



## Remuneration and Terms of Service Committee Terms of Reference and Operating Arrangements

**Date:** TBC

**Version:** 8 in draft

**Review Date:** Annually

### 1. Introduction

In line with Section B, 3 and 7 of the Standing Orders and the Trust's Scheme of Delegation, the Board shall nominate annually a committee to be known as the Remuneration and Terms of Service Committee.

The detailed terms of reference and operating arrangements set by the Board in respect of this committee are set out below.

These terms of reference and operating arrangements are to be read alongside the standard terms of reference and operating arrangements applicable to all Committees.

### 2. Purpose

The purpose of the Remuneration and Terms of Service Committee ("the Committee") is to provide:

- **approve on behalf of** the Board matters relating to the appointment, termination, remuneration and terms of service for the Chief Executive, Executive Directors and other senior staff within the framework set by the Welsh Government in accordance with the scheme of delegation. This may relate to terms of service upon appointment or during service
- **approve** proposals regarding termination arrangements, including those under the Voluntary Early Release Scheme, ensuring the proper calculation and scrutiny of termination payments in accordance with the relevant Welsh Government guidance.

- **assurance** to the Board in relation to the Trust's arrangements for the remuneration and terms of service, including contractual arrangements, for all staff, in accordance with the requirements and standards determined for the NHS in Wales.

### 3. Delegated Powers

#### Remit

This Committee advises the Board on remuneration and terms of service for the Chief Executive, Executive Directors and other senior staff within the framework set by the Welsh Government.

It provides assurance to the Board about the Trust's arrangements for the remuneration and terms of service, including contractual arrangements for all staff, in accordance with the requirements and standards determined for the NHS in Wales.

#### Assurance

With regard to its role in providing assurance to the Board and the Chief Executive, the Committee will seek assurance that the functions within its remit meet the standards set for the NHS in Wales, and provide comment on the reliability and integrity of these functions

The Committee will seek **assurance** on:

- The performance management system in place for Non-Executive Directors, Chief Executive, Executive Directors and Members of the Executive Team and receive assurance in relation to the system in place.
- Consider appraisal of officer members of the Board (Chief Executive and Directors)

#### Comment / Recommendation to Board

With regard to its role in providing **advice** to the Board, the Committee will comment specifically on the:

- Proposals to make additional payments to consultant.

#### Delegated Decisions

The Committee will support the Board with regard to its responsibilities for remuneration and terms of service by **reviewing** and **approving** as appropriate:

- Remuneration and terms of service for the Chief Executive, Executive Directors, members of the Executive Team and other Very Senior Managers (VSMs) not covered by Agenda for Change or Medical and Dental Terms and Conditions; ensuring that the policies on remuneration and terms of service as determined from time to time by the Welsh Government are applied consistently.
- Appointments to the posts of Chief Executive, Executive Director and other (Staff based) Board level appointments (e.g. the Board Secretary).
- Salary levels for the Chief Executive, Executive Directors and other (Staff based) Board level appointments – ensuring the required authorisations are in place from Welsh Government.
- Termination of the Chief Executive, Executive Directors and Members of the Executive Team.
- Termination of appointment and suspension officer members in accordance with the provisions of Regulations
- Ratify the appointment, appraisal, discipline and dismissal of the Executive Directors and any other Board level appointments and other senior employees, in accordance with Ministerial Instructions, e.g., the Board Secretary
- Consider and approve redundancy and Early Release Applications, noting that where the settlement is £50,000 or above subsequent agreement of Welsh Government is required.

#### **4. Sub-committees/Groups**

The Committee may establish sub-groups to support the delivery of its role but at the time of reviewing this document no sub-committees were in operation

#### **5. Access**

The Chair of the Committee shall have reasonable access to the Executive Team and employees of the Trust if appropriate.

## 6. Membership, Attendees and Quorum

### 6.1 Members

A minimum of four members, comprising:

Chair: The Chair of the Organisation or Vice Chair

Members: Non-Executive Directors x 3 (where possible to include the Chair of the Audit and Corporate Governance Committee

The Chief Executive (other than for matters that directly relate to the Chief Executive)

### Attendees

The following members of staff (or their deputies) shall routinely attend the Committee by invitation to actively contribute and provide assurance:

- Director of People and Organisational Development
- Deputy Chief Executive and Executive Director of Operations and Finance
- Board Secretary and Head of Board Business Unit

Other Executive Team members should attend from time to time as required by the Committee Chair.

The Committee Chair may invite the following to attend all or part of a meeting to assist it with its discussions on any particular matter:

- any other official
- and/or any others from within or outside the organisation

### 6.1 Quorum

At least **three** members must be present to ensure the quorum of the Committee, one of whom must be the Chair (or a Vice Chair where appointed).

## 7 Frequency of Meetings

The Chair of the Committee, in agreement with Committee Members, shall determine the timing and frequency of meetings, as deemed necessary. It is expected that the Committee shall meet at least once a year, consistent with the annual plan of Board Business.

## **8. Relationships and accountabilities with the Board and its Committees/Groups**

The Committee must have an effective relationship all Committees or sub-committees of the Board in order for it to fully understand the system of assurance for the Board as a whole.

It is very important that the Committee remains aware of its distinct role and does not seek to perform the role of other committees.

## **9. Reporting and Assurance Arrangements**

The Committee shall provide a written, annual report to the Board on its work in support of the Committees remit, to provide assurance to the Board that the Committee is fulfilling its terms of reference effectively.

The Chair of the Committee reports into the Board, where any significant issues are brought to the attention of the Board.

## **10. Applicability of Standing Orders to Committee Business**

The requirements for the conduct of business as set out in the Trust's Standing Orders are equally applicable to the operation of the Committee, except in the following areas:

- Meetings held in Public - The Remuneration and Terms of Service Committee would not normally be held in public.
- Agendas, reports and minutes will not be published.
- Quorum (see paragraph 6.3)