

NHS Calderdale
Clinical Commissioning Group

Remuneration Committee

Terms of Reference

Current Status

DRAFT

Author

Judith Salter

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Change History

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Revisions			
1.1	Submitted to remuneration committee for recommendations regarding amendments	JS	07.11.13
1.2	Incorporating proposed amendments from the remuneration committee	JS	07.11.13
1.3	Submitted to Audit and Governance Committee for review. Amendments incorporated	JS	21.11.13
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Revisions			
2.1	Submitted to Remuneration Committee for review:	JS	18.12.14
2.2	Submitted to Audit Committee for recommendation to Governing Body, subject to any amendment.	JS	22.1.15
2.3	Additional amendments relating to the oversight of VSM and Governing Body appraisal process. (Remuneration Committee 18 Dec 2014 and 26 Feb 2015)	JS	27.2.15

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NHS Calderdale Clinical Commissioning Group

Remuneration Committee

Terms of Reference

1. Introduction

- 1.1 The Remuneration Committee is established in accordance with NHS Calderdale Clinical Commissioning Group's (CCG) Constitution, standing orders and scheme of delegation.
- 1.2 The Remuneration Committee is a sub-committee of the Governing Body of NHS Calderdale CCG.
- 1.3 The Remuneration Committee has two key functions:
 - a) The Committee shall advise the Governing Body on determinations about the appropriate remuneration, fees and other allowances; terms of service for employees and for people who provide services to the CCG; provisions for other benefits and allowances under any pension scheme. It shall also include any arrangements for termination of employment of the Chief Officer or the Chief Finance Officer. ¹.
 - b) The Committee shall review and approve Human Resources' Policies on behalf of the Governing Body in accordance with the CCG's scheme of delegation.
- 1.4 These terms of reference set out the membership, remit, responsibilities and reporting arrangements of the Committee

2.0 Membership

- 2.1 The Committee shall be appointed by the Governing Body and consist of:

Members

- The lay member of the Governing Body (patient and public involvement lead) (who shall act as chair of the committee)
- Two GP members of the Governing Body
- ~~Lay Advisor (Finance, Performance and External Relations)~~
- The Secondary Care Specialist and/or the Registered Nurse

In attendance:

- Lay Advisor to the Governing Body (finance, performance and external relations)

¹ Health and Social Care Act 2012 (c.7), Part 1 – health service in England, 14L (3) and 14M (3)

- Chief Finance Officer (CFO)
 - A Human Resources specialist from the Yorkshire and Humber Commissioning Support Unit (YHCS) will be present at all meetings to act as the Human Resources Advisor.
- 2.2 Other officers, including the Chief Officer or external advisors, may be invited to attend for all or part of any meetings as and when appropriate. They shall not be in attendance for discussions about their own remuneration and terms of service.
- 2.3 In the circumstances where the terms and remuneration for Lay Members, Secondary Care Specialist or Registered Nurse are being discussed, the GP members of the Governing Body with advice from the CFO and Human Resources Specialist will consider and make recommendations as appropriate.
- 2.4 In the circumstances where the terms and remuneration for the GP members of the Governing Body are being discussed, the Lay Member and Secondary Care Specialist or Registered Nurse, with advice from the CFO and Human Resources Specialist will consider and make recommendations as appropriate.

3.0 Arrangements for the Conduct of Business

3.1 Chairing the committee

The Lay Member (PPI) shall chair the committee. In the event of the chair of the remuneration committee being unable to attend for all or part of the meeting, the remaining members present will elect one of their number to chair the meeting/that part of the meeting.

3.2 Quoracy

Meetings will be considered quorate when at least three members are present.

3.3 Voting

Should a vote need to be taken, only the core members of the committee shall be allowed to vote.

3.4 Frequency of meetings

The Remuneration Committee shall meet as business dictates and at least once per year.

3.5 Declaration of Interests

If any member has an interest, pecuniary or otherwise, in any matter and is present at the meeting at which the matter is under discussion, he/she will declare that interest as early as possible and shall not participate in the discussions. The Chair will have the power to request that member to withdraw until the Committee's consideration has been completed.

- 3.6 The Lay Advisor to the Governing Body, Chief Finance Officer or any other manager acting in an advisory capacity will not be present for any discussion about his/her own remuneration or terms of service.
- 3.7 All declarations of interest will be minuted.
- 3.8 Any actions taken outside the meeting will be reported and minuted at the next available meeting of the committee.

3.9 Administrative Support

- 3.10 Administrative support for the Committee will be provided by a member of the Corporate Governance Team.
- 3.11 The Administrative support to the Committee will attend to take the minutes of the meeting and provide appropriate support to the Chair and Committee members. Duties will include:
- Agreement of the agenda with the Chair.
 - Circulation of agendas and supporting papers to committee members at least five working days prior to the meeting.
 - Drafting of minutes for approval by the Chair within five working days of the meeting and then distributed as outlined above within 10 working days.
 - Keeping an accurate record of attendance.
 - Keeping a record of matters arising and issues to be carried forward.
 - Maintain an on-going list of actions, specifying members responsible, due dates and keeping track of these actions.
 - Advising the committee on pertinent areas/issues.
 - Enabling the development and training of members.

4.0 Remit and responsibility of the Committee

- 4.1 The Remuneration Committee shall advise and make recommendations to the Governing Body on determinations about the appropriate remuneration, fees and other allowances; terms of service for employees and for people who provide services to the CCG; provisions for other benefits and allowances under any pension scheme.
- 4.2 The Remuneration Committee shall have oversight of the process for reviewing the performance of the Very Senior Managers (VSMs) and individual Governing Body members.
- 4.3 It shall also include any arrangements for termination of employment of the Chief Officer or the Chief Finance Officer.
- 4.4 In considering any severance payments of the Chief Officer or Chief Finance Officer, the committee will seek HM Treasury approval as appropriate in accordance with the guidance 'Managing Public Money'.
- 4.5 In formulating these recommendations, the Committee shall:

- Apply best practice in the decision making processes, for example, when considering individual remuneration, the committee will:
 - Comply with current disclosure requirements for remuneration;
 - Ensure that the recommendations are based on clear and transparent criteria.
 - Take into account the need to ensure that employees, members of the governing body and people who provide support to the CCG are fairly rewarded for their individual contribution whilst having proper regard to the CCG's circumstances and performance and to the requirements of fair and open procurement / recruitment policies and to the provisions of any national arrangements.
 - Take into account reports that monitor and evaluate the performance of individuals. ~~(in the event of bonus payments being considered for particular individuals)~~
 - Take into account relevant employment and equality law.
- 4.5 Oversee and make recommendations on the proper calculation and scrutiny of termination payments for redundancy, assisted voluntary early retirement, or by mutual agreement, taking account of such national guidance as is appropriate.
- 4.6 Review and approve Human Resources' Policies on behalf of the Governing Body in accordance with the CCG's scheme of delegation.

6.0 Authority

- 6.1 In exceptional cases, obtain legal or other professional advice and secure the attendance of advisors with relevant expertise if it considers this is necessary. In doing so the Committee must follow any procedure put in place by the Governing Body for obtaining legal or professional advice. The Governing Body is to be informed of any issues relating to such action.

7.0 Reporting Arrangements

- 7.1 The Remuneration Committee reports to the Governing Body.
- 7.2 The committee's discussions will usually relate to individuals and will be confidential. The full version of the minutes will be private and will be circulated only to the Remuneration Committee members, the Chair of the Governing Body, the Chief Officer and the Chief Finance Officer. The minutes will also be made available, upon request, to any member of the Audit Committee. Individuals, upon request, may also have access to elements of the minutes that refer to themselves.
- 7.3 A summary of the minutes will be presented to the Governing Body.

- 7.4 The Chair of the Committee shall draw to the attention of the Governing Body any issues that require approval, disclosure or other executive action.
- 7.5 The Remuneration Committee will ensure that ratification is sought upon any decisions by NHS England as required.

8.0 Conduct of the committee

- 8.1 All members will have due regard to and operate within the Constitution of the CCG, Standing Orders, Standing Financial Instructions and other financial procedures.
- 8.2 Members of the Committee will abide by the 'Principles of Public Life' (The Nolan Principles) and the NHS Code of Conduct.
- 8.3 The Committee will prepare an annual report including a review of the committee's terms of reference to be submitted to the Audit Committee for review and recommendation for approval, subject to any amendments to the Governing Body.

END 27.2.2015