



NHS Improvement's People Committee Terms of Reference

Approved by the Board on 30 July 2019

NHS England and NHS Improvement



1. Purpose

- 1.1 The NHS Improvement People Committee (the Committee) is a committee of NHS Improvement (the organisational name for Monitor and the NHS Trust Development Authority (NHS TDA) and a sub-committee of the Delivery, Quality and Performance Committee (DQPC). It has been established by the Board of NHS Improvement to meet in common with NHS England's People Committee to support the exercise of the respective duties and powers of the DQPC and the Boards of both organisations in their joint setting of an overall people strategy and delivery plan for the NHS. Together, the Committee and NHS England's People Committee will oversee the delivery of workforce improvement support, talent management and the development of senior leadership capability.
- 1.2 As part of this overarching role, the Committee will be responsible for exercising NHS Improvement's functions as follows:
 - 1.2.1 In relation to appointments, NHS TDA's powers, as delegated by the Secretary of State for Health and Social Care, to appoint chairs and non-executive directors of NHS trusts, and suspend and terminate those appointments.
 - 1.2.2 In relation to remuneration of executive directors in NHS trusts, to ensure consistency, equity and probity in use of public money, to take a system-wide view of the implications of remuneration requests, and to approve pay and other remuneration requests, where necessary.

2. Composition

Membership

- 2.1 The members of the Committee are appointed by the Board and will be made up of:
 - 2.1.1 one Non-Executive Director of NHS Improvement;
 - 2.1.2 the Chair of Health Education England;
 - 2.1.3 the Chief Executive of Health Education England.
 - 2.1.4 the Chief Executive Officer of NHS Improvement; and
 - 2.1.5 the Chief People Officer.

Committee Chair

- 2.2 The Committee will be chaired by the Non-Executive Director. In the absence of the nominated Chair, the Chief Executive Officer of NHS Improvement will chair the meeting.

Secretary

- 2.3 The Head of Governance or their nominee will act as the secretary to the Committee.

3. Meeting arrangements

Attendance

- 3.1 Members of the Committee are expected to attend meetings wherever possible. In exceptional circumstances and subject to prior approval from the Chair of the Committee, a deputy can attend.
- 3.2 Any Non-Executive Director of NHS Improvement who is not a member of the Committee is entitled to attend Committee meetings. At the invitation of the Committee Chair others may also attend Committee meetings.
- 3.3 The Chair may ask any person in attendance who is not a member of the Committee to withdraw from a meeting to facilitate open and frank discussions of a particular matter.

Meetings

- 3.4 The Committee will meet in common with NHS England's People Committee (including by telephone or video conferencing) at least four times a year or as determined by the Committee Chair. Any member of the Committee may ask for a meeting to be convened in person, by video-conference or by telephone, or for a matter to be considered in correspondence.
- 3.5 The quorum for meetings is three members, including the Non-Executive Director. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 3.6 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda and supporting papers shall be circulated to each member of the Committee, any other person invited or required to attend and all other Non-Executive Directors, no later than five working days before the date of the meeting.
- 3.7 The secretary will minute the proceedings and decisions of all meetings of the Committee, including recording the names of those present and in attendance.
- 3.8 Draft minutes will be sent to the Committee Chair within four business days of the meeting and submitted for formal agreement at the next meeting.
- 3.9 Except as outlined above, meetings for the Committee shall be conducted in accordance with the relevant provisions of NHS Improvement's Rules of Procedure.

4. Declarations of Interest

- 4.1 All members and attendees of the Committee must declare any relevant personal, non-personal, pecuniary or potential interests at the commencement of any meeting. The Chair of the Committee will determine if there is a conflict of interest such that the member and/or attendee will be required not to participate in a discussion or otherwise limit their involvement in the meeting.
- 4.2 Any member at any time is entitled to ask the Chair whether an item of business should be discussed outside of a meeting in common as it conflicts with a power or duty of an individual organisation.
- 4.3 The Head of Governance can provide advice on reporting Declarations of Interests.

5. Functions and Duties

- 5.1 The Committee will, working in common with the NHS England's People Committee, work collaboratively with national partners to oversee and challenge the delivery of the overall people strategy for NHS providers and the development and delivery of a plan to realise this, in line with the Long Term Plan.
- 5.2 In particular, the Committee will:
 - 5.2.1 oversee the implementation of the key provisions in the Interim People Plan and later, the full People Plan;
 - 5.2.2 support, challenge and advise on the new talent management arrangements to ensure they will deliver a step change improvement in talent management and develop a pipeline of Chairs, CEOs and other senior level appointments;
 - 5.2.3 support, challenge and advise on initiatives for workforce improvement. This will include advising on the development of a targeted offer of NHS workforce improvement support in areas including, but not limited to, talent management and development, attraction, recruitment and retention, career development and opportunity, culture improvement and staff health and wellbeing to ensure the effective resourcing of multi-professional staff meets the current and future demand;
 - 5.2.4 oversee the delivery of a 'best practice' support offer (alongside national bodies) for NHS people issues, building on and scaling the most effective current offers and identifying and addressing new opportunities in areas such as skill mix design and developing innovative new clinical and non-clinical roles;

- 5.2.5 oversee the delivery of a programme of engagement and support focused specifically on continuously improving people/HR, organisational development and change management functions within NHS providers;
- 5.2.6 support the building of the 'brand' of careers in NHS management to improve and expand the overall breadth of management talent; and
- 5.2.7 work collaboratively with Health Education England (HEE) to review the HEE mandate, including current and past performance and making recommendations on the future year's mandate for approval by the NHS Improvement Board, and recommend changes to enhance HEE's offering to systems and providers.

Appointments

- 5.3 Subject to any restrictions set out in relevant legislation, the Committee operates with the authority of NHS TDA to determine any appointment matters within its terms of reference relating to chairs and non-executive directors of NHS trusts and special trustees for NHS trusts and NHS foundations trusts, including non-executive directors of companies appointed as trustees (together the Trustees). The Committee will take proper account of any directions from the Department of Health and Social Care and the Governance Code on Public Appointments. The Committee may seek independent information as necessary to inform its decisions.
- 5.4 The Committee's duties include:
 - 5.4.1 in relation to Trustees, appointment and termination matters;
 - 5.4.2 in relation to non-executive directors, appointment and tenure, termination and suspension of office and cessation of disqualification; and
 - 5.4.3 in relation to chairs, appointment and tenure, termination and suspension of office, appointment of vice-chair on suspension of chair and cessation of disqualification.
- 5.5 The Committee has delegated the duties in paragraph 5.4.1 and 5.4.2 to the Regional Trust Appointment and Approvals Committee and the duties in paragraph 5.4.3 to the Trust Appointment and Approvals Committee.
- 5.6 The Committee will, in relation to the appointment of chairs, non-executive directors and Trustees (other than companies appointed as trustees):
 - 5.6.1 approve policies relating to duties and roles, criteria for appointment and appraisals;
 - 5.6.2 approve the method for appointments and guidance on appointments;

- 5.6.3 provide oversight for chair appraisals;
- 5.6.4 review strategies and approve policies on the diversity of appointments;
- 5.6.5 review recruitment strategies to ensure that there is adequate succession planning and talent management in the sector;
- 5.6.6 monitor and report to the Commissioner of Public Appointments on the diversity of appointments;
- 5.6.7 review the performance, constitution and terms of reference of the sub-committees to ensure that they are operating at maximum effectiveness; and
- 5.6.8 provide advice on appointment or governance issues, managing associated risks and ensuring that the Board is advised of any issues that require further action.

Remuneration

5.7 The Committee's duties include:

- 5.7.1 reviewing proposed salaries at or above £150k for very senior managers (VSMs) on appointment and providing approval for appointments in NHS trusts or an opinion for appointments in NHS foundation trusts, prior to HM Treasury approval;
- 5.7.2 reviewing and approving all VSM salaries in ambulance and community NHS trusts that are above the median values published NHS Improvement's pay range tables;
- 5.7.3 reviewing proposed revisions to salaries to increase an existing salary to £150k or above for VSMs and providing approval for NHS trusts or an opinion for NHS foundation trusts, prior to subsequent submission for HM Treasury approval; and
- 5.7.4 reviewing proposals to re-appoint executive directors for whom a 'retire and return' submission is made, providing approval for NHS trusts or an opinion NHS foundation trusts.

5.8 In relation to remuneration in NHS trusts, the Committee will take proper account of national agreements, e.g. Agenda for Change, and guidance issued by the Government, the Department of Health and Social Care and the NHS in reaching its determinations. The Committee may seek independent information as necessary to inform its recommendations.

5.9 The Committee has delegated the above duties in paragraphs 5.7 and 5.8 to the Regional Trust Appointments and Approvals Committee.

5.10 The Committee will be informed of and, where applicable, asked for comment on changes to national VSM pay policy.

Termination of office

5.11 The Committees duties include:

- 5.11.1 reviewing and approving termination cases submitted by NHS trusts that include contractual severance payments, including individual compulsory and voluntary redundancy cases and mutually agreed resignation (MAR) scheme cases for non-VSM staff where these exceed £150,000;
- 5.11.2 reviewing and approving all contractual termination payments of any value for executive directors in NHS trusts;
- 5.11.3 reviewing and approving non-contractual termination payments of any value for all staff in NHS trusts, prior to HM Treasury review; and
- 5.11.4 reviewing and providing an opinion on non-contractual termination payments of any value in NHS foundation trusts.

5.12 The Committee has delegated the above duties in paragraph 5.11 to the Trust Appointment and Approvals Committee.

Other

5.13 Discussing any matter which any member of the Committee believes to be of such importance that it should be brought to the attention of the Committee.

5.14 Where the Committee considers an item of business may give rise to a potential conflict by meeting in common, the Committee may refer that business to the Board.

6. Reporting responsibilities

6.1 The Committee's Chair shall report formally to the DQPC on its proceedings after each meeting on all matters within its duties and responsibilities.

6.2 The Committee shall make whatever recommendations to the DQPC it deems appropriate on any area within its remit where action or improvement is needed.

7. Other matters

The Committee will:

7.1 have access to sufficient resources to carry out its duties, including access to the Head of Governance for assistance as required;

7.2 consider any other matters where requested to do so by the DQPC or the Board; and

5.1. review on an annual basis its own performance and terms of reference to ensure that it is operating effectively as part of the Board's effectiveness review.

8. Authority

The Committee is authorised:

- 8.1 to seek any information it requires, or request attendance at a meeting, from any employee of NHS Improvement or NHS England in order to perform its duties;
- 8.2 to obtain, at NHS Improvement's expense, outside legal or other professional advice on any matter within its terms of reference (subject to budgets agreed by the Board). For legal advice, the General Counsel shall be consulted prior to procurement of external advice; and
- 8.3 to appoint, with the agreement of the Board, sub-committees with such membership and terms of reference as the Committee may determine and delegate any of its responsibilities to such a sub-committee.