

Remuneration & Terms of Service Committee Terms of Reference V5 01/05/14

1. Constitution

The Remuneration & Terms of Service Committee (The Committee) is established in accordance with NHS Cannock Chase Clinical Commissioning Group's constitution, standing orders and schemes of reservation and delegation. 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 clinical commissioning group's constitution and standing orders.

2. Purpose

The purpose of the Committee will be to advise the CCG's Governing Body about appropriate remuneration and terms of service for the Chief Officer, Executive and other Senior Employees including:

1. all aspects of salary;
2. provisions for other benefits, including pensions and cars;
3. arrangements for termination of employment and other contractual terms
4. discipline and dismiss officer members of the Governing Body

To manage Conflict of Interest complications regarding quoracy, any items and decisions relating to remuneration or terms & conditions of the Lay Members and the Secondary Care Consultant will be delegated to the CCG Clinical Chair and Accountable Officer, subject to national guidelines on payment authorisation levels for these posts.

3. Accountability/relationship with Governing Body

The Remuneration and Terms of Service Committee is a committee of the CCG's Governing Body. Minutes of the Committee will be submitted to the "Closed" Section of the CCG's Governing Body. The minutes will reflect the need for sensitivity in the event of any issues discussed in relation to individual Senior Employees. The Chair of the Committee shall draw to the attention of the CCG Governing Body any issues that require disclosure to the full Governing Body.

The Committee must produce an annual report to the Governing Body on the actions taken by the Committee to comply with its terms of reference.

4. Membership

The committee shall be appointed by the Clinical Commissioning Group from amongst its governing body members:

- Chair- Lay Member for Governance
- Two other Lay Members (for the purpose of this committee the Non-Statutory Lay Members and the Secondary Care Doctor may be counted as a Lay Member)

Appeals panel:

- Lay member
- Secondary Care Consultant

Only the Chair of the Remuneration and Terms of Service Committee and relevant members are entitled to be present at a meeting of the Committee, but others may attend by invitation of the Committee. The Chief Officer, Strategic Compliance and Governance Manager and Director of Human Resources advisor shall normally attend meetings. Those in attendance will be excluded from meetings when their own remuneration is considered.

5. Election/selection

The lay member on the Governing Body, with a lead role in overseeing key elements of governance, will chair the Remuneration & Terms of Service Committee

6. Quoracy

No business will be transacted unless three members are present.

In the event of a vote and a member abstains, then the Chair of the meeting will have a second and casting vote.

7. Frequency and Notice of Meetings

Meetings shall be held not less than twice per year. An annual Cycle of Business will be approved and published by the Committee at its first meeting of the new financial year.

8. Secretary/Reporting Arrangements

The Committee will be formally minuted and the minutes should be reported to the Governing Body for information when agreed as accurate by the Committee. If the Committee deems it, as appropriate, certain matters can be reported to the Governing Body in advance of the minutes being formally agreed or as an exception report.

9. Conflicts of Interest

Conflicts of interest are to be declared and recorded at the beginning of each meeting.

A register of Members' Interests is to be maintained by the Chair and submitted to the CCG in accordance with Cannock Chase CCG's Conflict of Interest Policy

If a conflict of interest arises, then the Chair will request members to withdraw at the appropriate discussion/voting point.

10. Remit and Responsibilities of the Committee

The Committee shall make recommendations to the Governing Body on determinations about pay and remuneration for employees of the Clinical Commissioning Group and people who provide services to the clinical commissioning group and allowances under any pension scheme it might establish as an alternative to the NHS pension scheme:

- Determining the remuneration and conditions of service of the senior team.

- Reviewing the performance of the Chief Officer and other senior team members and determining annual salary awards, if appropriate.
- Considering the severance payments of the Chief Officer and usually of other senior staff, seeking HM Treasury approval as appropriate in accordance with the guidance 'Managing Public Money' (available on the HM Treasury.gov.uk website).
- Advise the Governing Body about appropriate remuneration and terms of service for the Chief Officer, other Executive Directors and other senior employees including:
 - all aspects of salary;
 - provisions for other benefits, including pensions and cars;
 - *arrangements for termination of employment and other contractual terms*;
 - make recommendations to the Governing Body on any proposed remuneration for individual Executive Committee Members for specific work in addition to their corporate CCG role, so as to ensure that the individual is fairly rewarded for their individual contribution to the CCGs while having proper regard to the CCGs' circumstances and performance, and to the requirements of fair and open tendering or recruitment policies.
- Make recommendations to the Governing Body on the remuneration and terms of service of senior employees to ensure they are fairly rewarded for their individual contribution to the CCG – having proper regard to the CCG's circumstances and performance and to the provisions of any national arrangements for such staff.
- Proper calculation and scrutiny of termination payments taking account of such national guidance as is appropriate advise on and oversee appropriate contractual arrangements for such staff.
- Discipline and dismiss officer members of the Governing Body.
- The Committee shall report in writing to the Governing Body the basis for its recommendations. The Governing Body shall use the report as the basis for their decisions but remain accountable for taking decisions on the remuneration and terms of service of Executive Committee members and Executive Directors. Minutes of the Governing Body's meeting should record such decisions.
- The Committee will receive reports relating to national and local market factors including benchmarking of senior managers pay. The Committee may request reports relating to the senior management workforce to ensure the consistent application of the CCG's equality obligations.
- The Committee shall advise the CCG Governing Body on its arrangements for succession planning for Executive Directors and Non-Executive Directors.

11. Policy and Best Practice

When considering individual remuneration the committee will:

- comply with current disclosure requirements for remuneration;
- on occasion seek independent advice about remuneration for individuals; and
- ensure that decisions are based on clear and transparent criteria

12. Conduct of the Committee

The conduct of The Remuneration & Terms of Service Committee should reflect the Appointment Commission's Code of Accountability and Code of Conduct for NHS

Governing Body's and the seven principles of public life promulgated by the Nolan Committee. These include:

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty
- Leadership

12. Remuneration

Remuneration of committee members will be in line with NHS Cannock Chase Commissioning Group's Guidance.