

REMUNERATION COMMITTEE TERMS OF REFERENCE

1. Remit

- 1.1 The NHS National Services Scotland (NSS) Remuneration Committee is established, in accordance with MEL (1993)114 and subsequent amendments.
- 1.2 The Remuneration Committee is established as a sub-committee of the Staff Governance Committee and through the Staff Governance Committee, required to provide assurance that systems and procedures are in place to manage the issues set out in MEL (1993)114 so that the overarching staff governance responsibilities can be discharged.
- 1.3 The purpose of the committee is to ensure the application and implementation of fair and equitable pay systems on behalf of the Board.
- 1.4 The Committee will work within the principles of the Blueprint for Good Governance – Second Edition, to ensure effective management, improved performance, and good outcomes for all stakeholders.

2. Membership

Membership

- 2.1 Membership shall comprise the Chair of the NSS Board and at least three Non-Executive Members of the NSS Board, of which one must be the Employee Director, and one of whom shall act as Chair.

Attendees

- 2.2 The Director of Human Resources shall be the lead executive officer to the Committee and will arrange for such other officers to attend as required by the business of the committee. The Chief Executive will be in attendance.
- 2.3 Attendees will not be present when the Terms and Conditions of their own post are being discussed.

3. Quorum

- 3.1 The Committee is quorate when there are three non-executive Board members present.

4. Meetings

Frequency of Meetings

- 4.1 The Committee shall meet as required but not less than twice a year.

Minutes of Meetings

- 4.2 Minutes of the proceedings of the Committee shall be drawn up by or on behalf of the Board Secretary and submitted for approval to the next meeting of the Committee.

Private Meetings

- 4.3 The Committee may agree to meet in private to consider certain items of business without any non-members present.
- 4.4 The minutes of the meeting will reflect when the Committee has resolved to meet in private.

5. Reporting

- 5.1 The Remuneration Committee is to report activities and progress annually to the NSS Staff Governance Committee and to the NSS Board to provide assurance as set out in remit at 1. This report will be timed to support the preparation of the Annual Governance Statement within the Annual Report and Accounts.
- 5.2 The Staff Governance Committee will not be given the detail of confidential employment issues that are considered by the Remuneration Committee: these can only be considered by Non-Executive Directors of the Board.
- 5.3 The Committee must approve Consultants' Discretionary Points annually.

6. Delegated Functions

- 6.1 The delegated functions of the committee are:
- 6.1.1 Comply with any Scottish Government Health Directorates directions and take into consideration any relevant guidance on remuneration or terms and conditions of employment;
 - 6.1.2 Review and approve all Terms and Conditions of Employment, including job descriptions, terms of employment, basic pay, performance pay (if applicable) and all benefits associated with each post;
 - 6.1.3 Review and approve annual performance objectives, including overseeing the review of performance against these objectives at the mid-year point and agreeing any revisions to the objectives during the course of the year;
 - 6.1.4 Consider and approve the assessment of performance at the year-end and any changes to the remuneration or the Terms and Conditions of Employment arising from this assessment of performance during the review period, and ensure onward submission for approval to the

National Workforce Performance Management Committee in the required timescales;

- 6.1.5** Approve any responsibility allowances or any temporary regrading for staff in the Executive cohort and review the overall position on an annual basis;
- 6.1.6** Ensure that effective arrangements are in place for carrying out 6.1.2-6.1.4 above in respect of members of the Senior Management Cohort;
- 6.1.7** To approve all new or additional jobs created for AfC band 8c and above and Executive Grades. In addition, they will agree all appointments where the lower half of the range, will not secure the preferred candidate. The Committee can delegate authority to the Chair to approve the functions noted above to prevent delays in appointments. A report on decisions will be submitted to the next meeting of the Committee;
- 6.1.8** To approve all termination settlements which exceed £75,000. An annual report of all such instances will be presented to the Remuneration Committee;
- 6.1.9** To review and approve annually the Discretionary Points awarded by the NSS Committee on Consultants' Discretionary Points, for reporting to the NSS Board and to provide confirmation of the process followed in the allocation of the points;