

MEDICAL AND DENTAL TRAINING AGENCY

STANDING ORDERS (SCHEDULE 2)

REMUNERATION COMMITTEE

1. INTRODUCTION

- 1.1 The primary aim of the NI Medical and Dental Training Agency Remuneration Committee is to advise the Board of the Agency about appropriate remuneration and terms of service for the Chief Executive and other executives within the Senior Management team.

2. POLICY AND BEST PRACTICE

- 2.1 Certain principles relating to best practice in establishing executive pay within the HPSS have been identified. These are as follows:
- (i) Remuneration packages must be such as to enable people of appropriately high ability to be recruited, retained and motivated within levels of affordability.
 - (ii) All HPSS bodies are part of the public sector and what they do including the pay of employees must be publicly defensible.
 - (iii) A properly defensible remuneration package requires a clear statement of responsibilities with rewards linked to their measurable discharge.
 - (iv) Wherever possible, it will be advisable to seek independent advice about pay structures and the state of the market for the kind of managers to be recruited – including consultation with neighbouring HPSS bodies.

3. RELATIONSHIP AND REPORTING TO THE BOARD

- 3.1 The Committee is responsible to the Board, but has a devolved authority to take decisions on the remuneration and terms of service of the Chief Executive and members of the Senior Management Team. Minutes of the Board's meetings should record such decisions.

4. TERMS OF REFERENCE OF THE COMMITTEE

- 4.1 The main functions of the Committee will be:

- (i) To make decisions on behalf of the Board on the remuneration and terms of service of the Chief Executive, Directors, Senior Managers and all other staff to ensure that they are fairly rewarded for their contribution to the organisation (this should include having proper regard to the organisation's circumstances and performance and to the provision of any national agreements for such staff, where appropriate).
- (ii) To ensure that Senior Executives and Senior Managers total remuneration can be justified as reasonable in the light of general practices within the public sector in Northern Ireland.
- (iii) To advise on and oversee appropriate contractual arrangements for staff covered. This is to include a proper calculation and scrutiny of termination payments, taking account of such national guidance as is appropriate.
- (iv) To agree and monitor an award strategy which reflects national agreements and policy.
- (v) To monitor the application of the reward strategy to ensure adherence to equality legislation.
- (vi) To agree a performance management system.
- (vii) To establish annually, a framework for local pay negotiation, if required.
- (viii) To monitor and evaluate the performance of the Chief Executive and Directors.

5. COMPOSITION AND CONDUCT OF THE COMMITTEE

- 5.1 The committee will comprise of the Agency Chairman and the other Board members with a quorum of three. The Agency Chairman shall hold the position of Chairman of the Remuneration Committee.
- 5.2 The Chief Executive and members of the Senior Management team should not be present for discussions about their own remuneration and terms of service. However, they may be invited to meetings of the Committee to discuss other staffs' remuneration and terms of service.
- 5.3 When the Committee is discussing local pay bargaining, it will be supported by the Chief Executive. The Committee can require any member of staff to be present at meetings.
- 5.4 The Committee will be constituted as a Committee of the Board of the Agency with the power to make recommendations to it. The Terms of Reference will be approved by the Board of the Agency and recorded in the minutes.

- 5.5 The Committee shall be conducted formally with minutes of proceedings and decisions being submitted to the Board of the Agency. The Committee shall meet not less than once a year.
- 5.6 The Committee will consider what supporting material it requires but may wish to ensure that it has the following:
- (i) A clear statement of the responsibilities of the individual posts and their accountabilities for meeting objectives of the organisation.
 - (ii) A means of assessing the comparative job weight e.g. by job evaluation.
 - (iii) Comparative salary information from the HPSS, other public sector organisations and other industrial and service organisations in Northern Ireland.
 - (iv) Periodic reports from the Chief Executive in order to allow it to make assessments of Directors achievements.

6. GENERAL

- 6.1 In advising appropriate contractual arrangements, the Committee will wish to note that best employment practices recommend that the remuneration and terms and conditions of engagement of staff are set down in writing in a contract of employment, signed by both employer and employee. Although there is no legal requirement to do so, the Committee will want to note that the Employment Rights (NI) Order 1996 requires that each employee receives written particulars of certain terms of the employment contract.