

Remuneration Committee

Appointed by Trust Board

Reports and accountable to the Trust Board

(Statutory)

Approved by the Trust Board on [...]

Overview

The Remuneration Committee (the Committee) is a formally constituted Committee of the Board of Directors (Trust Board).

Summary of purpose and objectives

The Committee is required to develop, maintain and implement a remuneration policy that will enable the Trust to attract and retain the best candidates.

Role and duties

- To develop a policy for the employment and remuneration of the Chief Executive and other Executive Directors including but not limited to salary, including variable pay, pension, and other allowances. The objective of such policy shall be to ensure that the Trust will be able to attract and retain individuals with the skills, qualifications and experience required by the Trust and to ensure that members of the executive management of the Trust are provided with appropriate incentives to encourage enhanced performance and are, fairly rewarded for their individual contributions to the success of the Trust.
- Within the terms of the agreed policy and in consultation with the Chairman and/or Chief Executive as appropriate, to determine the total individual remuneration package of each executive director including bonuses, incentive payments and other awards.
- To consider and agree any matter relating to the continuation in office of any Board Executive Director including removal from office, suspension or termination of employment by the Trust.
- To set on an annual basis individual remuneration arrangements for the Chief Executive, other Executive Directors in accordance with policy and having regard to individual performance.
- To ensure that in the event of loss of office and/or termination of employment of the Chief Executive or any Executive Director the contractual terms and any payments made, are appropriate and consistent with all relevant Government guidelines.
- To monitor and evaluate the performance of the Chief Executive.
- To engage the services of or take advice from any suitably qualified third party or advisers to assist with any aspects of its responsibilities provided that the financial and other implications of seeking outside advisers have been discussed and agreed by the Chief Executive.

Responsibility/delegated authority

The Committee is authorised by the Board to investigate any activity within its terms of reference.

Terms of Reference

The Committee is authorised to seek any information it requires from any officer of the Trust, and all officers are directed to co-operate with any request made by the Committee.

The Committee may obtain whatever professional advice it requires (as advised by the Company Secretary), and may require Executive Directors or other officers to attend meetings.

Limitations of authority

Save as is expressly provided in the Terms of Reference, the Group shall have no further power or authority to exercise, on behalf of the Board, any of its functions or duties.

Accountability / reporting requirements

This Committee is accountable to the Trust Board.

Minutes will be prepared after each meeting of this Committee and circulated to members of the Committee and others as necessary.

The Committee will report to the Board after each meeting by way of the Chair of the Remuneration Committee providing a verbal summary.

The Chair of the Committee shall draw to the attention of Trust Board any issues that require disclosure to the full Board, or require Executive action.

The Committee shall make a statement in the annual report about its activities and the process used to make appointments.

The Committee will draw to the attention of any other Committee or the Board, any issues which it believes requires that committee's consideration.

Membership

The membership will comprise all Non-Executive Directors including the Chairman of the Trust.

In the absence of the Chair of the Committee, the remaining members present shall elect one of their number to chair the meeting.

The work of the Committee will be supported by the Executive Director for Resources and the Company Secretary.

Meeting requirements

Quorum

The quorum for meetings of the Committee shall be three members, ensuring compliance with the Trust Standing Orders

Alternates

There is no provision for alternates on this Committee.

Invitees

The Company Secretary will attend meetings of the Committee.

Frequency of Meetings

The Committee shall meet at such times as the Chair of the Committee shall require as advised by the Company Secretary.

Administration of Committee

The Company Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

Agendas

The format and content of the agenda will be agreed by the Chair of the Committee.

Lead contact

Chair of the Committee

Monitoring effectiveness

The Company Secretary shall, at least once a year, review the performance, constitution and terms of reference of the Committee to ensure it is operating at maximum effectiveness in order to support the continual improvement of governance standards, committees, sub-committees and groups.

The Company Secretary shall produce an annual report to the Board of Directors detailing the results of the Committee Review and recommend any changes considered necessary for approval by the Board.

Review

The Terms of Reference of this Committee must be reviewed and subsequently approved by the Trust Board at least every two years.