

NHS Kirklees CCG Remuneration Committee Terms of Reference

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1. Status

- 1.1 The Remuneration Committee (the Committee) is established in accordance with the National Health Service Act 2006, NHS CCG Regulations and the CCG's constitution.
- 1.2 It is a statutory committee of, and accountable to, the CCG Governing Body.
- 1.3 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 CCG's Constitution and Standing Orders.

2. Purpose

- 2.1 Subject to any restrictions set out in the relevant legislation, the committee has the function of making recommendations to the Governing Body about the exercise of its functions under section 14L(3)(a) and (b) of the NHS Act, i.e. its functions, in relation to:

- 2.1.1 determining the remuneration, fees and allowances payable to employees of the CCG and to other persons providing services to it; and
 - 2.1.2 determining allowances payable under pension schemes established by the CCG.
- 2.2 In addition, the Governing Body has delegated a number of functions to the Committee as set out in section 4.2 below.

3. Authority

- 3.1 It is the responsibility of the Governing Body to make decisions about the remuneration of employees and other persons providing services to the CCG, acting upon the advice and recommendations of the Remuneration Committee. The Remuneration Committee is accountable to the Governing Body.
- 3.2 The Remuneration Committee is authorised by the Governing Body to:
 - 3.2.1 investigate any activity within its terms of reference. It is authorised to seek any information it requires within its remit, from any employee, member of the CCG or member of the Governing Body who are directed to co-operate with any request made by the committee within its remit as outlined in these terms of reference;
 - 3.2.2 commission any reports it deems necessary to help fulfil its obligations;
 - 3.2.3 obtain legal or other independent professional advice and secure the attendance of advisors with relevant expertise if it considers this is necessary to fulfil its functions. In doing so the committee must follow any procedures put in place by the CCG and Governing Body for obtaining legal or professional advice; and
 - 3.2.4 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 in accordance with the CCG's constitution, standing orders and SoRD.
- 3.3 For the avoidance of doubt, in the event of any conflict, the CCG's Standing Orders, Standing Financial Instructions and the Scheme of Reservation and Delegation will prevail over these terms of reference.

4. Duties

4.1 The Committee has the following statutory duties:

4.1.1 make recommendations to the Governing Body about remuneration, fees and allowances for employees of the CCG and people who provide services to the CCG. For avoidance of doubt, this includes:

- all employees regardless of the use or otherwise, of various pay frameworks, seniority or role;
- people who fulfil clinical roles (eg GP clinical leads) who are neither employees nor on the Governing Body;
- the process or framework for agreeing rates for self-employed contractors;
- all components of remuneration (including any performance-related elements and other benefits, such as lease cars);
- 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.

4.1.2 make recommendations to the Governing Body about allowances payable under pension schemes established by the CCG for its employees and Members.

4.2 In addition to its statutory duties, the Governing Body has delegated the following additional duties to the committee:

- making recommendations on matters in relation to terms and conditions, remuneration and travelling or other allowances, including pensions and gratuities for other Governing Body members with the exception of lay members;
- matters relating to human resources policy and procedures for the CCG including approval of those policies and procedures;

4.3 The Committee will not consider any matters relating to Lay Members and all matters relating to Lay Members will be considered by the Governing Body.

5. Membership

- 5.1 The Committee shall be appointed by the Governing Body from amongst the Governing Body members. Only Governing Body members may be members of the Remuneration Committee.
- 5.2 The Committee's membership will be comprised of:
 - 5.2.1 2 Lay Members
 - 5.2.2 Secondary Care Specialist
- 5.3 Neither the Chair of the Audit Committee nor the Chair of the CCG will be a member of the Remuneration Committee.

6. Attendees

- 6.1 Only members of the Committee have the right to attend meetings.
- 6.2 The Chair of the Committee may invite individuals such as the Accountable Officer, Chief Finance Officer, HR Advisor and external advisors to attend all or part of a meeting as and when appropriate. Such attendees will not be eligible to vote.

7. Chair

- 7.1 The CCG Governing Body shall appoint the Chair of the Committee.
- 7.2 The Committee will be chaired by a Lay Member other than the Audit Committee Chair.
- 7.3 In the event that the Chair is unavailable to attend, one of the other Lay Members will deputise and chair the meeting.
- 7.4 In exceptional circumstances, where urgent action is required, the Chair is authorised to take urgent action with prior discussion with one other committee member. A report should be made to the full committee at the earliest next opportunity.

8. Quoracy

- 8.1 The quorum necessary for the transaction of business shall be two members.

- 8.2 A meeting is established when members attend face-to-face, by telephone, video-call, any other electronic means or a combination of the above.
- 8.3 A meeting of the Committee at which a quorum is present, or are available by electronic means, is competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

9. Decision making and voting

- 9.1 Recommendations will be guided by national NHS policy and best practice to ensure that staff are fairly motivated and rewarded for their individual contribution to the organisation, whilst ensuring proper regard to wider influences such as national consistency.
- 9.2 The Committee will ordinarily reach conclusions by consensus. When this is not possible the Chair may call a vote.
- 9.3 Only members of the Committee may vote. Each member is allowed one vote and a majority will be conclusive on any matter.
- 9.4 Where there is a split vote, with no clear majority, the Chair of the Committee will hold the casting vote.
- 9.5 If a decision is needed which cannot wait for the next scheduled meeting, the chair may conduct business on a 'virtual' basis through the use of telephone, email or other electronic communication.

10. Administration

- 10.1 The Committee will meet in private.
- 10.2 Meetings will be held when required, with a minimum of one meeting per year.
- 10.3 Secretariat support will be provided to the Committee to ensure the Committee can discharge its function effectively and efficiently.
- 10.4 The Chair will agree the agenda prior to the meeting and the agenda and supporting papers will be circulated in accordance with the time specified in the CCG Standing Orders.
- 10.5 Any items to be placed on the agenda are to be sent to the secretary no later than ten calendar 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.

- 10.6 Minutes will be taken at all meetings including telephone and electronically facilitated meetings. Minutes will not usually be published.
- 10.7 The minutes will be ratified by agreement of the Remuneration Committee prior to presentation to the Governing Body.

11. Conflicts of Interest Management

- 11.1 No member of the committee, or attendee, shall be present, take part in or be party to discussions about any matter relating to their own role.
- 11.2 The committee will operate in accordance with Managing Conflicts of Interest: Statutory Guidance for CCGs and the CCG policy and procedure for managing conflicts of interest at all times.
- 11.3 Where a member of the committee is aware of an interest, conflict or potential conflict of interest in relation to the scheduled or likely business of the meeting, they will bring this to the attention of the Chair of the meeting as soon as possible, and before the meeting where possible.
- 11.4 Any declarations of interests, conflicts and potential conflicts, and arrangements to manage those agreed in any meeting of the Committee, will be recorded in the minutes.
- 11.5 Failure to disclose an interest, whether intentional or otherwise, will be treated in line with the CCG policy and may result in suspension from the Committee.

12. Sub-Groups

- 12.1 Where the Committee has established a time limited sub-group (see 3.2.4), it will be chaired by a member of the Remuneration Committee.
- 12.2 Minutes of any sub-group will be shared with the Remuneration Committee at the next meeting.

13. Reporting Responsibilities and Review of Committee Effectiveness

- 13.1 The Remuneration Committee will submit copies of its minutes and a report containing its recommendations to the Governing Body following each of its meetings. Where minutes and reports identify individuals, or otherwise fulfil the requirements, they will not be made public and will be presented in the private session of the Governing Body meeting. Public reports will be made to satisfy the requirements of the 2012 NHS Regulations (CCG) 16(2-5).

- 13.2 Reports will contain sufficient information to explain the rationale for the Committee's recommendations and to enable the Governing Body to make its decision.
- 13.3 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.
- 13.4 The Committee will conduct an annual review of its effectiveness to inform this report.

14. Review of Terms of Reference

- 14.1 These terms of reference will be formally reviewed by the committee on an annual basis, but may be amended at any time.
- 14.2 Any proposed amendments to the terms of reference will be submitted to the Governing Body for approval. Changes will not be implemented until after an application to NHS England to vary the constitution has been agreed.
- 14.3 A record of the date and outcome of reviews is kept in the CCG's Governance Handbook.

Date of Governing Body approval: 14 April 2021