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| Meeting: | Shetland NHS Board | | |
| Date: | 17 August 2021 | | |
| Report Title: | Annual Report on activities of the Remuneration Committee 2020-21 | | |
| Reference Number: | Board Paper 2021/22/35 | | |
| Author: | Lorraine Hall | Job Title: | Director of Human Resources and Support Services |
| Executive Lead: (if different from Author) | | | |

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| Response required from the meeting: | |
| The Board is asked to receive the report for information. | |
| Summary: | |
| This report provides an insight of the work discharged by the Remuneration Committee over the course of 2020-21. | |
| Assessment of implications to the organisation in respect of: | |
| Patient Safety: | None |
| Staffing/Workforce: | None |
| Finance/Resource: | This forms part of the annual performance cycle which along with other information aids members in fulfilling their corporate responsibilities. |
| Risk: | None |
| Equality & Diversity: | As an annual report no impact assessment required |
| Community Planning / SOA: | |
| Legal Issues: | None |
| Fit with Corporate Objectives/Action Plan: | Complies with National and local Governance requirements – and provides assurances |
| Previously considered by: (e.g.Board/Standing Committee/Group) | None |

SHETLAND NHS BOARD

ANNUAL REPORT ON THE WORK OF THE REMUNERATION COMMITTEE 2020-21

Purpose of Paper

To present to the Board the Remuneration Committee Annual Report 2020-21, which provides the Board with an insight into the work discharged by this Committee during the course of the year.

Background

The Remuneration Committee comprises four Members as defined by the Board's Standing Orders (approved by the Board following discussion on the Staff Governance Standard 4th Edition) as follows:

Board Chairman;
Board Vice-Chairman;
Chairman of the Audit Committee and
Employee Director

The Director of Human Resources and Support Services acts as the Executive Advisor to the Remuneration Committee and the Chief Executive is in attendance (except for items where an interest is disclosed). Other members of the Executive Management team are invited to the meeting to present papers as necessary.

The Terms of Reference for the Remuneration Committee were reviewed and approved in January 2021.

Activities undertaken during 2020-21

During the year the Remuneration Committee met twice on 17 September 2020 (rescheduled from 30 June and 13 August 2020*) and 28 January 2021.

**papers had been issued*

At the meeting of 17 September 2020, the following business was conducted:

- Review of Remuneration Committee Risks, Controls and Assurance Framework
- Annual Reports on :
 - Acting up Payments 2019-20
 - Executive/Senior Management Vacancies 2019-20
 - Severance Payments 2019-20
- Annual Report on the work of the Remuneration Committee 2019-20
- End of Year Review 2019-20 Interim Chief Executive
- Performance Plan for the Chief Executive 2020-21
- End of Year Reviews 2019-20 Directors Executive Terms and Conditions
 - Director of Health and Social Care
 - Director of Finance

- Director of Human Resources and Support Services
- Performance Plans for Directors Executive Terms and Conditions Cohort 2020-21
 - Director of Finance (verbal update provided)
 - Director of Human Resources and Support Services
- End of Year Reviews 2019-20 for Directors –
 - Interim Medical Director
 - Director of Nursing and Acute Services
 - Interim Director of Health and Social Care (Shetland Islands Council Employee)
 - Director of Public Health (NHS Grampian Employee)
- Performance Plan for Directors – 2020-21
 - Medical Director
 - Director of Nursing and Acute Services
 - Interim Director of Health and Social Care
- Appointment and interim arrangements of the Chief Executive- NHS Orkney
- Verbal update on Discretionary Points Process
- Relevant circulars:

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| DL (2020)05 CORONAVIRUS (COVID-19) National Arrangements for NHS Scotland Staff | Pausing of Work Programmes due to Coronavirus |
| Variation Order for Executive and Senior Manager Staff during COVID 19 Outbreak | Letter- Pausing of the Discretionary Points programmes during the Coronavirus Pandemic |

The Committee noted that there was no information presented with regards to Consultants job planning arrangements as an assurance.

At the meeting of 28 January 2021, the following business was conducted:

- Review of Remuneration Committee Risks, Controls and Assurance Framework
- Remuneration Committee Terms of Reference
- Remuneration Committee Business Cycle 2021-22
- Mid-Year Performance Reviews of:
 - Chief Executive (verbal update provided)
 - Interim Director of Community Health and Social Care
 - Director of Finance
 - Director of Nursing and Acute Services
 - Medical Director
 - Director of Human Resources and Support Services
 - Director of Public Health (NHS Grampian Employee)
- NPMC Letter of Assurance
- Extended Role of the Nurse Director
- Appointment and interim arrangements for Director of Human Resources and Support Services for NHS Orkney
- Verbal update on Discretionary Points Process
- Relevant circulars:

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| PCS (ESM) 2020/1 Pay and conditions of service for Executive and Senior Management Pay 2020-21 | PCS (ESM) 2021/1 Pay and conditions of service for Executive and Senior Management Pay 2020-21: Consolidated Performance Related Pay |
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Compliance

The National Performance Monitoring Committee reviewed the Performance Review Outcomes for all those within the Executive Cohort 2019-20 and deemed these to be robust. The Letter of Assurance was received on 11 January 2021. Pay adjustments were made in line with PCS (ESM) 2021/1 Pay and conditions of service for Executive and Senior Management Pay 2020-21: Consolidated Performance Related Pay.

The Remuneration Committee complied with all the CELs /PCSs as laid down and it met all the timescales required for the necessary returns to Government Departments.

As per the Committee's Risks and Controls Assurances Framework all reports bar one as required as controls were submitted to the Committee. The one report not submitted was discussed and agreed by the Committee



Lorraine Hall
Director of Human Resources and Support Services
01 July 2021