

DRAFT April 2008
THE WHITTINGTON HOSPITAL

TRUST BOARD APPOINTMENTS & REMUNERATION COMMITTEE
Revised – for agreement and ratification
Terms of reference

Introduction

These terms of reference will detail both the functions and composition of the Board's Remuneration Committee. In addition they will follow best practice as contained within Monitor and Department of Health guidance. This Committee shall act within The Whittington Hospital's Constitution and Standing Financial Instructions.

Functions of the Remuneration Committee

The main functions of the Remuneration Committee are as follows:

1. to appoint executive directors¹ to the Board
2. to assess appropriate remuneration and terms and conditions of service for executive directors. In making their assessment their considerations will include the organisation's performance, and circumstances, together with pay arrangements for other staff within the hospital. The Committee's recommendations should be publicly defensible, whilst enabling the Trust to recruit and retain motivated individuals of an appropriately high ability.
3. to monitor and evaluate the performance of individual executive directors
4. to advise on and oversee appropriate contractual arrangements including the scrutiny of termination payments of directors to ensure the Trust's interests as well as the individual's interests are safeguarded.

Relationship with the Trust Board

The Remuneration Committee advises the Trust Board on remuneration and terms and conditions of service matters and will report in writing to the Trust Board the basis for its recommendations. The Board will use that report as the basis for its decisions but will remain accountable for taking decisions on the remuneration and terms of service of executive directors. Such decisions must be recorded in the Trust Board's minutes.

¹ *executive directors includes the chief executive throughout these terms of reference*

Composition and conduct of the Committee

The Committee when advising on remuneration will comprise the Chairman, and the Non executive directors. At least three Non executive directors, including the Chairman, must attend for the meeting to be quorate. The Chairman will chair the Committee. When the Committee is appointing executive directors it will follow The Whittington Hospital's Constitution.

The Chief Executive will be in attendance to advise the Committee but will not be present for discussions relating to his/her own remuneration.

The Director of Human Resources will be in attendance to advise the Committee but will not be present for discussions in relation to his/her own remuneration.

The Committee will wish to take account of comparative information external to the Hospital to assess market forces, in addition to current employment legislation.

Revised November 1998
Revised April 2008