



Remuneration Sub-Committee -Terms of Reference

Role

The Remuneration Sub-committee defines, reviews, recommends, and provides assurance on the following:

- **The CEO Director Service Level Agreement and remuneration**, including external benchmarking and advice where appropriate. Final decisions rest with the Board under its agenda item 'Members Private Discussion'. Other staff-related matters may be approved by the Board through its usual governance processes.
- **Staff terms and conditions of employment**, including recommendations on the annual pay settlement.
- **The remuneration strategy**, including pay principles (e.g. benchmarking, role level comparators, and uplift proposals).
- **Gender Pay and CEO Pay Ratio Reporting**.
- **Corporate policies** associated with staff terms and conditions of employment.
- **Assurance that pay arrangements comply** with the National Minimum Wage and National Living Wage.
- **Adoption and compliance with the RSH Competency and Conduct Standard**.

Membership

- Minimum of three non-executive board members.
- No executive or co-opted executive members permitted as voting members.
- All Board members may attend (no voting rights).
- The Chair of the Board must not chair this Sub-committee.
- The Chair of the Sub-committee may access legal advice as needed.
- Sub- committee membership reviewed annually at the September Special Meeting.

Accountability

The Sub-committee is accountable to the Board.

It reports via approved written minutes and verbal updates from the Chair.

Final decisions, including CEO remuneration and staff pay policy changes, are subject to Board approval.

Quorum

Two non-executive members.

Frequency

Biannual meetings, plus additional meetings as required.

Disputes

In case of dispute, the Board's decision overrides the Sub-committees.



Remuneration Sub-Committee -Terms of Reference

Staff terms and conditions of employment

- The Sub-committee reviews the employee remuneration strategy annually and recommends changes, including the annual pay settlement, to the Board for approval.
- Members of the EMT retains delegated authority for individual pay decisions below executive level, provided they remain consistent with the approved remuneration strategy, any applicable role-level comparators, and the agreed staffing budget.
- The Sub-committee reviews and approves staff terms and conditions of employment.
- The Sub-committee receives assurance from the Director of Operations confirming compliance with the National Minimum and the National Living Wage.

The Remuneration Strategy

The Sub-committee defines and recommends the remuneration strategy annually, ensuring alignment with our values, structure, workforce composition, and operational context.

Gender Pay and CEO Ratio Reporting

- Supports Equal Pay Reviews.
- Monitors and set targets for inclusion and equality.
- Oversees future reporting obligations on pay gaps and ratios.

The CEO Director Service Level Agreement and Remuneration

Considers CEO remuneration with external advice as needed and makes recommendations to the Board.

Final decisions rest with the Board, under Members Private Discussions.

Reviews the CEO Service Level Agreement biennially.

Oversees the Board in CEO appraisal, appointment, or dismissal.

Supports the CEO in Executive Director appointments/dismissals.

If the Chief Executive's Contract is to be terminated

The Sub-committee supports the Board in reviewing justification, costs, and reputational risks associated with any severance.

Any recommendations go to the Board for approval.

Risk

Identifies and escalates risks to the Board and risk assurance framework (e.g. compliance with pay legislation, equity concerns, or reputational risk).

Ensures compliance with the NHF Code of Governance 2020 relevant to the responsibilities of the Sub-committee.

Approving Corporate Policies

Reviews and approves HR related corporate policies, previously reviewed by the Audit and Compliance Sub- committee (as per Board policy schedule).