

## Remuneration and Terms of Service Committee

### Terms of Reference

#### 1. Purpose

The Remuneration and Terms of Service Committee has been established to make recommendations to the Governing Body in relation to:

- The remuneration, fees and allowances payable to employees of the CCG and to other persons providing services to it; and
- Any determinations about allowances payable under pension schemes established by the CCG.

The Committee is authorised to seek such independent information as may be necessary to inform their recommendations.

In addition, the Governing Body has delegated a number of functions to the Committee relating to the Governing Body's duty to ensure that the CCG has appropriate arrangements in place to exercise its functions effectively, efficiently and economically and in accordance with the principles of good governance (as set out in section 3 below).

NOTE: The remit of the Committee excludes considerations in relation to Lay Member remuneration, fees and allowances. These are approved by the Chair of the Governing Body and the Accountable Officer.

#### 2. Status

The Remuneration and Terms of Service Committee is established in accordance with the National Health Service Act 2006 (as amended) and the CCG's constitution. It is a statutory committee of, and accountable to, the Governing Body.

The Governing Body has authorised the Committee to create task and finish sub-groups in order to take forward specific programmes of work as considered necessary by the Committee's membership. The Committee shall determine the membership and terms of reference of any such task and finish sub-groups.

The Remuneration and Terms of Service Committee may meet 'in-common' with the Remuneration and Terms of Service Committees of NHS Nottingham City CCG, NHS Nottingham West CCG and NHS Rushcliffe CCG.

#### 3. Duties

- a) Make recommendations to the Governing Body about appropriate remuneration, fees and allowances for Governing Body members (excluding Lay Members) and all senior managers on Very Senior Managers pay. This will include all aspects of salary (including any performance-related elements and other benefits, such as lease cars). Recommendations will be guided by national NHS policy and best practice and to ensure that Very Senior Managers are fairly motivated and rewarded for their individual contribution to the organisation, whilst ensuring proper regard to the organisation's circumstances and performance.
- b) Make recommendations to the Governing Body about allowances payable under pension

schemes established by the CCG.

- c) Make recommendations to the Governing Body about termination payments (including redundancy and severance payments) and any special payments following scrutiny of their proper calculation and taking account of such national guidance as appropriate.
- d) Make recommendations to the Governing Body about contractual terms and conditions for senior managers on Very Senior Managers pay.
- e) Approve all human resources policies for CCG employees.
- f) Oversee compliance with the requirements set out in the Equality Act 2010 Act (Gender Pay Gap Regulations) 2017, as necessary.
- g) Oversee the identification and management of risks relating to the Committee's remit.

#### **4. Membership**

The Remuneration and Terms of Service Committee will have three members, comprised as follows:

- Lay Member (Patient and Public Involvement)
- Lay Member (Primary Care)
- Lay Member (Financial Management and Audit)

Senior Managers may be invited to attend for all or part of the meeting (providing their own remuneration is not being discussed).

#### **5. Chair and Deputy**

The Lay Member (Patient and Public Involvement) will Chair the Remuneration and Terms of Service Committee. The Lay Member (Primary Care) is nominated to deputise in the Chair's absence.

#### **6. Quorum and Decision-making Arrangements**

The Remuneration and Terms of Service Committee will be quorate with a minimum of two members.

If any Committee member has been disqualified from participating in the discussion for an item on the agenda, by reason of a declaration of a conflict of interest, then that individual shall no longer count towards the quorum.

Committee members will seek to reach decisions by consensus where possible. If a consensus agreement cannot be reached, then the item will be escalated to the Governing Body for a decision.

#### **7. Frequency of Meetings**

The Remuneration and Terms of Service Committee will meet as required, with a minimum of one meeting per year.

## **8. Secretariat and Conduct of Business**

Secretariat support will be provided to the Committee to ensure the day to day work of the Committee is proceeding satisfactorily.

Agendas and supporting papers will be circulated no later than three working days in advance of meetings and will be distributed by the secretary to the Remuneration and Terms of Service Committee.

Any items to be placed on the agenda are to be sent to the secretary no later than five working days in advance of the meeting. Items which miss the deadline for inclusion on the agenda may be added on receipt of permission from the Chair.

The Remuneration and Terms of Service Committee agenda will be agreed with the Chair prior to the meeting.

## **9. Minutes of Meetings**

Minutes will be taken at all meetings, presented according the corporate style.

The minutes will be ratified following agreement by all members who attended the meeting.

## **10. Conflicts of Interest Management**

In advance of any meeting of the Remuneration and Terms of Service Committee, consideration will be given as to whether conflicts of interest are likely to arise in relation to any agenda item and how they should be managed. This may include steps to be taken prior to the meeting, such as ensuring that supporting papers for a particular agenda item are not sent to conflicted individuals.

At the beginning of each Committee meeting, members and attendees will be required to declare any interests that relate specifically to a particular issue under consideration. If the existence of an interest becomes apparent during a meeting, then this must be declared at the point at which it arises. Any such declaration will be formally recorded in the minutes for the meeting.

The Chair of the Committee will determine how declared interests should be managed, which is likely to involve one the following actions:

- a) Requiring the individual to withdraw from the meeting for that part of the discussion if the conflict could be seen as detrimental to the Committee's decision-making arrangements.
- b) Allowing the individual to participate in the discussion, but not the decision-making process.
- c) Allowing full participation in discussion and the decision-making process, as the potential conflict is not perceived to be material or detrimental to the Committee's decision-making arrangements.

Prior to recommendations being made to the Governing Body, arrangements (such as those set out above) must be put in place to ensure the integrity of decision-making and that no-one is involved in determinations about their own remuneration.

## **11. Reporting Responsibilities and Review of Committee Effectiveness**

The Remuneration and Terms of Service Committee will report to the Governing Body (in confidential session) through submission of the minutes which clearly set out the Committee's recommendation(s) and the rationale for the recommendation(s).

The Committee will provide an annual report to the Governing Body to provide assurance that it is effectively discharging its delegated responsibilities, as set out in these terms of reference.

## **12. Review of Terms of Reference**

These Terms of Reference will be formally reviewed on an annual basis, but may be amended at any time in order to adapt to any national guidance as and when issued.

Any proposed amendments to the Terms of Reference will be submitted to the Governing Body for approval.

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