

REMUNERATION AND TERMS OF SERVICE COMMITTEE

TERMS OF REFERENCE

INTRODUCTION

The University Health Board's (UHB) standing orders provide that "The Board may and, where directed by the Welsh Government must, appoint Committees of the UHB either to undertake specific functions on the Board's behalf or to provide advice and assurance to the Board in the exercise of its functions. The Board's commitment to openness and transparency in the conduct of all its business extends equally to the work carried out on its behalf by committees".

In line with standing orders (and the CTMUHB scheme of delegation), the Board shall nominate annually a committee to be known as the Remuneration and Terms of Service (RATS) Committee. The detailed terms of reference and operating arrangements set by the Board in respect of this Committee are set out below.

PURPOSE

The purpose of the Remuneration & Terms of Service Committee "the Committee" is to provide:

- **advice** to the Board on remuneration and terms of service for the Chief Executive, Executive Directors and other very senior staff within the framework set by the Welsh Government
- **assurance** to the Board in relation to the UHB's arrangements for the remuneration and terms of service, including contractual arrangements, for all staff, in accordance with the requirements and standards determined for the NHS in Wales
- as appropriate the Committee will receive reports relating to the remuneration and terms of service, including contractual arrangements, for Directors and Very Senior Managers (VSMs) of hosted bodies, e.g. Welsh Health Specialised Services Committee (WHSSC) and the Emergency Ambulance Services Committee (EASC).

The Committee shall have no powers to exercise on behalf of the UHB (except where explicitly delegated in the Scheme of Reservation and Delegation of powers).

DELEGATED POWERS AND AUTHORITY

With regard to its role in providing advice and assurance to the Board, the Committee will comment specifically upon the:

- remuneration and terms of service for the Chief Executive, Executive Directors and other Very Senior Managers (VSMs); ensuring that the policies on remuneration and terms of service as determined from time to time by the Welsh Government are applied consistently
- objectives for Executive Directors and other VSMs and their performance assessment
- performance management system in place for those in the positions mentioned above and its application
- proposals to make additional payments to consultants; and
- proposals regarding termination arrangements, ensuring the proper calculation and scrutiny of termination payments in accordance with the relevant Welsh Government guidance.

In developing remuneration packages the Remuneration and Terms of Service Committee will ensure that there is:

- A clear statement of responsibilities of the individual posts and their accountabilities of meeting objectives of the organisation
- A means of assessing the comparative job weight
- Comparative salary information from the NHS, other public sector organisations and industrial service organisations.

Authority

The Committee is authorised by the Board to investigate or have investigated any activity within its terms of reference. In doing so, the Committee shall have the right to inspect any books, records or documents of the UHB, relevant to the Committee's remit and ensuring patient/client and staff confidentiality, as appropriate. It may seek relevant information from any:

- employee (and all employees are directed to cooperate with any reasonable request made by the Committee), and
- any other committee, sub-committee or group set up by the Board to assist it in the delivery of its functions.

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 it necessary, in accordance with the Board's procurement, budgetary and other requirements.

Sub Groups

The Committee may, subject to the approval of the Health Board, establish sub groups or task and finish groups to carry out on its behalf specific aspects of Committee business. No sub groups / task and finish groups have been established to date.

MEMBERSHIP

Members

- Chair of the Board
- All Independent Members

The **Director of Governance / Board Secretary** will determine the secretarial and support arrangements for the Committee.

In attendance

The Director of Workforce and Organisational Development (DWOD) **and /or the Deputy Director of Workforce and Organisational Development** will attend to present papers and provide professional advice in order to facilitate the Committee deliberations.

Apart from the issue of the Chief Executive's personal salary and remuneration, the Chief Executive will be invited to attend meetings when the remuneration of Executive Directors and other members of the Senior Management Team is on the agenda for discussion.

The Chair may invite any other Health Board officer and / or any others from within or outside the organisation to attend all or part of a meeting to assist it with its discussions on any particular matter (except when issues relating to their personal remuneration and terms and conditions are being discussed).

Member Appointments

The membership of the Committee shall be determined by the Board, based on the recommendation of the Health Board Chair, and subject to any specific requirements or directions made by the Welsh Government.

Membership of the Committee is conditional on continued appointment as a Board member.

Support to Committee Members

The **Director of Governance / Board Secretary**, on behalf of the Committee Chair, shall:

- Arrange the provision of advice and support to committee members on any aspect related to the conduct of their role, and
- Ensure the provision of a programme of organisational development for committee members as part of the Health Board's overall Organisational Development programme developed by the Director of Workforce & Organisational Development (DWOD).

COMMITTEE MEETINGS

Quorum

At least three members must be present to ensure the quorum of the Committee, one of whom must be the Chair or Vice Chair.

Frequency of Meetings

Meetings shall be held as and when required and at least once per year.

Circulation of Papers

The **Director of Governance / Board Secretary** will ensure that all papers are distributed at least 5 working days prior to the meeting.

Withdrawal of individuals in attendance

The Committee may ask any member or individual who is normally in attendance but who is not a member to withdraw to facilitate open and frank discussion of any particular matter.

RELATIONSHIP & ACCOUNTABILITIES WITH THE BOARD AND ITS COMMITTEES / GROUPS

Although the Board has delegated authority to the Committee for the exercise of certain functions as set out within these terms of reference, it retains overall responsibility and accountability in relation to its role as Corporate Trustee.

The Committee is directly accountable to the Board for its performance in exercising the functions set out in these terms of reference.

The Committee, through its Chair and members, shall work closely with the Board's other committees and groups to provide advice and assurance to the Board through the:

- joint planning and co-ordination of Board and Committee business, and
- sharing of appropriate information.

in doing so, contributing to the integration of good governance across the organisation, ensuring that all sources of assurance are incorporated into the Board's overall assurance framework.

The Committee shall embed the Health Board's corporate standards, priorities and requirements, e.g. equality and human rights through the conduct of its business.

REPORTING AND ASSURANCE ARRANGEMENTS

The Committee Chair shall:

- report formally, regularly and on a timely basis to the Board on the Committee's activities. This will include verbal updates on activity, the submission of committee minutes, including abridged minutes as appropriate and written reports, as well as the presentation of an annual report
- bring to the Board's specific attention any significant matter under consideration by the Committee
- ensure appropriate escalation arrangements are in place to alert the Chair, Chief Executive (and Accountable Officer) or Chairs of other relevant committees of any urgent/critical matters that may affect the operation and/or reputation of the Health Board.

The **Director of Governance / Board Secretary**, on behalf of the Board, shall oversee a process of regular and rigorous self-assessment and evaluation of the Committee's performance and operation including that of any sub-committees established.

The Committee shall provide a written, annual report to the Board on its activities. The report will also record the results of the committee's self-assessment and evaluation.

APPLICABILITY OF STANDING ORDERS TO COMMITTEE BUSINESS

The requirements for the conduct of business as set out in the Health Board's Standing Orders are equally applicable to the operation of the Committee, except in respect of the quorum.

REVIEW

These Terms of Reference shall be adopted by the Remuneration and Terms of Service Committee at its first meeting and subject to review at least on an annual basis thereafter.

For review - November 2020