NATIONAL INSTITUTE FOR HEALTH AND CARE EXCELLENCE

Remuneration Committee

Terms of reference and standing orders

# Terms of reference

1. The Remuneration Committee is responsible for ensuring that a policy and process for the performance review, remuneration and succession planning for the Chief Executive and Executive Team are in place.
2. The Committee’s duties and responsibilities are to:

* agree the remuneration and terms of service, including:
  + salary
  + performance related pay
  + provisions for other benefits including pensions
  + arrangements for termination of employment and other contractual terms

for the Chief Executive, members of the Senior Management Team, and any other staff on the Executive and Senior Manager (ESM) pay framework, submitting these to the Department of Health and Social Care (DHSC) Remuneration Committee for approval when acting outside of its delegated authority.

* agree the remuneration for any appointments on medical and dental (M&D) and agenda for change (AfC) terms on a salary of over £100k (pro rata), submitting these to the DHSC Remuneration Committee for approval when acting outside of its delegated authority.
* review and approve any other submissions to the DHSC Remuneration Committee as required by the pay delegations set by DHSC.

ensure there is a system of performance review, talent management and succession planning in place for the Chief Executive and Executive Team.

review the succession planning talent pipeline for the Chief Executive and Executive Team roles.

1. To meet these duties and responsibilities, the Committee will:

* ensure that pay and benefits for the senior staff within its remit are determined in accordance with the principles of openness, integrity and fairness, and that senior staff are fairly rewarded for their individual contribution to NICE within affordability constraints.
* take proper regard of NICE’s circumstances and performance.

comply with any relevant frameworks or instructions issued by the DHSC or HM Treasury.

1. The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of external advisers if it considers this necessary.

# Standing orders

## General

1. These standing orders describe the procedural rules for managing the Committee’s work as agreed by the Board. Nothing in these standing orders shall limit compliance with NICE’s standing orders so far as they are applicable to this Committee. Committee members shall comply with the Committee’s terms of reference, which set out the scope of the Committee’s work and its authority.

## Membership

1. The Committee will comprise the NICE Chairman (who will chair the Committee) and 3 non-executive directors.

## Other attendees

1. Only members of the Committee have the right to attend committee meetings. However, the Chief Executive, Finance, Strategy and Transformation Director and the Associate Director – Human Resources have standing invitations to attend, except when their remuneration or performance is to be discussed.
2. Other senior staff may be invited to attend for specific issues that do not involve their own remuneration and performance.
3. The Associate Director, Corporate Office will act as Secretary to the Committee.

## Quorum

1. The quorum is 3 members. No business shall be transacted unless the meeting is quorate.

## Voting

1. The decisions of the Committee will normally be arrived at by a consensus of those members present. Before a decision to move to a vote is made, the Chair will, in all cases, consider whether continuing the discussion at a subsequent meeting is likely to lead to a consensus.
2. Voting, where required, will be by show of hands and decisions determined by a simple majority of those members present at a quorate meeting.
3. The Chair of the meeting will be included in the vote and in the event of a tie, the Chair will have a second, casting vote.

## Arrangements for meetings

1. All members must make a declaration of any potential conflicts of interest that may require their withdrawal in advance of each meeting.
2. The Committee will meet routinely 2 times a year, with additional meetings as required.
3. No other business shall be discussed at the meeting except at the discretion of the Chair.
4. Those present at the meetings should respect the confidentiality of any information discussed at the Committee.
5. Members may participate at the meeting by telephone or video conference, and this will count towards the quorum.

## Minutes

1. The minutes of the meetings shall be formally recorded by the Associate Director, Corporate Office and submitted to the next meeting for approval.

## Interpretation or suspension of standing orders

1. During the course of a meeting, the Chair of the Committee shall be the final authority on the interpretation of the standing orders.
2. Except where this would contravene any statutory provision, any one or more of the standing orders may be suspended at any meeting provided that a simple majority of those present and eligible to participate vote in favour of the suspension.
3. Any decision to suspend standing orders will be recorded in the minutes of the meeting and no formal business may be transacted while standing orders are suspended.

## Review of terms of reference and standing orders

1. These terms of reference and standing orders will be reviewed every 2 years. The next review date is November 2022.