

NHS Shetland

Meeting:	NHS Shetland Board
Meeting date:	19 September 2023
Agenda Reference:	Board Paper 2023/24/38
Title:	Annual Report on activities of the Remuneration Committee 2022/23
Responsible Executive/Non-Executive:	Lorraine Hall, Director of Human Resources and Support Services
Report Author:	Lorraine Hall, Director of Human Resources and Support Services

1. Purpose

This is presented to the Board/Committee for:

- Awareness

This report relates to:

- Government policy/directive
- Legal requirement

This aligns to the following NHSScotland quality ambition(s):

- Safe
- Effective
- Person-centred

2. Report summary

2.1. Situation

The Remuneration Committee is asked to receive and approve this report to go to the Board meeting on 29 August 2023.

This report provides an insight of the work discharged by this Committee over the course of the year, 01 April 2022-31 March 2023).

2.2. 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;
Chair 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.

At the Board meeting on 13 December 2022, Mrs Natasha Cornick replaced Mr Gary Robinson as Chair of the Remuneration Committee.

The Terms of Reference for the Remuneration Committee were reviewed and approved in January 2023.

2.3. Assessment

Activities undertaken during 2022-23

During the year the Remuneration Committee met three times on 01 August 2022, 12 January 2023 and 07 March 2023.

The meeting of 01 August 2022 was rescheduled from 28 June 2022 due to unforeseen circumstances.

At the meeting of 01 August 2022, the following business was conducted

- Review of Remuneration Committee Risks, Controls and Assurance Framework
- Annual Reports on :
 - Acting up Payments 2021-22
 - Executive/Senior Management Vacancies 2021-22
 - Severance Payments 2021-22
- Annual Report on the work of the Remuneration Committee 2021-22
- End of Year Review 2021-22 Chief Executive
- Performance Plan for the Chief Executive 2022-2023
- End of Year Reviews 2021-22 Directors
 - Interim Director of Health and Social Care
 - Director of Finance
 - Director of Human Resources and Support Services
 - Medical Director
 - Director of Nursing and Acute Services
 - Interim Director of Public Health

- Performance Plans for Directors 2022-2023
 - Director of Finance (*circulated at a later date*)
 - Director of Human Resources and Support Services
 - Medical Director (*circulated at a later date*)
 - Director of Nursing and Acute Services (*circulated at a later date*)
 - Director of Health and Social Care (*circulated at a later date*)
 - Director of Public Health (*circulated at a later date*)
- The following items were noted:
 - NPMC Letter of Assurance
 - PCS (ESM) 2022-4 Performance Based Increments
 - DL (2022) 20 ARRANGEMENTS FOR THE DISTINCTION AWARDS AND DISCRETIONARY POINTS SCHEMES FOR CONSULTANTS
 - Letter to service- Performance Management Arrangements for staff in the Executive and Senior Management Cohorts

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

At the meeting of 12 January 2023, the following business was conducted:

- Remuneration Committee Terms of Reference
- Remuneration Committee Business Cycle 2023-24
- Mid-Year Performance Reviews of:
 - Chief Executive
 - 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
- Discussion on remuneration arrangements for two individual members of staff
- Update on the Discretionary Points Application process

The following items were noted:

- PCS(MD) 2022/01 Pay and Conditions of Service 2022-23 Health Board Medical Directors/Former Medical Directors on Protection

At the meeting of 07 March 2023, the following business was conducted:

- Following the meeting on 12 January 2023, further information was requested to make a decision on remuneration on one individual member of staff.

The following items were noted:

- NPMC Letter of Assurance
- PCS (ESM) 2023-1 Pay and Conditions of Service Executive and Senior Management Pay 2022-23

- PCS (ESM) 2023-2 Pay and Conditions of Service Executive and Senior Management Pay 2022-23: Consolidated Performance Related Pay

Compliance

The National Performance Monitoring Committee reviewed the Performance Review Outcomes for all those within the Executive Cohort 2021-22 and deemed these to be robust. The Letter of Assurance was received on 08 February 2023. Pay adjustments were made in line with PCS (ESM) 2023-1 Pay and Conditions of Service Executive and Senior Management Pay 2022-23.

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 as were submitted to the Committee.

2.3.1. Quality / patient care

Ensuring that Directors of the organisation have appropriate objectives that link to the strategic delivery agenda supports quality and patient/staff care.

2.3.2. Workforce

Each Director has an objective aligned to demonstrating contribution to valuing and leading people.

2.3.3. Financial

This forms part of the annual performance cycle which along with other information aids members in fulfilling their corporate responsibilities.

2.3.4. Risk assessment/management

The Risk Assurance Framework is a standing agenda item on the committee and manages and mitigates risk as appropriate.

2.3.5. Equality and Diversity, including health inequalities

As this is an annual report, no impact assessment is required.

2.3.6. Other impacts

Not applicable.

2.3.7. Communication, involvement, engagement and consultation

This report is considered by Remuneration Committee before being presented to the NHS Shetland Board meeting.

2.3.8. Route to the meeting

This report was considered by the Remuneration Committee on 28 June 2023.

3. List of appendices

Not applicable.