



# **TERMS OF REFERENCE**

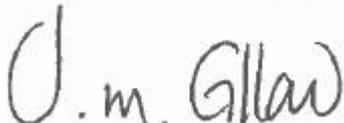
**for the**

**University Hospitals Dorset  
NHS Foundation Trust**

## **Appointments and Remuneration Committee**

## DOCUMENT DETAILS

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<b>Approving Body/Committee:</b>	Board of Directors
<b>Chair:</b>	Judy Gillow, Interim Chair
<b>Signed:</b>	
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Document History					
Date of Issue	Version No:	Next Review Date:	Date Approved:	Person responsible for Change	Nature of Change
March 2026	1.0	March 2027	11 March 2026	Director of Corporate Governance	New Terms of Reference Template. Adding reference to NHSE Exit Payment Guidance

## TERMS OF REFERENCE

<b>COMMITTEE:</b>	<b>Appointments and Remuneration Committee</b>
<b>PURPOSE (1.2):</b>	<p>The primary purpose of the Committee is to identify and appoint candidates to fill the Executive Director positions on the Board and to determine the remuneration and other conditions of service for the Chief Officers and Very Senior Managers.</p> <p>In exercising delegated authority from the Board, the Committee oversees the process for the appointment and removal of the Chief Executive (subject to the Council of Governors' approval), oversees the process for the appointment and removal of the Trust's Chief Officers. Sets remuneration, allowances and other terms and conditions of office of the Trust's Chief Officers.</p>
<b>RESPONSIBILITIES (2.1):</b>	<p>The Committee is responsible for the following:</p> <p><b>Board Composition, Evaluation and Succession Planning</b></p> <ul style="list-style-type: none"> <li>• Regularly review the structure, size and composition of the Board, including skills, knowledge, experience and diversity, and make recommendations for change.</li> <li>• Use the findings of the Board evaluation process to inform recommendations for change.</li> <li>• Work with the Council of Governors' Nominations, Remuneration and Evaluation Committee in relation to Non-Executive Director appointments.</li> <li>• Consider succession planning for the Chief Executive and other Chief Officers.</li> <li>• Keep under review the leadership needs of the Trust at executive level to ensure organisational effectiveness.</li> <li>• Provide input into the formation or continuation of Very Senior Manager roles</li> </ul> <p><b>Appointment of Chief Officers and Executive Directors</b></p> <ul style="list-style-type: none"> <li>• Identify and appoint candidates to fill roles within the Committee's remit as vacancies arise.</li> <li>• Ensure a formal, rigorous and transparent recruitment process, including:             <ul style="list-style-type: none"> <li>○ considering candidates from diverse backgrounds on merit and objective criteria</li> <li>○ using open advertising or external advisers where appropriate</li> <li>○ evaluating required skills, knowledge, experience and diversity for each appointment.</li> </ul> </li> <li>• Ensure proposed appointees disclose:             <ul style="list-style-type: none"> <li>○ significant commitments before appointment</li> <li>○ any conflicts of interest prior to or during appointment.</li> </ul> </li> </ul> <p><b>Continuation in Office, Suspension or Termination</b></p>

- Consider matters relating to the continuation in office of Chief Officers, including suspension or termination, consistent with law and contractual terms.
- Report to and seek approval from the Council of Governors for the appointment or removal of the Chief Executive.

### **Remuneration Policy and Reward Framework**

- Establish and review the remuneration policy for Chief Officers and Very Senior Managers, aligned with:
  - the Trust's wider reward and benefit strategy
  - NHS arrangements
  - extant Treasury guidance.
- Determine remuneration and terms/conditions for those within scope, including:
  - market positioning
  - base salary and salary increases
  - pensions and car benefits
  - allowances
  - expenses
  - compensation payments
  - performance-related incentives and associated targets.
- Consult the Chief Executive when considering remuneration of other Chief Officers.

### **Ensuring Fair, Transparent and Accountable Pay Decisions**

- Set remuneration levels sufficient to attract, retain and motivate high-quality leaders without paying more than necessary.
- Ensure decisions:
  - reflect national guidance and benchmarking
  - avoid increases unless justified by Trust or individual performance
  - remain sensitive to wider staff pay and employment conditions.

### **Contractual Arrangements and Termination Payments**

- Oversee and advise on contractual arrangements for the Chief Executive and Chief Officers, including the scrutiny and calculation of termination payments, ensuring alignment with:
  - HM Treasury guidance
  - National guidance
  - the Code of Governance for NHS Provider Trusts
  - the principle of avoiding rewarding poor performance
- Ensure that all termination, severance, settlement, MARS (Mutually Agreed Resignation Scheme) or other non-contractual exit payments fully comply with the NHS England severance processes.
- Ensure compliance with the HM Treasury control framework for Special Severance Payments.
- Agree and review the extent to which a full-time Chief Officer may take on a Non-Executive Director or Chair role in another organisation of comparable size and complexity.

### **Performance Evaluation**

- Monitor and assess performance evaluation outputs for individual Chief Officers and consider findings when reviewing remuneration.

<b>MEMBERS (3.1):</b>	Membership of the Committee comprises:  <b>All Non-Executive Directors</b>		<b>STANDING ATTENDEES (3.2):</b>	Standing attendees:  <b>Chief People Officer Director of Corporate Governance</b>	
<b>CHAIR (3.3):</b>	<b>Trust Chair</b>	<b>DEPUTY CHAIR (3.3):</b>	<b>Vice Chair</b>	<b>SECRETARY (5.5):</b>	The <b>Director of Corporate Governance</b> or their nominee.
<b>MEETING TIMING (FREQUENCY AND DURATION) (5.1):</b>	The Committee meets <b>at least once in each year.</b>		<b>QUORUM (5.2)</b>	Meetings will be quorate if at least <b>three members</b> are present, including <b>Trust Chair</b> (or Trust Vice Chair in their absence)	
<b>ACCOUNTABLE TO: (the Accountable Group) (6)</b>	The Committee is accountable to the Board of Directors.		<b>REPORTING GROUPS (6.5):</b>	N/A	

## UNIVERSITY HOSPITALS DORSET NHS FOUNDATION TRUST

### TERMS OF REFERENCE

#### 1. PURPOSE

- 1.1 The Trust's vision is to positively transform its health and care services as part of the Dorset Integrated Care System. Its mission is to provide excellent healthcare for its patients and wider community and be a great place to work now and for future generations.
- 1.2 The purpose of the Committee and how it will achieve its purpose is as set out above.
- 1.3 The Committee has no executive powers other than those specifically delegated in these terms of reference.

#### 2. RESPONSIBILITIES

- 2.1 The responsibilities of the Committee are set out above.

#### 3. MEMBERSHIP/ ATTENDANCE

- 3.1 Membership of the Committee is set out above.
- 3.2 Standing attendees are set out above. In addition, other individuals may be invited to attend with agreement of the Chair (or in their absence the Deputy Chair).
- 3.3 The Committee will be chaired by the role holder above. A Deputy Chair may be nominated. In the absence of the Chair and/or an appointed Deputy Chair, the remaining members shall elect another member to present to chair the meeting (which, in the case of a Board Committee shall be a Non-Executive Director).
- 3.4 Subject to paragraph 3.2 above, only members of the Committee have the right to attend meetings. If a standing member is unable to attend, they may exceptionally send a deputy to the meeting. (In the case of a Board Committee, a deputy will not have voting rights at the meeting). The Chair or other person chairing the meeting may ask any or all of those who attend, but who are not members, to withdraw to facilitate open and frank discussion of particular matters.
- 3.5 Committee members should aim to attend all scheduled meetings but in any event are expected to attend a minimum of three quarters of all meetings. For the purposes of calculating attendance, a deputy attending on behalf of a member shall not count towards the members' attendance. A record of members' attendance shall be maintained.

#### 4. AUTHORITY

- 4.1 The Committee is authorised to approve its governance cycle.
- 4.2 The Committee is authorised by the Board to investigate/review any activity within the Terms of Reference.
- 4.3 The Committee is authorised by the Board to obtain any external advice it requires to discharge its duties and to request the attendance of individuals and authorities from outside the Trust with relevant experience and expertise if it considers this necessary for or expedient to the exercise of its functions.
- 4.4 The Committee is authorised to obtain such internal information as is necessary and expedient to the fulfilment of its functions.

## **5. CONDUCT OF BUSINESS**

- 5.1 The Committee will normally meet at the frequency set out above and at such other times as the Chair shall require.
- 5.2 Meetings of the Committee will be quorate if there are at least the members present set out above for a quorum.
- 5.3 If a meeting of the Committee is inquorate, then the meeting can progress if those present determine. However, no business shall be transacted.
- 5.4 Meetings of the Committee will be called by the Secretary at the request of the Chair. The Secretary of the Committee will be as stated above.
- 5.5 The Secretary (or their nominee) is responsible for preparing the agenda for agreement by the Committee Chair. The Secretary (or their nominee) shall collate and circulate papers to Committee members. Unless otherwise agreed by the Committee Chair, papers should be provided not less than seven working days before the meeting and the agenda and papers should be circulated not less than five working days before the meeting.
- 5.6 Under exceptional circumstances, in the case of emergency or urgency, items of business may be conducted outside of formal meetings. This should normally be agreed by the Committee in advance and carried out either by: Chair's action, calling an extraordinary meeting or reaching consensus on a decision by e-mail. Any decisions made in this manner must be formally ratified by the Committee at the next meeting.
- 5.7 Committee business may be transacted through virtual media (including but not limited to video conferencing). At the start of each meeting taking place without all parties physically present, the Chair shall be responsible for determining that the meeting is quorate.
- 5.8 Proceedings and decisions made will be recorded in the form of minutes or notes (as specified above), which will be submitted to the next meeting of the Committee for approval.

- 5.9 Members will be expected to conduct business in line with the Trust's values and objectives.

## **6. RELATIONSHIPS AND REPORTING**

- 6.1 The Committees will be accountable to the group set out above (the Accountable Group), to whom it shall make recommendations in relation to issues that require decision or resolution.
- 6.2 The Committees will present a report summarising the proceedings of each of its meetings at the next meeting of the Accountable Group. For the avoidance of doubt, where practicable, this shall be a written report, with a verbal update being provided as necessary.
- 6.4 The Committee may refer to the other groups specified above any matters requiring review or decision in such forum(s).
- 6.5 The Committee will receive reports from the Reporting Groups set out above.

## **7. MONITORING**

- 7.1 Attendance will be monitored at each Committee meeting. A matrix (see example at Appendix A) of membership attendees will be used for monitoring purposes.
- 7.2 The Trust's Annual Report will include attendance of members, frequency of meetings and whether meetings were quorate.
- 7.3 On an annual basis, the Committee will provide a self-assessment report to the Accountable Group detailing how the Committee has discharged its obligations as set out within its terms of reference, specifically incorporating an assessment of its effectiveness and making recommendations for improvement, where appropriate.

## **8. REVIEW**

- 8.1 These Terms of Reference will be reviewed annually or sooner if appropriate.
- 8.2 The position of the Chair of the Committee will be reviewed at least every three years.

**APPENDIX A**

**ATTENDANCE AT COMMITTEE MEETINGS**

<b>NAME OF [Amend as appropriate: COMMITTEE/</b>	<b>[Insert name of Committee/Group]</b>											
<b>Present (include names of members present at the meeting)</b>	<b>Meeting Dates</b>											
<b>In Attendance</b>												
Was the meeting quorate? Y / N  (Please refer to Terms of Reference)												