain a ratio of 4:1 (calculated using median approach and based on all taxable income).

PERFORMANCE

- Pay should reflect performance against individual objectives and overall organisational performance;
- Should factor in financial health of the organisation;
- Should apply the agreed Performance Related Pay structure (1% + 5% if achieving consistent score – minimum of 3 – throughout the year)

RECRUITMENT & RETENTION

Active Cheshire will refer to industry benchmarks and RPI.

In determining Active Cheshire's remuneration, the remuneration committee takes into account all factors which are deemed necessary. The objective of the policy is to ensure that the Chief Executive and staff team are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Charity.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other charities ensuring Active Cheshire remains sensitive to the broader issues (e.g. pay and employment conditions elsewhere).

We aim to recruit, subject to experience, at the lower–medium point within a band, providing scope to be rewarded for excellence. We do not employ interns without pay and we aim to pay the living wage for all our staff.

Process

Active Cheshire remuneration policy and procedure sits with the Nomination Committee (NOMCOM), which meets annually. The Committee is comprised of the Chair of Active Cheshire (also NOMCOM Chair), the Senior Independent Director and both Vice-Chairs. Meetings are minuted.

The Committee sets the pay structure for the organisation and the remuneration of Directors and Senior Management.

The CEO is in attendance for the meeting (leaving for the discussion regarding the CEO’s remuneration) and no members of the executive are members of the committee. Decisions by NOMCOM require ratification by full Board.

NOMCOM meets annually between the end of the financial year and beginning of the next to ensure that any remuneration is decided in the context of wider financial performance.

The Committee will consider facts prepared by the CEO to provide context for decision-making including:

- The organisation’s current financial position
- Any existing or emerging risks that may impact on the organisation’s financial stability
- Comparing the competitiveness of Active Cheshire salary banding against credible independent market benchmarks
- RPI as at 31 December
- Public and Third-Sector pay awards and any related sensitivities
- Individual and Team performance
- Past-performance benchmarks
- The significance of employees in delivering Active Cheshire’s charitable vision and purpose

The Committee will consider the reflections and recommendations of the Chair, during his formal appraisal of the CEO against agreed objectives to determine the remuneration package (including any annual bonus) of the Chief Executive.

Discussion will take place within the meeting and any conclusions drawn will be presented to full Board for ratification and will be minuted in line with data protection laws.

The Chair will provide feedback to the CEO and will write formally to set out any decisions made.

Inclusion of pay within published documentation (eg Annual Accounts/Reports) will be made to ensure legal compliance..

Related Policies / Documents		Related Forms / Templates	
Governance Manual Scheme of Delegation Risk Management & Internal Controls			
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