

NHS North Central London Clinical Commissioning Group Remuneration Committee Terms of Reference

1. Introduction

- 1.1 The Remuneration Committee ('Committee') is established in accordance with the Constitution of NHS North Central London Clinical Commissioning Group ('CCG'). It is a committee of the CCG's Governing Body.
- 1.2 These Terms of Reference set out the membership, remit, responsibilities and reporting arrangements of the Committee.
- 1.3 The CCG is required by statute to have a remuneration committee.

2. Purpose

- 2.1 The purpose of the Committee is to:
 - 2.1.1 Approve remuneration policy for Governing Body members, Chair of the Governing Body, senior managers at the Very Senior Manager ('VSM') pay level and clinical leads;
 - 2.1.2 Make decisions on behalf of the Governing Body on the appropriate remuneration and terms of service for Governing Body members (including the Chair of the Governing Body) and clinical leads.

3. Role

- 3.1 The Committee will:
 - 3.1.1 Have responsibility for setting the remuneration policy for all Governing Body members, the Chair of the Governing Body, senior managers at the Very Senior Manager pay level and clinical leads. This includes pension rights and any compensation payments;
 - 3.1.2 Review the appropriateness and relevance of the remuneration policy including the taking into account all factors which are deemed necessary including relevant legal and regulatory requirements, NHS England guidance and NHS terms and conditions of service;
 - 3.1.3 Obtain reliable and up to date information about remuneration in comparable organisations in terms of scale and complexity. To assist the Committee with this obligation the Committee shall have full authority to appoint remuneration consultants and to commission, purchase and/or obtain any reports, surveys or information which it deems necessary at the expense of the CCG but within any budgetary restraints imposed by the Governing Body;
 - 3.1.4 Be responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultant or consultants who advise the Committee;

- 3.1.5 Make decisions on behalf of the Governing Body on the pay and terms of service for Governing Body members, the Governing Body Chair and clinical leads;
- 3.1.6 Approve payments for additional responsibilities and provisions for other benefits for Governing Body members, the Governing Body Chair, and clinical leads;
- 3.1.7 Approve and monitor the level and structure of remuneration packages for Governing Body members, the Chair of the Governing Body, and clinical leads;
- 3.1.8 Ensure that contractual terms of termination and any payments made are fair to the CCG and to the individual, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
- 3.1.9 Approve termination and/or compensation payments;
- 3.1.10 Approve the policy for authorising claims for expenses by the Governing Body, Governing Body Chair, and clinical leads;
- 3.1.11 Approve allowances under any pension scheme the CCG may establish as an alternative to the NHS Pension Scheme;
- 3.1.12 Approve the provision of other contractual and/or non-contractual benefits outside of national agreement and approved local HR policies where this is necessary including but not limited to lease cars, season ticket loans, recruitment and retention payments;
- 3.1.13 Work and liaise as necessary with all other Governing Body committees;
- 3.1.14 Declare the relationship between the remuneration of the highest paid director in the CCG and the median remuneration of the CCG's workforce in its annual report in line with the Hutton Fair Pay Review.

4. Membership

- 4.1 The Committee shall comprise of the following voting members:
 - 4.2.1 Three Governing Body Lay Members.
- 4.2 It is a principle of the Committee that no one will decide their own remuneration. Therefore, when the Committee is undertaking its role in relation to Governing Body Lay Members the voting membership of the Committee shall comprise of the following:
 - 4.2.1 The Chair of the Governing Body;
 - 4.2.2 Two Governing Body clinicians other than the Chair of the Governing Body.
- 4.3 The roles referred to in the list of voting members above describe the substantive roles and any equivalent successor roles and not the individual title or titles.
- 4.4 The list of voting members is set out in Schedule 1. Schedule 1 does not form part of the Terms of Reference and may be amended without the need to formally amend these Terms of Reference.
- 4.4 Only Governing Body members may be members of the Remuneration Committee. Committee Members may nominate a deputy from the Governing Body to represent them in their absence and make decisions on their behalf.

5. Attendance

- 5.1 The Committee may invite or allow additional people to attend meetings as attendees. Attendees may present at Committee meetings and contribute to relevant Committee discussions but are not allowed to participate in any formal vote.
- 5.2 The Committee may call additional experts to attend meetings on a case by case basis to inform discussion.
- 5.3 The Committee may invite or allow people to attend meetings as observers. Observers may not present at meetings, contribute to any discussion or participate in any formal vote.

6. Chair

- 6.1 The Committee Chair shall be a Governing Body Lay Member. All members of the Governing Body other than Lay Members are disqualified from being the Chair of the Committee.
- 6.2 The Committee Chair may nominate a Vice Chair. The Chair of the Governing Body shall not be the Chair or Vice Chair of the Committee.
- 6.3 When the Committee is undertaking its role in relation to Lay Members the voting Committee members may appoint one of the Governing Body clinicians other than the Governing Body Chair to be the Vice Chair.

7. Voting

- 7.1 Each voting member of the Committee shall have one vote with resolutions passing by simple majority. In the event of a tied vote the Committee Chair shall have the casting vote.
- 7.2 When the Committee is undertaking its role in relation to Lay Members each voting member of the Committee shall have one vote with resolutions passing by simple majority. In the event of a tied vote the Vice-Chair of the Committee shall have the casting vote.

8. Quorum

- 8.1 The Committee will be considered quorate when at least 2 voting members are present.
- 8.2 If any representative is conflicted on a particular item of business they will not count towards the quorum for that item of business. If this renders a meeting or part of a meeting inquorate a non-conflicted person may be temporarily appointed or co-opted onto the Committee to satisfy the quorum requirements.

8.3 If a meeting is not quorate the Committee Chair may adjourn the meeting to permit the appointment or co-option of additional members if necessary.

9. Secretariat

9.1 The Secretariat to the Committee shall be provided by the Corporate Services Directorate.

10. Frequency of Committee Meetings

10.1 Committee meetings will be held at least annually but may hold additional meetings as and when necessary. The Committee Chair may call additional meetings or cancel meetings as necessary.

11. Notice of Meetings

11.1 Notice of a Committee meeting shall be sent to all Committee members no less than 7 days in advance of the meeting.

11.2 The meeting shall contain the date, time and location of the meeting.

12. Agendas and Circulation of Papers

12.1 Before each Committee meeting an agenda setting out the business of the meeting will be sent to every Committee member no less than 7 days in advance of the meeting.

12.2 Before each Committee meeting the papers of the meeting will be sent to every Committee member no less than 7 days in advance of the meeting.

12.3 If a Committee member wishes to include an item on the agenda they must notify the Committee Chair via the Secretariat no later than 7 days prior to the meeting. The decision as to whether to include the agenda item is at the absolute discretion of the Committee Chair.

13. Minutes of Meetings

13.1 The minutes of the proceedings of a meeting shall be prepared by the Secretariat and submitted for agreement at the following meeting.

14. Authority

14.1 The Committee is accountable to the Governing Body and will operate as one of its committees. The Committee must act within the remit of these terms of reference and has no executive powers other than those specifically set out in these terms of reference.

14.2 The Committee is authorised by the Governing Body to obtain at the CCG's expense outside legal or other professional advice on any matters within the Committee's Terms of Reference.

15. Reporting Responsibilities

- 15.1 The Committee will report to the Governing Body on all matters within its duties and responsibilities.
- 15.2 The Committee may make recommendations to the Governing Body it considers appropriate on any area within its remit.

16. Delegated Authority

- 16.1 The Committee may agree to delegate its authority to a Committee member or members to make decisions on the Committee's behalf outside of a Committee meeting at its absolute discretion on a case by case basis.
- 16.2 There are circumstances where time-critical decisions need to be made and it is not possible and/or reasonably practicable and/or a good use of resources to hold a physical meeting in sufficient time. In these circumstances decisions may be made virtually using the protocol for virtual decision making.

17. Sub-Committees

- 17.1 The Committee may appoint sub-committees to advise the Committee and assist it in carrying out its duties. The Committee may not delegate any of its functions, powers or decision making authority to a sub-committee.

18. Conflicts of Interest

- 18.1 Conflicts of Interest shall be dealt with in accordance with the Conflicts of Interest Policy and NHS England statutory guidance for managing conflicts of interest.
- 18.2 The Committee shall have a Conflicts of Interest Register that will be presented as a standing item on the Committee's agenda. In addition, an opportunity to declare any new or relevant declarations of interest will be listed as a standing item on the Committee's agenda

19. Gifts and Hospitality

- 19.1 Gifts and Hospitality shall be dealt with in accordance with the Conflicts of Interest Policy, and NHS England statutory guidance for managing conflicts of interest.
- 19.2 The Committee shall have a Gifts and Hospitality Register and Committee members will have an opportunity to declare any new or relevant declarations of relevant gifts and hospitality as a standing item on the Committee's agenda

20. Standards of Business Conduct

- 20.1 Committee members and any attendees or observers must maintain the highest standards of personal conduct and in this regard must comply with:
 - 20.1.1 The law of England and Wales;

- 20.1.2 The NHS Constitution;
- 20.1.3 The Nolan Principles;
- 20.1.4 The standards of behaviour set out in the CCG's Constitution;
- 20.1.5 The Standards of Business Conduct Policy;
- 20.1.6 The Conflicts of Interest Policy
- 20.1.7 The Counter Fraud, Bribery and Corruption Policy,
- 20.1.8 Any additional regulations or codes of practice relevant to the Committee.

20.2 The Committee will have access to sufficient resources to carry out its duties and Committee members will be provided with appropriate and timely training.

21. Review of Terms of Reference

21.1 These Terms of Reference will be reviewed from time to time, reflecting the experience of the Committee in fulfilling its functions and the wider experience of the CCG.

21.2 These Terms of Reference will be formally reviewed annually. These Terms of Reference may be varied or amended by the Governing Body.

Date Approved by Governing Body: 23rd April 2020.

Date of Next Review: 22nd April 2021.

**Schedule 1
List of Members**

The voting members of the Committee:

Position	Name

Committee Chair:

Position	Name

The voting membership of the Committee when considering Lay Member pay:

Position	Name