

## **Governors' Nomination, Remuneration and Development Committee**

### **Terms of Reference**

#### **1. Role**

1.1 The Nomination, Remuneration and Development Committee shall be established as a formal Committee of the Council of Governors. Its purpose is to make recommendations to the Council of Governors on the appointment and remuneration of the Chairperson and Non-Executive Directors of the Trust and on plans for their succession.

#### **2. Duties**

The duties of the Committee are to:

- 2.1 Make recommendations to the Council of Governors as appropriate concerning the reappointment of the Chairperson and any Non-Executive Director at the conclusion of their specified term of office. In making a recommendation, the Committee shall give due regard to the individual's performance in post and their ability to continue to perform adequately in the light of the knowledge, skills and experience required at the time the re-appointment is to take effect. The Committee will also consider the balance between the need for continuity and the need to progressively refresh the Board.
- 2.2 Have regard to the principles of the NHS Foundation Trust Code of Governance regarding terms of office and the process of appointments.
- 2.3 Develop a process for the timely selection and appointment of new candidates for the office of Chairperson or Non-Executive Director of the Trust that has regard to the expected needs of the Board at the time of the appointment and which follows best practice in recruitment processes. In particular the process should include:
  - (i) The requirement to use open advertising and /or the services of external providers to facilitate the search for candidates
  - (ii) The requirement to consider candidates from a wide range of backgrounds
  - (iii) The requirement to consider candidates on merit against objective criteria, ensuring that candidates have enough time available to devote to the position.
- 2.4 Make recommendations to the Council of Governors on the appointment of the Chairperson and Non-Executive Directors.
- 2.5 Receive assurance that on appointment candidates receive a formal letter of appointment setting out what is required of them in terms of their duties and time commitment.
- 2.6 In determining the nature of the recommendation the Committee will take into account all factors that it deems necessary. These will include the scope of responsibilities of the individuals concerned, the expected time commitment of the post, the general level of pay increases within the Trust and the wider NHS and guidance issued by the Independent Regulator or other relevant body.

- 2.7 Consult external professional advisors on the market rates for such remuneration levels at least every three years or when significant changes to levels of remuneration are proposed.
- 2.8 Make recommendations to the Board and Council of Governors for the appraisal of the performance of the Chairperson and Non-Executive Directors.
- 2.9 Make recommendations to the Council of Governors regarding the remuneration of the Chairperson and Non-Executive Directors including cessation or continuation of payment of fees for service in the case of a Chairperson or Non-Executive Director who is absent from duties as a result of serious illness or injury. It is expected that this would be time limited.
- 2.10 Receive reports on the process and outcome of the appraisals of the Chairperson and Non-Executive Directors.
- 2.11 Formulate plans for succession for the Chairperson and Non-Executive Directors;
- 2.12 Consider any matter relating to the continuation in office of the Chairperson and any Non-Executive Director when requested to do so by the Board or the Council of Governors.
- 2.13 Agree each year a schedule of business of the Committees intended activities.
- 2.14 Unless otherwise agreed, recommendations for approval by the Council of Governors will be presented to it at the first available meeting following the meeting of the Committee.

### **3. Authority**

- 3.1 The Committee is authorised by the Board and Council of Governors to act within its terms of reference and:
- 3.1.1 To seek any information that it requires from an employee of the Trust in order to perform its duties;
  - 3.1.2 To require any employee to attend a meeting of the Committee to present information or answer questions on a matter under discussion.
  - 3.1.3 Develop policies, procedures and guidelines, on matters concerning its duties, for approval by the Council of Governors.
  - 3.1.4 To take advice from external advisors wherever it is appropriate to do so.

### **4. Membership**

- 4.1 The membership of the Committee shall comprise of:
- The Chairperson of the Trust
  - The lead governor
  - Public Governors as nominated by the Council of Governors
  - Staff Governors as nominated by the Council of Governors
  - Co-opted Governors as nominated by the Council of Governors
- 4.2 The Council of Governors shall appoint the Chairperson of the Trust as the Chairperson of the Committee.

4.3 The Chairperson or an independent Non-Executive Director should chair the Committee. At the discretion of the Committee, a governor can chair the Committee in the case of appointments of Non-Executive Directors or the Chairperson.

4.4 Only members of the Committee have a right to attend meetings. However, in accordance with clause 6.1 and 6.2, other people will be invited to attend the meetings at the Committee's discretion.

## **5. Quorum**

5.1 The quorum necessary for business to be transacted shall be five, including four public governors, and the Chairperson or Vice-Chairperson. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and duties vested in or exercisable by the Committee.

## **6. Attendance**

6.1 The Chief Executive and the Executive Director of Human Resources and Organisational Development will normally attend all meetings of the Committee.

6.2 Other members of the Board, officers of the Trust, and external advisors, may be invited to attend the Committee where appropriate.

## **7. Secretary**

7.1 The Company Secretary or their nominee shall act as secretary to the Committee.

## **8. Frequency of Meeting**

8.1 The Committee shall meet a minimum of four times per year at a location that the Committee may determine. Meetings will take place otherwise as required.

## **9. Notice of Meetings**

9.1 Meetings of the Committee shall be called by the secretary in accordance with the annual schedule of business agreed by members or as determined by the Chairperson.

9.2 Where possible, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and other attendees as appropriate at the same time.

## **10. Minutes of Meetings**

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

10.2 The secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

10.3 Minutes of Committee meetings will be included on the agenda of the next meeting of the Committee for approval as a true and accurate record of proceedings.

## **11. Reporting**

11.1 The Committee does not have any formal sub-Committees.

11.2 The Committee will provide reports to the Council of Governors. This will take place at the meeting immediately following the Committee meeting, unless otherwise agreed.

## **12. Review and Revision**

12.1 These terms of reference will be reviewed at least every year. Proposed variations will require the approval of both the Board and the Council of Governors.

12.2 In accordance with the NHS Foundation Trust Code of Governance (section B.6), the Committee will undertake a formal and rigorous annual evaluation of its effectiveness.

Last revised: June 2021

Due to be revised: *June 2022*