

**NHS South West London Clinical Commissioning Group  
Remuneration Committee  
Terms of Reference**

DRAFT

## Document management

### Revision history

Version	Date	Summary of changes
0.1 - 0.8	Pre 05/09/19	Various comments received by SMT, Chairs and Governance Lay Members on initial drafts
0.9	05/09/19	Amendments as per tracker

### Reviewers

This document must be reviewed by the following people:

Reviewer name	Title/responsibility	Date	Version
Governance Lay Members			
SMT			
Chairs			
LMC			

### Approved by

This document must be approved by the following people:

Name	Signature	Title	Date	Version

## 1. Introduction

- 1.1. The Remuneration Committee (hereby known as the Committee) of NHS South West London (SWL) Clinical Commissioning Group (hereby known as the CCG) is established in accordance with the CCG's Constitution, Standing Financial Instructions, Standing Orders and Scheme of Reservation and Delegation.
- 1.2. These Terms of Reference (TOR) 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.
- 1.3. The Committee is a non-executive Committee of the CCG Governing Body (hereby known as the Governing Body) and has no executive powers other than those specifically delegated in this TOR or through the Scheme of Reservation and Delegation.

## 2. Purpose

- 2.1. The purpose of the Committee is to advise and assist the Governing Body in meeting their responsibilities to ensure appropriate remuneration, allowances and terms of service for the CCG Chair, Accountable Officer, senior managers remunerated under the Very Senior Manager (VSM) Pay Framework, Governing Body clinical posts, and clinical lead corporate roles; at all times having proper regard to the organisation's circumstances and performance, the provisions of any national agreements and NHS England and Improvement guidance, where appropriate.
- 2.2. The Committee may also make recommendations on fees and other allowances for other CCG employees and for people who provide services to the CCG; and determinations about allowances under any pension scheme that the CCG may establish as an alternative to the NHS Pension Scheme.

## 3. Roles and Responsibilities

- 3.1. The Committee does not have any delegated decision-making, therefore will only make recommendations, to be reported to the Governing Body members in a Part Two Governing Body meeting.
- 3.2. The Committee will apply best practice in its processes.
- 3.3. In all of their decisions and recommendations, the Committee should remain aware that each individual NHS organisation is corporately responsible for ensuring that its pay arrangements are appropriate in terms of Equal Pay requirements and other relevant legislation.
- 3.4. The Committee shall:
  - 3.4.1. Have access to sufficient resources to carry out its duties.

- 3.4.2. Be provided with appropriate and timely training, both in the form of an induction programme for new members and an ongoing basis for all members.
- 3.4.3. Give due consideration to laws and regulations impacting on the work of the Committee.
- 3.5. When considering remuneration, the Committee will:
- 3.5.1. Bear in mind the need for properly defensible remuneration packages which are linked to clear statements of responsibilities, with rewards linked to the measurable discharge of those responsibilities;
  - 3.5.2. Adhere to all relevant laws, regulations and policy in all respects.
  - 3.5.3. Comply with current disclosure requirements for remuneration and Conflicts of Interest, adhering to the CCG's Conflict of Interest Policy.
  - 3.5.4. Seek independent advice about remuneration for individuals, where necessary.
  - 3.5.5. Ensure that decisions are based on clear and transparent criteria and procedures.
  - 3.5.6. Ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled.
  - 3.5.7. Ensure all arrangements are in line with NHS England and Improvement, Department of Health, Secretary of State and HMRC directions.
  - 3.5.8. Have the authority to establish sub-committees of this Committee, as necessary.
  - 3.5.9. Not less than once a year, note measurable performance objectives for the CCG's Chair and the Accountable Officer, which are compatible with the strategic objectives of the CCG and are consistent with local and national priorities.
  - 3.5.10. Monitor the CCG Chair's and Accountable Officer's assessments of performance of senior posts based on measures of individual and corporate targets.
- 3.6. The Committee will not discuss Non-Executive Lay Member remuneration or succession planning of these positions. This will be discussed at a meeting convened by the CCG Chair and most appropriate senior officer(s), guided by the national framework and with support from the South West London (SWL) HR and Governance teams.
- 3.7. The Committee has full authority to commission any reports or surveys it deems necessary to help it fulfil its remit; for example, benchmarking of pay for similar roles in other CCGs.
- 3.8. The Committee is authorised to seek any information it requires from any CCG

employee and all employees are directed to co-operate with any request made by the Committee.

## 4. Conduct of the Committee

4.1. The Committee will conduct its business at all times in accordance with good governance practice, the codes of conduct set out for all Governing Body members, as laid out in the CCG Constitution, the NHS Code of Conduct and the Nolan Principles.

4.2. As a public body, the Committee must, at all times:

4.2.1. 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.

4.2.2. Maximise value for money through ensuring that services are delivered in the most efficient and economical way, within available resources.

4.2.3. Be accountable to Parliament, to users of services, and to staff for the activities of the bodies concerned, for their stewardship of public funds and the extent to which key performance targets and objectives have been met.

4.2.4. Bear in mind the necessity of keeping comprehensive written records of their dealings, in line with general good practice in corporate governance.

4.3. The Committee shall act in accordance with the Scheme of Reservation and Delegation to ensure Constitutional compliance. Any deviation from this must immediately be brought to the attention of the Chief of Staff or Associate Director of Corporate Services.

4.4. For the avoidance of doubt, in the event of any conflict the Standing Orders, the Standing Financial Instructions and the Scheme of Reservation and Delegation of the CCG will prevail over these TOR.

## 5. Membership

5.1. The Committee shall be appointed by the CCG from amongst its Governing Body members and must not have a Member Practice majority.

5.2. Full-time employees of the CCG or individuals who claim a significant proportion of their income from members of the CCG are not eligible to become members of the Committee.

5.3. The core voting Membership of the Committee shall be:

5.3.1. Clinical Member Governing Body member (Non-voting member)

5.3.2. Three Lay Members, one of which shall act as Committee Chair.

- 5.4. Remuneration for Lay Members will be considered at the Governing Body and this is therefore outside of these TOR.
- 5.5. The Committee Chair may invite, at their discretion, senior representation from either the SWL HR or Governance teams. Additionally, the Accountable Officer and Chief Finance Officer may be invited by the Committee Chair to attend for all or part of the meeting. These staff will be in attendance in an advisory role only, to support the Committee in its work, and do not form part of the Membership.
- 5.6. External advisors, clinical or senior officers and CCG staff, may be invited to attend meetings as required by the Committee Chair. These staff will be in attendance in an advisory role only, to support the Committee in its work, and do not form part of the Membership.
- 5.7. As a rule, members of staff at any level should not be present for any discussion around their own remuneration, performance or terms of service. However, the Committee Chair may at any time decide that is reasonable for the Accountable Officer, the Chief Finance Officer, any representative of the HR or Governance teams, and/or other senior managers where appropriate, to attend meetings of the Committee during which the remuneration of other staff is discussed.

## 6. Quorum

- 6.1. A quorum shall be three Members, providing one of the three are able to act as the Committee Chair.
- 6.2. If the Committee Chair is absent then the Members of the Committee will select an appropriate Member to Chair. This should be done in advance of the meeting so that the proposed Chair can be briefed and prepared.
- 6.3. It is expected that decisions will be reached by consensus; however, should this be impossible, the Committee Chair may call a vote. In the case of an equal vote, the Committee Chair shall have a second and casting vote.
- 6.4. Only core Members of the Committee have the right to vote.

## 7. Frequency of Meetings

- 7.1. The Committee will meet at least twice a year.
- 7.2. The Committee Chair shall reserve the right to convene extra meetings and rearrange meetings should they feel this is necessary.
- 7.3. Notice for meetings must be given at least 14 calendar days in advance, unless an urgent meeting is convened (see 7.5 below). The agenda and supporting papers should be circulated by the Board Secretary at least seven calendar days prior to the meeting.

- 7.4. The Committee Chair reserves the right to hold virtual meetings where appropriate. Where a discussion or decision is required, all Members must respond by e-mail, and the Board Secretary will oversee this to ensure that all Members are accounted for.
- 7.5. The Governing Body or Committee Chair reserve the right to call a meeting at any time if an urgent matter arises. Where urgent matters need to be decided, these can be made by the Committee Chair and two Lay Members. All such actions will be reported back to the full Committee at its next meeting and any member of the Committee may request to see the full report and/or information that was considered when the decision was made.

## 8. Administration

- 8.1. The Committee will be supported by the Board Secretary. The Board Secretary will be responsible for supporting the Committee Chair in the management of remuneration business and for drawing the Committee's attention to best practice, national guidance and other relevant documents, as appropriate.
- 8.2. Best practice is that agendas and papers will be available to Members and attendees at least seven calendar days before the meeting is scheduled to take place.
- 8.3. The Board Secretary shall minute the proceedings of all meetings of the Committee, including recording the names of those present and in attendance, any deliberations and conclusions. Minutes will be approved by the Committee Chair before they are circulated to all Members; and will be reported to the next available Governing Body Part Two meeting.
- 8.4. Formal attendance, action and decisions logs will be held by the Board Secretary and reported to each Committee meeting.

## 9. Register of Interests

- 9.1. Members and invited attendees will be asked to declare any interests at the beginning of the meeting. The Committee Chair has the authority to decide to exclude Members and invited attendees from the meeting for an agenda item where there is a declared interest.
- 9.2. Failure to disclose an interest, whether intentional or otherwise, will be treated in line with the Managing Conflicts of Interest: Revised Statutory Guidance and may result in suspension from the Committee.
- 9.3. A Register of Interests for the Committee core Membership will be kept by the Board Secretary. The Register will be a standing agenda item for each meeting of the Committee.

## 10. Reporting Arrangements

- 10.1. The Chair of the Committee shall report formally, in writing, to the Governing Body after each Committee meeting. The minutes of the meeting should be included as part of the report. The report shall be presented to Part Two of the Governing Body.
- 10.2. The Committee shall make recommendations to the Governing Body on any area within its remit, clearly stating the reasoning behind its recommendations.
- 10.3. The Governing Body remains accountable for taking decisions on the remuneration, allowances and terms of service for those posts for which it has responsibility. The minutes of the Governing Body will record its decisions.
- 10.4. An anonymised annual report will be provided by the Committee to the Governing Body.
- 10.5. The composition of the Committee should be recorded annually in the CCG annual report.

## 11. Monitoring and Review

- 11.1. At least once a year, the Committee must review its own performance to ensure it is following good governance practice and operating at maximum effectiveness. The Committee must recommend any changes it considers necessary to the Governing Body.
- 11.2. These TOR will be reviewed at least on an annual basis. This will take into account any new national guidance, relevant codes of conduct and good governance practice. Recommendations for amendments must be made by the Committee Chair to the Governing Body for final approval.