

**To:** Provider Leadership Committee

**For meeting on:** 25 January 2018

**Agenda item:** 10

**Report by:**

████████████████████  
████████████████████

**Report on:** Updated Terms of Reference

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1. In May 2017, a number of changes to the Provider Leadership Committee Terms of Reference we agreed in correspondence.
2. It has become apparent that several clarifying edits were missed as part of this process, and for completeness this paper presents the Committee with the final Terms of Reference, with the edits highlighted in yellow.
3. The Committee is asked to approve the Terms of Reference below.

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**PROVIDER LEADERSHIP COMMITTEE**  
**TERMS OF REFERENCE**

**1. Purpose**

1.1. The purpose of the Provider Leadership Committee is two-fold:

1.1.1. In relation to appointments, the Committee is to exercise the NHS TDA's powers, as delegated by the Secretary of State for Health, to appoint Chairs and Non-Executive directors of NHS trusts and appoint charity trustees, and suspend and terminate those appointments; and

1.1.2. In relation to remuneration of staff in NHS trusts, the Committee's purpose is to ensure consistency, equity and probity in use of the public funds, to take a system-wide view of the implications of remuneration requests, and to approve pay and other remuneration requests for designated staff in NHS trusts.

**2. Membership**

2.1. The Committee shall be made up of:

2.1.3 Up to three Non-Executive Directors, one of whom will be the Committee Chair (appointed by the NHS Improvement Board);

2.1.4 Executive Regional Managing Director (London);

2.1.5 Deputy CEO, Executive Director of Resources; and

2.1.6 Executive Director of Improvement

2.2. In exceptional circumstances the Executive members of the Committee may appoint a deputy to attend on their behalf.

2.3. Others may be invited by the Chair to attend all or part of any meeting.

2.4. It is anticipated that the following will be regular attendees at formal meetings of the Committee:

2.4.1. a member of the Board Secretariat (minutes);

2.4.2. the Head of Trust Resourcing; and

2.4.3. the Head of Non-executive Development.

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**3. Secretary**

- 3.1. A member of the Board Secretariat shall act as the Secretary of the Committee at its formal meetings.

**4. Quorum**

- 4.1. The quorum necessary for the transaction of business shall be three members including one 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.
- 4.2. Participation in meetings will usually be in person, but, in exceptional circumstances, members of the Committee may participate by telephone or video conferencing facility and be deemed to be present and constitute part of the Committee for that meeting. The Committee will also conduct business in correspondence.

**5. Frequency of Meetings**

- 5.1. The Committee shall hold formal quarterly meetings. Any member of the Committee can ask for a meeting to be convened in person, by video-conference or by telephone, or for a matter to be considered in correspondence.

**6. Notice of Meetings**

- 6.1. Formal meetings of the Committee, other than those regularly scheduled as above (paragraph5.1), shall be summoned by the Secretary of the Committee at the request of the Executive Regional Managing Director (London) or the Deputy CEO, Executive Director of Resources.
- 6.2. Unless otherwise agreed, notice of each formal meeting confirming the venue, time and date together with an agenda of items to be discussed and any supporting papers, shall be forwarded to each member of the Committee and any other person required to attend, no later than five working days before the date of the meeting.

**7. Conduct of Meetings**

- 7.1. Except as outlined above, formal meetings of the Committee shall be conducted in accordance with the provisions of NHS Improvement’s Rules of Procedure.

## 8. Minutes of Meetings

- 8.1. The Secretary shall minute the proceedings and resolutions of all formal meetings of the Committee, including recording the names of those present and in attendance.
- 8.2. Minutes of formal Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board, unless it would be inappropriate to do so.

## 9. Duties

### *Appointments*

- 9.1. Subject to any restrictions set out in relevant legislation, the Committee operates with the authority of the NHS TDA to determine any matter within its terms of reference. The Committee will take proper account of any directions from the Department of Health and the Governance Code on Public Appointments. The Committee may seek independent information as necessary to inform their decisions.
- 9.2. The Committee's role is to exercise the NHS Trust Development Authority (NHS TDA)'s powers, as delegated by the Secretary of State for Health, to appoint Chairs and Non-Executive Director of NHS trusts and appoint charity trustee, and suspend and terminate those appointments.
- 9.3. The Committee's duties in relation to NHS Trust Chairs, Non-Executive Directors and charity trustees include:
  - 9.3.1. making appointments of Chairs, Non-Executive Directors and trustees;
  - 9.3.2. considering cases for suspension and termination of appointments and establish Termination of Appointment Panels that advise the TDA, as required;
  - 9.3.3. approving policies on the duties and roles, recruitment, appointment, development, appraisal, suspension and termination;
  - 9.3.4. reviewing strategies and approving policies on the diversity of appointments;
  - 9.3.5. reviewing recruitment strategies to ensure that there is adequate succession planning and talent management in the sector;
  - 9.3.6. monitoring and reporting to the Commissioner of Public Appointments on the diversity of NHS trust non-executive appointments;

- 9.3.7. reviewing the performance, constitution and terms of reference of the sub-committees to ensure that they are operating at maximum effectiveness;
- 9.3.8. providing advice to the Board on non-executive and trustee appointment or governance issues, managing associated risks, and ensuring that the Board is advised of any issues that require further action; and
- 9.3.9. seeking legal and other advice if it considers this necessary.

*NHS Trust Remuneration*

9.4. 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 the NHS in reaching its determinations. The Committee may seek independent information as necessary to inform their recommendations

9.5. The Committee’s duties with regard to NHS Trust staff are to approve the following:

9.5.1. proposals from NHS trusts for implementing local Mutually Agreed Resignation (MAR) schemes and voluntary redundancy schemes;

9.5.2. contractual termination payments including individual compulsory and voluntary redundancy cases and MARs cases for non-VSM staff where over £100k and for all contractual termination payments to CEOs and Directors;

9.5.3. non-contractual termination payments for all staff prior to HM Treasury review;

9.5.4. all salaries for Very Senior Managers in ambulance and community trusts; and

9.5.5. salaries at or in excess of £150,000 in all NHS trusts.

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

**10. Reporting Responsibilities**

10.1. The Executive Regional Managing Director (London) shall be responsible for ensuring that the work of the Committee is reported to the Board.

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January 2018

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