

NHS Herts Valleys Clinical Commissioning Group

Remuneration Committee Terms of Reference V3

1.0 Role

The remuneration committee (“the committee”) is established in line with NHS Herts Valleys Clinical Commissioning Group’s Constitution, Standing Orders and Scheme of Reservation and Delegation.

The committee makes recommendations to the CCG board on:

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

2.0 Membership

2.1 Members of the committee shall be appointed by the Board. The committee shall be made up of:

2 Lay Members

1 GP board member nominated by the Board

2.2 The chief executive / accountable officer and chief finance officer may be invited to provide advice to the committee on matters that do not involve their personal terms and conditions of service.

2.3 Only members of the committee have the right to attend and vote at committee meetings. The committee may require other officers of the CCG and other individuals such as internal and external audit to attend all or any part of its meetings as and when is necessary.

2.4 The chair of the committee will be a Lay Member of the Board.

2.5 The chair of the committee shall not be the chair of the audit committee.

3.0 Secretary

3.1 The head of corporate governance or their nominee shall act as the secretary of the committee.

4.0 Quorum

4.1 The quorum necessary for the transaction of business shall be two members. A duly convened meeting of the committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the committee.

5.0 Frequency of meetings and attendance requirements

5.1 The committee will normally meet at least twice per annum. The committee may meet on additional occasions, either in person or by correspondence, as determined necessary by the chair.

5.2 Committee members should aim to attend all scheduled meetings. The secretary of the committee shall maintain a register of attendance which will be published in the CCG's Annual Report.

6.0 Notice of meetings

6.1 Meetings may be called by the secretary of the committee at the request of any of its members or where necessary.

6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the committee, any other person required to attend and all other Lay members, no later than five working days before the date of the meeting. Supporting papers shall be sent to committee members and to other attendees as appropriate, at the same time.

7.0 Minutes of meetings

7.1 The secretary, or nominated deputy, shall minute the proceedings of all meetings of the committee, including recording the names of those present and in attendance.

7.2 Members and those present should state any conflicts of interest in relation to open agenda items to the chair of the committee prior to the meeting. Where there is a conflict of interest the chair will notify the member whether they should withdraw from the meeting, the discussion and/or voting. The secretary should minute any conflicts of interest accordingly.

7.3 Minutes of committee meetings should be circulated promptly to all members of the committee and once agreed, submitted to a Confidential Board meeting.

8.0 Annual General Meeting

8.1 The chair of the committee will normally attend the Annual General Meeting prepared to respond to any questions on the committee's activities.

9.0 Duties

The committee has delegated responsibility for:

9.1 Recommending to the board the policy regarding contracts of employment.

9.2 Recommending to the board the individual remuneration arrangements for members of the Board and the executive team, taking into account feedback on performance from the chair or chief executive. In doing so the committee shall review and agree:

9.2.1 Overall market positioning of the remuneration package.

9.2.2 Individual base salaries and increments (where applicable).

9.2.2 Any annual and/or long term incentive arrangements and the relevant targets for performance related schemes.

9.3 Recommending to the board any changes to the standard contract of employment for members of the board, where applicable, including termination arrangements taking into account relevant guidance and current good practice.

9.4 Agreeing terms for the termination of an employment contract, having regard to HM Treasury guidance and current good practice.

- 9.5 Determining the remuneration policy and packages with regard to the CCG's overarching reward and benefit strategy for staff, the arrangements in the wider health service, guidance from HM Treasury and current good practice.
- 9.6 Evaluating the balance and skills, knowledge and experience on the board and prepare a description of the role and capabilities required for any board vacancies.
- 9.7 The committee should endeavour to ensure that the CCG recruits, retains and develops a strong leadership team capable of achieving its objectives and performance.
- 9.8 The committee will keep under review board and very senior manager objectives, performance assessment and personal development and will have oversight of succession planning and senior staff pay and contractual arrangements.

10.0 Reporting responsibilities

- 10.1 The committee will report to the CCG board who will approve its Terms of Reference and membership.
- 10.2 The committee will supply approved minutes to a private board meeting and report on its proceedings after each meeting.
- 10.3 The committee shall make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed.

11.0 Other matters

The committee should:

- 11.1. Have access to sufficient resources in order to carry out its duties, including access to the CCG secretariat for assistance as required;
- 11.2. Report any material control issues to the audit committee;
- 11.3 Give due consideration to laws and regulations;
- 11.4 At least once a year, review its own performance and Terms of Reference to ensure it is operating at maximum effectiveness and recommend to the Board for approval, any changes it considers necessary.
- 11.5 Abide by the CCG's Constitution, its values, its Code of Conduct and Nolan Principles of Conduct Underpinning Public Life.

12.0 Authority

The committee is authorised to:

- 12.1 Seek any information it requires from any employee of the CCG in order to perform its duties.
- 12.2 Obtain, outside legal or other professional advice on any matter within its Terms of Reference via the Head of Corporate Governance.
- 12.3 Call any employee to be questioned at a meeting of the committee as and when required.

13.0 Monitoring and review

- 13.1 The board will monitor the effectiveness of the committee through receipt of the Committee's minutes and such written or verbal reports that the chair of the committee might provide.

- 13.2 The secretary will assess attendance records and agenda items to ensure they comply with the committee's responsibilities.

- 13.3 Terms of Reference approved by the Remuneration Committee: 8 February 2019

- 13.4 Terms of Reference approved by the Board: 14 March 2019

- 13.5 Terms of Reference to be reviewed annually.
Date of Next Review by Remuneration Committee: January 2020