

**NHS Northern, Eastern and Western Devon Clinical Commissioning
Group**

**Remuneration and Terms of Service Committee
Terms of Reference (April 2018)**

Constitutional Obligations

The Remuneration and Terms of Service Committee of Northern, Eastern and Western Clinical Commissioning Group (hereafter 'the CCG') is established in accordance with its constitution, prime financial policies, standing orders and scheme of 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 CCG's constitution and standing orders.

The Remuneration and terms of service Committee of 'the CCG' is a non-executive committee of the Governing Body and has no executive powers other than those specifically delegated in this Terms of Reference or through the constitutional scheme of delegation.

Purpose

The constitution describes the purpose of the Remuneration and Terms of Service Committee as making recommendations to the Governing Body on determinations about remuneration, fees and other allowances for employees and for people who provide services to the CCG and on determinations about allowances under any pension scheme that the CCG may establish as an alternative to the NHS Pension Scheme. The Remuneration and Terms of Service Committee has clear delegations for decision making which are set out in the Scheme of Reservation and Delegation.

Responsibilities

- The remuneration and terms of service committee will apply best practice in the decision making processes, for example, when considering individual remuneration the committee will:
 - a) comply with current disclosure requirements for remuneration;
 - b) on occasion seek independent advice about remuneration for individuals, and
 - c) ensure that decisions are based on clear and transparent criteria.
- Approve the process for recruiting and appointing of Governing Body and other executive team members, including any interim or off- payroll arrangements. Ensure all arrangements are in line with NHS England/DH/SoS/HMRC directions e.g. 02.06.15 Financial Controls Letter, CCG Remuneration Gateway Publication 03656 etc.
- Make recommendations to Governing Body on any proposed remuneration and terms of service for clinical and non-clinical Governing Body members, taking into account any national or local guidance as necessary, so as to ensure that the individual is fairly rewarded for their individual contribution to

the CCG, whilst having proper regard to 'the CCG' circumstances and performance. This shall include all aspects of salary (including any performance related elements or bonuses), provisions for other benefits and any other contractual terms;

- Advise 'the CCG' Governing Body on pay policy and any annual award for allemployees of 'the CCG' including, pensions, remuneration, fees, travelling or other allowances payable to employees and to other persons providing services to 'the CCG'. This includes overseeing the implementation of appropriate contractual arrangements for staff and clinicians, including the proper calculation and scrutiny of termination payments, excluding ill health and normal retirement, taking into account such national guidance as is appropriate;
- Monitor and advise on succession planning for the Executives of the Governing Body and VSM senior team members, to ensure there is a process for identifying and developing internal staff and clinicians with the potential to fill key leadership positions in 'the CCG' in accordance with NHSE Guidance, 'the CCG' constitution, standing orders and any associated documentation, whilst taking into account the challenges and opportunities facing 'the CCG', and what skills and expertise are therefore needed in the future;
- Ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled;
- Consider any payments, in addition to salary, for very senior managers (VSM) and where appropriate ensure that any approvals are sought such as seeking HM Treasury approval as appropriate.
- At the request of the accountable officer/chief officer, to advise on exceptional payments to staff outside of the Governing Body.
- Authority to establish sub-committees.
- The committee has full authority to commission any reports or surveys it deems necessary to help it fulfil the remit outlined above.
- Performance management of the Accountable Officer
- The committee will not discuss lay member/NED remuneration or succession planning. This will be discussed at a meeting convened by the NEW Devon CCG Chair and most appropriate officer(s), guided by the national framework.

Membership

The core membership of the Remuneration and Terms of Service Committee shall be:

- Lay Member, Governance and Probity (Chair)
- All non executive lay members
- Clinical Chair

Agenda and minutes will be shared with all non-executive lay members to enable them to offer comment and consideration, ahead of the committee meeting, to support the Chair and the core members of the committee in their decision making.

Senior representation from Human Resources or from governance may be in attendance in an advisory role to support the Remuneration Committee in its

Version: V2.0	Date Approved: 09 May 2018 REMCO	Author: Head of Governance
Date: 09 May 2018	Approved /Adopted by: Governing Body Meetings in Common 24/05/18	
Reviewed: April 2018		
Date of Review: April 2019		
Pathname: N:\Governance\NEW Devon CCG REMCO ToR April 2018		

work, but do not form part of the membership. The attendance of such staff members will be subject to invitation from the Chair of the Remuneration Committee.

Additionally, the following individuals may be invited to attend for all or part of the meeting, providing their own remuneration or terms of service are not being discussed:

- Accountable/Chief Officer
- Chief Operating Officer
- Chief Finance Officer

In addition external advisors can be called upon as required by the Chair of the committee.

The Chair may request any external advisors clinical or senior officer to attend should their presence be required to assist the members of the committee. Any such invited attendees will be asked to verbally declare any interests to ensure no conflict of interest exists upon their attendance.

Quorum

A minimum of two members will constitute a quorum. This should include at least one lay member.

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

Invited members, or those in attendance to the Committee do not have the right to vote.

If the Chair is absent then the members of the Committee will select a chair for that meeting from the members present – this will be overseen by governance to ensure that no conflicts arise, and that the committee remains quorate.

Register of Interests

Members will be asked by the Chair of the Remuneration and terms of service Committee to declare any interests at the beginning of each meeting. If a member feels compromised by any agenda item they should declare a conflict of interest and leave for that agenda item.

Frequency of Meetings

The Remuneration and terms of service Committee will meet at least twice yearly with extraordinary meetings held as required.

Version: V2.0	Date Approved: 09 May 2018 REMCO	Author: Head of Governance
Date: 09 May 2018	Approved /Adopted by: Governing Body Meetings in Common 24/05/18	
Reviewed: April 2018		
Date of Review: April 2019		
Pathname: N:\Governance\NEW Devon CCG REMCO ToR April 2018		

The Remuneration and terms of service Committee has agreed that in the interest of expediency or when there are few items to be discussed that business of the committee can be conducted by e-mail and the actions/decision will be recorded by the Administrator for purposes of transparency and recording. Where a discussion is required, all members must respond, and the administrator will oversee this to ensure that all members are accounted for.

Reporting arrangements

The Remuneration and terms of service Committee Chair shall report formally to the Governing Body on its proceedings after each meeting on all matters within its duties and responsibilities. The report shall be presented to the confidential meeting of 'the Governing Body. The Remuneration Committee shall make recommendations to the Governing Body on any area within its remit where action or improvement is needed.

- Minutes and reports of the meetings will be confidential. The committee minutes may be shared with voting members of the Governing Body, senior officer of governance and the Associate Director of HR & OD, NEW Devon CCG.

Extracts from minutes will be made public as appropriate.

Conduct of the Committees in Common

The Committee shall conduct its business in accordance with national guidance, relevant codes of practice including the Nolan Principles.

Members of the committee will complete a declaration of interest at each meeting attended. If a member feels compromised by any agenda item they should declare a conflict of interest and leave for that agenda item.

The membership shall observe the highest standards of propriety involving impartiality, integrity and objectivity in relation to the stewardship of public funds and the management of the bodies concerned.

The membership shall maximise value for money through ensuring that services are delivered in the most efficient and economical way, within available resources, and with independent validation of performance achieved wherever practicable.

Risk Reporting

Where timeliness is of the essence in managing a significant risk or issue, the Chair of the Remuneration Committee will be informed of an issue by the quickest possible means (e.g. verbally) and this will be acted upon in accordance with the risk management strategy of each of the CCG.

Version: V2.0	Date Approved: 09 May 2018 REMCO	Author: Head of Governance
Date: 09 May 2018	Approved /Adopted by: Governing Body Meetings in Common 24/05/18	
Reviewed: April 2018		
Date of Review: April 2019		
Pathname: N:\Governance\NEW Devon CCG REMCO ToR April 2018		

Statutory Functions, Committee Oversight and KPIs (Internal Monitoring)

The Remuneration and terms of service committee shall act in accordance with the scheme of delegation to ensure constitutional compliance. Any deviation from this must be brought to the attention of the most senior officer of governance. .

Administration

Administration of the Remuneration and terms of service Committee is the responsibility of governance. The Committee will be formally minuted. Agendas and papers will be available five working days before the meeting is scheduled to take place. A formal attendance and action and decisions log will be held and reported to each meeting.

Review

An annual effectiveness review will be undertaken by the most senior officer of governance as good governance practice and to ensure compliance with the annual governance statement of internal control.

These Terms of Reference will be reviewed on an annual basis or sooner if required through governance with recommendations made to the Governing Body for approval.

END

Version: V2.0	Date Approved: 09 May 2018 REMCO	Author: Head of Governance
Date: 09 May 2018	Approved /Adopted by: Governing	
Reviewed: April 2018	Body Meetings in Common 24/05/18	
Date of Review: April 2019		
Pathname: N:\Governance\NEW Devon CCG REMCO ToR April 2018		