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**NHS [Insert name] Clinical Commissioning
Group**

Governing Body Remuneration Committee

Terms of Reference

1. Introduction

The remuneration committee (the committee) is established in accordance with xxxx 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 committee and shall have effect as if incorporated into the clinical commissioning group's constitution and standing orders.

A clinical commissioning group's constitution should cover the arrangements made by the clinical commissioning group for the discharge of the functions of its governing body. These arrangements must include provision for the appointment of the remuneration committee of the governing body.

It is good practice to make the terms of reference accessible and available

2. Membership

The committee shall be appointed by the clinical commissioning group from amongst its governing body members.

Only members of the governing body may be members of the remuneration committee.

It would be good practice not to include full time employees or individuals who claim a significant proportion of their income from the group in the membership of the remuneration committee. The member practices should not be in the majority.

Only members of the committee have the right to attend committee meetings. However, other individuals such as the accountable officer, any HR lead and external advisers may be invited to attend for all or part of any meeting as and when appropriate, however, should not be in attendance for discussions about their own remuneration and terms of service.

3. Secretary

Arrangements for secretarial support to the committee should be included. The secretary will be responsible for supporting the 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.

4. Quorum

The quorum necessary for the transaction of business should be agreed.

5. Frequency and notice of meetings

The frequency of meetings (sometimes expressed as a minimum per year), along with arrangements for calling meetings and the minimum number of days notice should be included.

6. Remit and responsibilities of the committee

The committee shall make recommendations to the governing body on determinations about pay and remuneration for employees of the clinical commissioning group and people who provide services to the clinical commissioning group and allowances under any pension scheme it might establish as an alternative to the NHS pension scheme.

Where the clinical commissioning group or the governing body chooses to delegate additional functions to its remuneration committee, these will be set out in its constitution. Therefore, the scope of each individual remuneration committee may vary – so in addition to the remit above, it may include:

- Determining the remuneration and conditions of service of the senior team.
- Reviewing the performance of the accountable officer and other senior team members and determining annual salary awards, if appropriate.
- Considering the severance payments of the accountable officer and usually of other senior staff, seeking HM Treasury approval as appropriate in accordance with the guidance 'Managing Public Money' (available on the HM Treasury.gov.uk website).

7. Relationship with the governing body

This section should cover reporting arrangements.

8. Policy and best practice

The committee may wish to set out in the terms of reference that it will apply best practice in the decision making processes, for example, when considering individual remuneration the committee will:

- comply with current disclosure requirements for remuneration;
- on occasion seek independent advice about remuneration for individuals; and
- ensure that decisions are based on clear and transparent criteria.

It is usual that the committee would have full authority to commission any reports or surveys it deems necessary to help it fulfill its obligations.

9. Conduct of the committee

The terms of reference may make reference to the committee conducting its business in accordance with any national guidance and relevant codes of conduct / good governance practice, for example, Nolan's seven principles of public life.

It is good practice, at least annually, for the committee to review its own performance, membership and terms of reference. Any resulting changes to the terms of reference should be approved by the governing body.

[Date agreed]