

Remuneration Committee

Governance note: The four CCGs across the CWHH collaborative have each established their respective audit and remuneration committees. Each CCG is responsible for fulfilling its own statutory responsibilities as CCGs. However, the four CCGs have identified common areas of interest and ways in which they may be able to access joint knowledge and experience. Accordingly, the four CCGs have identified that there may be merit in their respective audit committees and remuneration committees meeting together. Whilst each committee will, of course, retain responsibility for its own functions and will remain accountable to its governing body, the four CCGs believe that efficiencies may be achieved in sharing administrative/secretarial support, to share views and opinions on relevant issues and, where possible, to achieve consistency across the four CCGs.

Terms of Reference

Title:	Remuneration Committee
Date approved and approving body:	Amended version approved by the Remuneration Committee on 6 th December. To be approved by the CCG governing bodies.
Purpose:	The UK Corporate Governance Code published in June 2012 states that 'There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors.' The Remuneration Committee is responsible for agreeing remuneration for governing body members. NB during the period of shadow operating, this Remuneration Committee will make a recommendation for consideration by the NW London cluster Remuneration Committee. Each CCG will have its own Remuneration Committee. The committee is established in accordance with each CCG'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.
Membership:	The Code states that the committee should comprise at least three independent directors. The membership will be: <ul style="list-style-type: none"> • Lay member lead for audit, remuneration and conflict of interest matters • Secondary Care Consultant member of the governing body • Lay member lead for patient and public participation matters from each clinical commissioning group in the collaboration.
Chair:	Lay member for lead for audit, remuneration and conflict of interest matters. The vice-chair will be the Secondary Care Consultant
Advisors (in attendance):	Only members of the committee have the right to attend committee meetings. However, other individuals such as the chief officer, chairs of each CCG in the collaboration, and any HR lead and external advisers may be invited to attend for all or part of any meeting as and when appropriate; however, individuals should not be in attendance for discussions about their own

Title:	Remuneration Committee
	remuneration and terms of service.
Secretary:	Company secretary (or nominated deputy if there is a conflict).
Quorum:	At least two members.
Frequency of meetings:	At least annually but usually every 6 months or as required.
Operation of the committee:	<p>The secretary will prepare an agenda for meetings with the chair. The secretary will collate papers and circulate papers to those required to be at the meeting no less than 5 days before the meeting. Late papers will not be permitted except in exceptional circumstances and at the discretion of the meeting chair.</p> <p>Minutes will be drafted for approval by the chair within seven days of the meeting. Once approved by the chair, minutes will be circulated to members for information. Minutes will be ratified at the following meeting and signed by the chair.</p> <p>The remuneration committee for each CCG across the collaborative will meet at the same time in the same venue. This will enable discussions on issues that affect staff across the collaborative. Each committee will take decisions independently and the minutes will reflect this.</p>
Duties	<p>During the period of shadow operation prior to authorisation, the committee shall not have any decision making powers but will make recommendations to remuneration committee of the NW London cluster of PCTs.</p> <p>The committee shall:</p> <ul style="list-style-type: none"> determine and agree with the governing body the framework or broad policy for the remuneration and conditions of service of CCG staff including the governing body members, the company secretary and such other members of the senior management team (i.e. direct reports to the accountable officer). The remuneration of lay members shall be a matter for the accountable officer and chairs of the CCGs in the collaboration taking account of prevailing guidance from the Appointments Commission and their successor organisation. No director or manager shall be involved in any decisions as to their own remuneration. in determining such policy, take into account all factors which it deems necessary including relevant legal and regulatory requirements, and guidance issued by the National Commissioning Board. The objective of such policy shall be to ensure that public money is invested in a responsible and transparent way and that governing body members and the senior management team are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the organisation(s) when setting remuneration, the committee will have due regard to remuneration trends across the organisation as a whole and across the sector. review the ongoing appropriateness and relevance of the remuneration policy.

Title:	Remuneration Committee
	<ul style="list-style-type: none"> • to receive an assessment of the performance of the chief officer from the chairs of each CCG in the collaborative and determine annual salary awards of the chief officer and other senior team members as appropriate. • ensure that contractual terms on termination, and any payments made, are fair to the individual, and the organisation(s), that failure is not rewarded and that the duty to mitigate loss is fully recognised. • agree the policy for authorising claims for expenses from the governing body members. • Consider remuneration issues for all staff within the CCG such as reviewing HR policies and agreeing termination payments <p>The committee will receive reports on HR matters, such as staff numbers and vacancies, to enable it to discharge the functions listed above.</p>
Subgroups:	None
Accountability:	The committee is accountable to the governing body of which it is a committee.
Reporting responsibilities:	<p>During the period of shadow operation prior to authorisation, the committee shall not have any decision making powers but will make recommendations to remuneration committee of the NW London cluster of PCTs. This will change post April 2013.</p> <p>The committee chairman shall report to each governing body on its proceedings after each meeting on all matters within its duties and responsibilities.</p> <p>The committee shall make whatever recommendations to the governing body it deems appropriate on any area within its remit where action or improvement is needed.</p> <p>The committee shall produce a remuneration report for inclusion in the organisation's annual report which will be presented at the AGM.</p>
Conduct of committee:	The committee shall, at least annually, review its own performance, membership and terms of reference. Any resulting changes to the terms of reference should be approved by the four governing bodies.