

**NHS High Weald Lewes Havens Clinical Commissioning Group
Governing Body Remuneration and Nominations Committee**

TERMS OF REFERENCE

1. Constitution

The Governing Body hereby resolves to establish a committee of the Governing Body known as the Remuneration and Nominations Committee (the Committee). The Committee is established in accordance with the Group's Constitution and other Group authorisation documents and in accordance with the Health and Social Care Act 2012. These terms of reference set out the membership, remit, responsibilities and reporting arrangements of the Committee and shall have effect as if incorporated into the Group's Constitution. The Committee is a committee of the Governing Body and has no powers other than those specifically delegated in these terms of reference.

2. Purpose

The purpose of the Committee is to assist the Governing Body in meeting its responsibilities as statutory employer to ensure appropriate remuneration, allowances and terms of service for the Accountable Officer, members of the Governing Body, and other senior staff, having proper regard to the organisation's circumstances and performance and to the provisions of any national arrangements where appropriate.

3. Responsibilities

- 3.1. The Committee shall determine and agree a framework or broad policy for the remuneration of the Accountable Officer, members of the Governing Body and other senior staff that report to the Accountable Officer. This will include: all aspects of salary, including any performance related elements and bonuses; and provisions for other benefits, including lease cars. No member of the Governing Body or other Group employee shall be involved in any decisions as to their own remuneration.
- 3.2. In determining such policy, the Committee shall take into account all factors which it deems necessary. The objective of such policy shall be to ensure that Group senior staff 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 Group.
- 3.3. The Committee shall be responsible for reviewing the ongoing appropriateness and relevance of the remuneration policy. Amendments to the policy require resolutions by the Governing Body.
- 3.4. The Committee shall approve the design of, and determine targets for, any performance related pay schemes operated by the Group and approve the total annual payments made under such schemes.

- 3.5. The Committee shall ensure the CCG Chair personally scrutinises and approves any new Very Senior Manager (VSM) appointments in the CCG as required by the Secretary of State's letter dated 2 June 2015.
- 3.6. The Committee shall determine any adhoc arrangements relating to pension arrangements for members of the Governing Body and other senior staff.
- 3.7. The Committee shall determine on behalf of the Governing Body, the financial arrangements for termination of employment, including the terms of any compensation package and other contractual terms excluding ill health and normal retirement for all employees, including very senior managers.
- 3.8. The Committee shall advise on and approve appropriate contractual arrangements for the Accountable Officer, members of the Governing Body and other staff, including the proper calculation and scrutiny of termination payments taking account of such national guidance as is appropriate.
- 3.9. The Committee shall ensure that the Accountable Officer, members of the Governing Body and other senior staff are fairly rewarded for their individual contribution to the Group having proper regard to the Group's circumstances and performance, and to the provisions of the NHS Very Senior Managers Pay Framework, where appropriate.
- 3.10. The Committee shall within the terms of the agreed policy and in consultation with the Chairman and/or Accountable Officer as appropriate, determine the total individual remuneration package of each member of the Governing Body and other senior staff including bonuses and incentive payments.
- 3.11. The Committee shall ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled.
- 3.12. The Committee shall be mindful in the course of its deliberations that the remuneration packages of the Accountable Officer, members of the Governing Body and other senior staff, must be sufficient to attract, retain and motivate employees of the quality required by the Group. To this end, the Committee shall be mindful of the remuneration packages that prevail in other comparable organisations and take into account the performance of the Group itself.
- 3.13. The Committee shall review plans produced by the Accountable Officer which set out appropriate succession planning for members and other senior staff, taking into account the challenges and opportunities facing the Group, and what skills and expertise are therefore needed by the Governing Body in the future.
- 3.14. When considering the need to appoint a member of the Governing Body, the Committee should review the structure, size, and composition (including the skills, knowledge and experience) required by the Governing Body compared to its current position and make recommendations to the Governing Body with regard to any changes.

3.15. The committee shall be responsible for identifying and nominating for the approval of the Governing Body, and candidates to fill Governing Body vacancies as and when they arise.

4. Authority

The Committee is authorised by the Governing Body to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to cooperate with any request made by the Committee. The Committee is authorised by the Governing Body to obtain external legal or other independent professional advice and to secure the attendance of advisers with relevant experience and expertise if it considers this necessary.

5. Membership

The membership of the Committee shall be drawn exclusively from the membership of the Governing Body. Committee members representing Members shall not be in the majority. The members of the Committee appointed by the Governing Body shall be:

- Chair of Committee – either the Chairman of the Group if a lay chair or another lay member/independent member appointed as chair of the committee by the Governing Body
- Deputy Chair of Committee – Lay Member
- Other Lay/independent Members of the Governing Body
- Other members of the Governing Body not claiming a significant proportion of their income from the Group.

6. Quorum

A minimum of two lay/independent members with the Committee Chair or Deputy Chair present will constitute a quorum.

A decision put to a vote at a meeting shall be determined by a majority of the votes of members present. In the case of an equal vote, the Chair shall have a second and casting vote.

Where Lay Member remuneration is considered by the Committee any proposals for decision (which shall be in line with non-executive payments in other NHS organisations) shall be agreed by the Committee Chair as determined by a majority vote of the members present who are not lay members.

7. Attendance

Those in attendance will be:

- The Accountable Officer, who shall attend as and when required to present recommendations
- The senior manager with responsibility for organisational development and workforce, who shall attend as and when required to act as support to the Committee in its work

8. Reporting arrangements

The minutes of Committee meetings shall be formally recorded and remain confidential. A summary of the minutes of the Committee shall be submitted to the Governing Body in the confidential part of its meetings. The Chair of the Committee shall draw to the attention of the Governing Body any issues that require disclosure to the full Governing Body, or require executive action.

9. Administration

An appropriate manager of the Group will be responsible for and coordinate secretarial support for the Committee.

10. Frequency

Meetings will be held as required but at least twice a year scheduled as appropriate.

11. Conduct of the Committee

The Committee shall conduct its business in accordance with national guidance and relevant codes of practice including the Hutton review of fair pay in the public sector: final report 2011, the Nolan Principles and the Group conflict of interests policy.

12. Review

These terms of reference will be reviewed annually or sooner if required. Amendments to these terms of reference require resolutions by the Governing Body.

Document control

Version	Status	Date	Owner
1.0	Council of Members	2013	
1.0	Governing Body	2013	
2.0	Committee reviewed at RemCom	08/06/17	Alan Beasley
3.0	Committee reviewed at RemCom	05/12/17	Peter Douglas
4.0	Approved by Governing Body	24/01/18	