

NHS Shetland

Meeting:	NHS Shetland Board
Meeting date:	20 September 2022
Agenda Reference:	Board Paper 2022/23/43
Title:	Annual Report on activities of the Remuneration Committee 2021/22
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

This report provides an insight of the work discharged by this Committee over the course of the year (01 April 2021-31 March 2022).

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;
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 2022.

2.3. Assessment

Activities undertaken during 2021-22

During the year the Remuneration Committee met twice on 01 July 2021 and 13 January 2022.

At the meeting of 01 July 2021, the following business was conducted:

- Review of Remuneration Committee Risks, Controls and Assurance Framework
- Annual Reports on :
 - Acting up Payments 2020-21
 - Executive/Senior Management Vacancies 2020-21
 - Severance Payments 2020-21
- Annual Report on the work of the Remuneration Committee 2020-21
- End of Year Review 2020-21 Chief Executive
- Performance Plan for the Chief Executive 2021-22
- End of Year Reviews 2020-21 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

- Director of Public Health (NHS Grampian Employee)
- Performance Plans for Directors 2021-22
 - Director of Finance (*circulated after meeting*)
 - Director of Human Resources and Support Services
 - Medical Director
 - Director of Nursing and Acute Services
 - Director of Health and Social Care
 - Interim Director of Public Health

- Relevant circulars:

Letter to Service-ESM and NPMC Governance Process	Letter to Service-ESM and NPMC Governance Process
PCS (ESM) 2021-2- TRA for Nurse Directors	

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

At the meeting of 13 January 2022, the following business was conducted:

- Remuneration Committee Terms of Reference
- Remuneration Committee Business Cycle 2022-23
- 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
 - Interim Director of Public Health

- Discussion on the allocation of Discretionary Points for 2018-19, 2019-20, 2020-21 rounds

- Relevant circulars:

PCS (ESM) 2021/3 Pay and Conditions of Service: Executive and Senior Manager Pay 2021-22	PCS (ESM) 2021/3 Pay and Conditions of Service: Executive and Senior Manager Pay 2021-22
DL (2021) 39 NHS Scotland Consultants- Distinction Awards and Discretionary Points Schemes	

Compliance

The National Performance Monitoring Committee reviewed the Performance Review Outcomes for all those within the Executive Cohort 2020-21 and deemed these to be robust. The Letter of Assurance was received on 27 January 2022. Pay adjustments were made in line with PCS (ESM) 2021/3 PAY AND CONDITIONS OF SERVICE EXECUTIVE AND SENIOR MANAGEMENT PAY 2021-22.

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

NHS Shetland Remuneration Committee, 01 August 2022.

3. List of appendices

Not applicable.