

**WEST LEICESTERSHIRE CLINICAL COMMISSIONING GROUP
BOARD MEETING**

10 November 2015

Title of the report:	Remuneration Committee Terms of Reference
Section:	Governance – How we manage our business
Report by:	Geoff Stokes, Interim Head of Corporate Governance
Presented by:	Ket Chudasama, Associate Director Corporate Affairs

Report supports the following West Leicestershire CCG's goal(s) 2012 – 2015:			
Improve health outcomes	✓	Improve the quality of health-care services	
Use our resources wisely			

Equality Act 2010 – positive general duties:
<ol style="list-style-type: none"> 1. The CCG is committed to fulfil its obligations under the Equality Act 2010, and to ensure services commissioned by the CCG are non-discriminatory on the grounds of any protected characteristics. 2. The CCG will work with providers, service users and communities of interest to ensure any issues relating to equality of service within this report are identified and addressed.

Additional Paper details:	
Please state relevant Constitution provision	<i>Section 6.6.3, Committees of the Governing Body</i>
Please state relevant Scheme of Reservation and Delegation provision (SORD)	Reserved to the Governing Body - changes to terms of reference of its terms of reference and those of its committees and sub-groups,
Please state relevant Financial Scheme of Delegation provision	<i>N/a</i>
Please state reason why this paper is being presented to the WLCCG Board	It is the Board's responsibility to review its terms of reference and those of its committees and sub-groups on an annual basis.
Discussed by	Remuneration Committee
Alignment with other strategies	WLCCG Constitution
Environmental Implications	None
Has this paper been discussed with members of the public and other stakeholders? If so, please provide details	No

EXECUTIVE SUMMARY:

1. The purpose of this paper is to review and agree the attached terms of reference which have been slightly amended to remove reference to approvals outside of the scheme of delegation

RECOMMENDATION:

The West Leicestershire Clinical Commissioning Group is requested to:

APPROVE the revised terms of reference for the Remuneration Committee

WEST LEICESTERSHIRE CLINICAL COMMISSIONING GROUP

REMUNERATION COMMITTEE: Terms of Reference

1 Constitution

The Board hereby resolves to establish a Committee of the Board to be known as the Remuneration Committee (the Committee). The Committee is a non-executive committee of the Board and has no executive powers, other than those specifically delegated in these Terms of Reference. Members of the Committee will have no personal interests and no day to day involvement in the running of the business of the CCG.

The Committee is established in accordance with West Leicestershire Clinical Commissioning Group's Constitution, Standing Orders and Scheme of Delegation. These terms of reference set out the membership, remit, responsibilities and reporting arrangements of the group and shall have effect as if incorporated into the CCG's constitution.

2 Purpose

To make recommendations to the Board on determinations (if not covered by other national agreement e.g. agenda for change) about the remuneration, fees and other allowances for employees, clinicians and for people who provide services to the group and on determinations about allowances under any pension scheme that the group may establish as an alternative to the NHS pension scheme. To [approve recommend to the Board](#) any redundancy payments or other severance arrangements proposed by the CCG CMT.

3 Membership & Attendance

Membership of the Committee shall comprise of the following members:

- 3 x Independent Lay Members

The Assistant Director of Corporate Affairs (if not available then the Corporate Affairs Officer) will be in attendance to support the Committee in its work when required, but will not be a member. A HR representative will also be in attendance when required.

The Chair, Accountable Officer (AO), Chief Finance Officer (CFO) or any other clinical or senior officer may be requested to attend the Committee meetings as directed by members of the Committee.

The Committee cannot make a recommendation on the fees payable to Independent Lay Members. When Lay Members' remuneration is proposed, the Lay Members will be expected to withdraw from the meeting. The Committee will [then](#) be chaired by the Accountable Officer (AO) and a decision to be agreed collectively by the AO, CCG Chair and Chief Finance Officer. The lay members are expected to resume membership of the Committee once this item has been concluded.

4 Quorum

A minimum of two Independent Lay Members will constitute a quorum. 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.

5 Frequency of meetings

The Remuneration Committee will meet at least once a year, with extraordinary meetings held as required.

The 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.

6 Conduct of the Committee

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

An annual report of its performance, membership and terms of reference will be submitted to the CCG Board.

7 Duties

The duties of the Committee can be described as follows:

- Make recommendations to the Board on any proposed remuneration and terms of service for Board members (GP, Secondary Care Clinician and Practice Manager), taking into account any national and local guidance, or comparable CCG remuneration packages as is appropriate, so as to ensure that the individual is fairly rewarded for their individual contribution to the CCG while having proper regard to the Group's circumstances and performance.
- Advise the Board on appropriate remuneration and terms of service for the AO and any other senior employees who report to the AO in accordance with relevant national pay frameworks or any other guidance as appropriate. This shall include all aspects of salary (including any performance-related elements/ bonuses); provisions for other benefits and any other contractual terms.
- Advise on and oversee appropriate contractual arrangements for such 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.
- Approve the design of, and determine targets for, any performance related pay schemes operated by the CCG and approve the total annual payments made under such schemes.
- Determine any ad-hoc arrangements relating to pension arrangements for any Assistant Directors and other senior Managers.
- Consider and, if appropriate, approve proposals presented by the AO and/or the Chair of the Board for the setting of remuneration and conditions of service for other employees and officers.
- Confirm any payment to employees that is outside the scope of their normal terms and conditions e.g. recruitment and retention.

- Review plans produced by the Chair and/or AO which set out appropriate succession planning for clinical posts and senior officers, taking into account the challenges and opportunities facing the CCG, and what skills and expertise are therefore needed on the Board in the future.
- Ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled.
- Ensure that remuneration and terms and conditions of engagement of all staff are set out in writing in a contract of employment.

8 Authority

The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee, or interim and temporary members of staff, who are directed to co-operate with any request made by the Committee. The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

9 Reporting arrangements

The Committee Chair shall report formally to the CCG Board on its proceedings after each meeting on all matters within its duties and responsibilities. The Committee shall make recommendations to the Board on any area within its remit where action or improvement is needed.

10 Review

These Terms of Reference will be reviewed on an annual basis or sooner if required with recommendations made to the CCG Board for approval.

11 Minutes and Communication to Board

Approved minutes will be communicated to the Board together with a supplementary report where required.

Date approved: November 2015

Review date: April 2017