

COUNCIL OF GOVERNORS

TERMS OF REFERENCE

REMUNERATION & RECRUITMENT COMMITTEE

Version	Status	Date	Issued / Amended	Summary of Changes
V1.0	Draft for review by committee	16 April 2013	Foundation Trust Secretary	Merger of Committees
V1.1	Approved by CoG May 2013	22 April 2013	Foundation Trust Secretary	Amend 4.3 to clarify chairmanship of meetings when Chair's office is under consideration

Review Date	April 2014
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AUTHORITY

- 1.1. The Remuneration and Recruitment Committee (The Committee) is a standing committee of the Council of Governors of the Sheffield Children's NHS Foundation Trust. Its terms of reference shall be as set out below, subject to amendment at future Council of Governors meetings.
- 1.2. The Committee is authorised by the Council of Governors to act within its terms of reference. Decision making powers in relation to remuneration and recruitment rest with the full Council of Governors in a formal meeting.

2. ROLE

The function of the Committee in order to provide advice to the Council of Governors will be:

REMUNERATION

- 2.1 To make formal written recommendations to a properly constituted meeting of the Council of Governors on the remuneration levels and Terms and Conditions of service of the Chairman and Non-executive Directors to ensure that they are fairly rewarded for their contributions to the organisation. This advice will include arrangements for an annual review of remuneration levels.

RECRUITMENT

- 2.2 To consider the appointment and re-appointment to the office of Chairman and other Non-executive Director positions having first consulted with the Board of Directors or the Nominations Committee of the Board of Directors, as to those matters and having regard to such views as may be expressed by the Board of Directors.
- 2.3 To determine the criteria and process for the selection of the candidates for office as Chairman or other Non-executive Director of the Trust.
- 2.4 In the case of vacant position, to seek by way of open advertisement and other means candidates for office and to assess and select for interview such candidates as are considered appropriate and in doing so the Committee shall be at liberty to seek advice and assistance from persons other than members of the Committee or of the Council of Governors.
- 2.5 To make formal written recommendations to a properly constituted meeting of the Council of Governors on the Committee's decision(s) in respect of appointment and re-appointment to the office of Chairman and other Non-executive Director positions.

(See Appendix 1 and 2 for details of appointment procedure)

3. MEMBERSHIP AND ATTENDANCE

- 3.1 Members of the Committee are appointed by the Council of Governors.
- 3.2 The membership of the Committee shall comprise of at least seven Governors the majority of which should be Patient / Public Governors with at least one Staff and one Partner Governor.
- 3.3 Membership of the Committee shall normally be for a maximum of three years. The membership of the Committee will be reviewed annually to take account of those Governors who only have one or two years to serve.
- 3.4 The Committee shall only be deemed quorate if the following requirements are met:
- Chairman is present
 - Two Patient / Public Governors are present
 - One Staff or Partner Governor is present
- 3.5 All members should commit to attending all meetings. Should they not be able to attend they should inform the Foundation Trust Office of this at the earliest opportunity. Non-attendees are able to submit comments by email in advance of meetings. In the event that a quorate meeting cannot be called, an alternative governor from the same category as the one that is needed may be invited to attend in their place.
- 3.5 The Chief Executive shall be available to the Committee in an advisory capacity and will give an overview of the functioning of the Board and the Chair's performance. The Director of Human Resources and Organisational Development shall be in attendance at all meetings to support and advise.

4. CHAIR AND DEPUTY CHAIR

- 4.1 The Chairperson of the Remuneration and Recruitment Committee will be the Chairperson of the NHS Foundation Trust (Council of Governor's Chairperson).
- 4.2 The Chairman, as a Non-Executive Director will withdraw from the committee when their remuneration is being discussed or the office under consideration is that of the Chairperson. Another member of the committee will chair the meeting during this discussion, if present, this would be the lead governor.

- 4.3 If the office under consideration is that of the Chairperson then another member of the committee will chair the meeting during this discussion, if present, this would be the lead governor.

5. FREQUENCY OF MEETINGS

- 5.1 Meetings shall be held at least annually and whenever there is a need to consider matters relating to appointment to the Board of Directors.
- 5.2 A meeting of the Committee may be called by the Foundation Trust Secretary at the request of the Chairman.
- 5.3 Meetings of the Committee shall be called by five working days' written notice unless all members of the Committee agree to shorter notice. Notice will be given to all members and attendees and will confirm the venue, time and date of the proposed meeting and provide the agenda and supporting papers.

6. MINUTES AND REPORTING

- 6.1 The administration support for the Committee shall be provided by the Foundation Trust Secretary (or in their absence, as senior manager appointed by the Board). All meetings of the Committee shall be formally recorded.
- 6.2 The committee functions, as a committee of the Council of Governors to make recommendations to that Council. Recommendations from this committee shall be taken to the next full Council of Governors meeting after each committee meeting.
- 6.3 This committee has no relationship with other committees and is accountable to the full Council of Governors only.

7. REVIEW

- 7.1 The terms of reference of the Committee and associated procedures shall be reviewed by the Council of Governors at least annually.

APPROVED BY THE COUNCIL OF GOVERNORS ON: 07 May 2013

Procedure for reappointing the Chairperson and Non-executive Directors

Information

The Committee will be provided with all appropriate information required to inform the decision making process, namely:

- Indication of willingness from Chair or relevant Non-executive directors to be re-appointed for a further term of office.
- Length of tenure of Chair and or relevant Non-executive Directors.
- View from the Board Nominations and Remuneration Committee on skill mix requirements (from 2008 onwards).
- Any relevant Code of Governance points.
- Available PDR's (Performance and Development Reviews)
- Personal statements supporting application for extension of contract.
- Chairperson's statement regarding the profile and functioning of the Board of Directors

Decision Making Process

The Committee will be given the opportunity to discuss the personal statements. The Chairperson will be required to give a resume of the Non-executive Director(s) applying for an extension. The Chief Executive will be required to give a resume of the functioning of the Board and the Chairperson's performance in the event that she/he is applying for an extension to their contract.

Recommendation to Council of Governors

A recommendation for extension(s) to existing contracts would be made to the Council of Governors. If a majority of the Governors present and voting at the Council of Governors meeting support the recommendation then a formal offer will be made.

As a result of the recommendation of the Committee, a formal offer letter outlining the terms and conditions of the appointment will be sent to the successful applicant(s) on behalf of the Council of Governors.

Future Performance Reviews

The Performance Reviews of the Non-executive Directors will continue to be undertaken by the Chairperson. The Chairperson will have a performance review undertaken with the involvement of the Non-executive Directors, the Chief Executive as Accountable Officer and relevant Governors. The Chairperson may at his/her discretion request the involvement of an external consultant in this process.

The Chairperson or external consultant as appropriate will provide a summary report to the Committee on the outcome of the Performance Reviews for Non-executive Directors.

Procedure for appointing to vacant Chairperson and Non-executive Director posts

Introduction

There will be a number of factors that will influence the procedure for appointing to vacant Chairperson and Non-executive Director posts. Specifically, the Committee will need to take account of the Code of Governance and the recommendations of the Board Nominations and Remuneration Committee on current and future skill mix requirements.

Advertisement

All vacant Non-executive Director posts including the Chairperson will be advertised externally using the relevant media. The Director of Human Resources will manage the recruitment process in conjunction with the Chairperson.

External Support

When appointing to the posts of Chairperson and Non-executive Directors, the Committee may use the services of an independent external consultant. The Chairperson of another Foundation Trust will be invited to act as an independent assessor to the Remuneration and Recruitment Committee.

Short listing

Once applications have been received, the Committee will shortlist candidates. The Director of Human Resources will provide advice on this matter. Short listing may be delegated to the Board Nominations and Recruitment Committee.

Interviews

Candidates will be interviewed by the Committee. The Director of Human Resources will provide advice and assistance as required.

Pre-employment

Prior to any recommendation being made to the Council of Governors, the preferred candidate will have the following pre-employment checks undertaken:

- References
- Pre-employment health screening
- CRB check
- Conflicts of Interest
- Bankruptcy/Insolvency checks
- Occupational Health Check

Preferred Candidate

A recommendation for appointment will be made to the Council of Governors, giving the basis on which the appointment is recommended. If a majority of the Governors present and voting at the Governing Council meeting support the recommendation then a formal offer of appointment will be made.

Formal Offer

As a result of the recommendation of the Committee, a formal offer letter outlining the terms and conditions of the appointment will be sent to the successful applicant(s) on behalf of the Council of Governors.

Induction

A comprehensive induction programme will be developed for all newly appointed Chairs and Non-executive Directors. The programme will be designed to meet the needs of the successful candidate.

The Director of Human Resources will co-ordinate this programme.

Performance Review

The Performance Reviews of the Non-executive Directors will continue to be undertaken by the Chairperson. The Chairperson will have a performance review undertaken with the involvement of the Non-executive Directors, the Chief Executive as Accountable Officer and relevant Governors. The Chairperson may at his/her discretion request the involvement of an external consultant in this process.

The Chairperson or external consultant as appropriate will provide a summary report to the Committee on the outcome of the Performance Reviews for Non-executive Directors.