



**PEOPLE COMMITTEE
TERMS OF REFERENCE**

1. Title and Constitution of Committee

The People Committee (the Committee) is established by the Board of NHSBT as a non-executive committee of the Board with powers and responsibilities delegated to it within the NHSBT Standing Orders and these Terms of Reference.

2. Purpose of Committee

The purpose of the Committee is to support the Board in its responsibility to discharge its regulatory duties in respect of employee relations matters, to provide assurance on the board composition and organisational climate, and to approve recommendations for external recognition.

The Committee fulfils the role of the Remuneration and Terms of Service Committee described in EL(94)40 of the Code of Conduct and Accountability 2004.

3. Remit and Responsibilities of the Committee

The Committee has delegated Authority from the NHSBT Board to consider the matters listed below:

- 3.1 Terms and Conditions (including Pay and Severance)
- 3.2 Senior Level Capability
- 3.3 To act as a nominations committee for appointments to or removal of the Chief Executive and other Executive Director posts
- 3.4 To be responsible for determining which Executive Directors are members of the NHSBT Board
- 3.5 Fit and Proper Persons Regulations Assurance
- 3.6 Equality and Diversity Inclusion Compliance
- 3.7 Mandatory Training Sub-committee.

3.1 Terms and Conditions (including Pay and Severance)

3.1.1 It will determine the remuneration and conditions of service of those very senior managers currently paid under the terms of the Executive Senior Manager (ESM) Framework 2016 and any other management posts with a base salary in excess of £100,000 per annum.

3.1.2 In doing so, the Committee will have due regard to the terms of the ESM Framework and any associated DHSC and NHS guidance. The Committee will ensure that decisions made on remuneration properly support the objectives of the Authority, represent value for money, display financial responsibility and comply with statutory and NHS requirements.

3.1.3 Through the Chair of NHSBT and the Chief Executive, to monitor and evaluate the performance of the Chief Executive and individual NHSBT Directors and to use the

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authority delegated by the Board to set performance bonuses, if appropriate and within guidelines and/or requirements set by DHSC.

3.1.4 Through the Chair of NHSBT and the Chief Executive, to oversee and advise the Board on termination and severance arrangements in relation to the Chief Executive and NHSBT Directors.

3.1.5 To ensure that appropriate details of Board Members' remuneration and other benefits are published in the Annual Report.

3.1.6 To consider and approve any individual redundancies with projected costs in excess of £100,000.

3.1.7 To consider and approve any redundancies of 10 or more cases as part of one redundancy/restructure programme, regardless of projected cost where further external approval is required, as well as all voluntary redundancy schemes.

3.1.8 To provide prior consideration and approval to any special/special severance payment, including confidentiality clauses, where further external approval is required.

3.1.9 To consider and approve PILON cases of £50,000 or more, or any CILON case irrespective of cost, where further external approval is required.

3.1.10 To consider and approve redundancy proposals within organisational change exercises, where the total estimated redundancy cost exceeds £500k.

3.2 Senior Level Capability

3.2.1 Annually, the Committee shall receive assurance on:

- i. Strategic issues affecting NHSBT and any implications for requirements of skills and expertise of the Board and executive leadership of the organisation
- ii. The structure, size, diversity and composition of the existing Board and, given the assessment of strategic issues, make recommendations to the Board for future succession planning or near-term changes where needed
- iii. NHSBT's talent management and succession planning strategies for the executive leadership of NHSBT (CEO and 2 layers below in order to assure itself of), assuring itself of the continued ability of the organisation to operate effectively in its strategic context.

3.2.2 To act as a nominations committee for appointments to or removal of the Chief Executive and other Executive Director posts as follows:

- i. Responsibility for ensuring that a proper process is in place for the appointment or removal of chief executive officer.
- ii. Responsibility for ensuring there is a process for the appointment or removal of the other executive directors and to set the remuneration and allowances and other terms and conditions of office of the executive directors, in collaboration with the chief executive officer.

3.2.3 To be responsible for determining which Executive Directors are members of the NHSBT Board.

3.3 Organisational climate

3.3.1 It will maintain an overview of the culture and climate of NHSBT to ensure NHSBT delivers on its ambition to be a high performing and inclusive organization

3.3.2 This assurance will be sought through the regular review of trends relating to whistleblowing, Freedom to Speak Up, D&G case loads and absence data to identify specific issues or deterioration in climate. The People Committee will also review *Our Voice* survey results and follow-up on subsequent action plans. Employee representatives, network representatives may be invited to participate in Committee discussions on the above topics to bring them to life for the Committee.

3.3.3 The People Committee will report back to the Board with any major concerns which require its attention

3.4 Approval of recommendations for external recognition for NHSBT employees

3.4.1 The Committee shall:

- Receive assurance that an effective process is in place for the consideration and approval of recommendations for local Clinical Excellence Awards for NHSBT medical staff.
- Receive assurance that an effective process is in place for the consideration and approval of recommendations from the NHSBT Honours Committee.

3.5 People Strategy

3.5.1 The Committee shall have oversight of the People Strategy, related programs and success measures for the programs.

3.6 Fit and Proper Persons Regulations

3.6.1 The Committee shall:

- Monitor compliance of the Fit and Proper Persons Regulations (FPPR) for Non-Executive Directors and Executive Directors.
- Receive an annual report from the Company Secretary on FPPR annual checks compliance.

3.7 Equality, Diversity and Inclusion Compliance

3.7.1 The Committee shall review annually the Equality, Diversity and Inclusion (EDI) objectives set to fulfil the organisation's public sector legal obligations

3.7.2 The Committee shall confirm to the Audit, Risk and Governance Committee, NHSBT's EDI compliance in respect of legal and regulatory obligations.

3.8 Mandatory Training Sub-committee

3.8.1 The Committee shall receive quarterly reports and an annual report from the Mandatory Training Sub-committee. The annual report of the Mandatory Training

Group will be presented to the Audit, Risk and Governance Committee for information as an assurance for risk control.

4 Reporting Relationship

The Committee reports to the NHSBT Board and will escalate any major concerns in a timely manner. The Committee will ensure the minutes are made available to the next Board meeting. In exceptional circumstances, where meeting content is highly confidential and/or sensitive and not appropriate for full minutes, the Chair and Lead Executive shall decide how to record and report this to the Board.

The Committee shall annually prepare and present a report of its activities, and a self-assessment of its effectiveness for the Board.

5. Composition, Membership, Attendance and Quorum of Committee

The Committee shall be appointed by the Board from amongst the Non-Executive Directors, one of whom shall be the Chair of the Committee.

The Committee shall consist of not less than three members, one of whom shall be the Chair of the Authority.

The quorum shall be two members.

The Chief Executive and Chief People Officer will normally attend meetings and other NHSBT Directors may be invited by the Chair of the Committee, to attend for specific items. Attendance by any non-members will be at the discretion of the Committee Chair.

The Committee is authorised by the Board to obtain reasonable external legal or other independent professional advice and to secure the attendance of others with the relevant experience and expertise if it considers this necessary.

6. Responsible Executive Director

The lead Director providing support to the Committee is the Chief People Officer.

7. Frequency, conduct and proceedings of meetings

The Committee shall normally meet four times a year with further meetings called at the discretion of the Chair of the Committee.

If all members agree, urgent matters arising between formal meetings can be dealt with by e-mail, telephone or videoconference, with the outcomes of such exchanges formally recorded in the minutes of the next full meeting.

8. Declaration of interests

All meetings shall have an allocated agenda item for declarations of interest, and these must be formally recorded. Neither the Chief Executive nor any NHSBT Director shall be present during discussions in relation to their own remuneration, performance and terms of service.

9. Secretariat

The Central Secretariat managed by the Company Secretary will provide administrative secretariat support. Duties of the secretariat will include:

- Agreement of agenda with Chair and including feedback from other attendees
- Collation and distribution of papers for meetings
- Drafting of minutes for agreement by Chair and attendees
- Advising the Committee on pertinent areas and briefing the Chair as appropriate via the Chief People Officer.

10. Monitoring effectiveness

The Committee will review its performance, evaluate any support or development needs, and review its effectiveness including its terms of reference and work programme annually. The results of the effectiveness review and Terms of Reference review will be reported to the Board.

Appropriate external and internal auditors, as agreed by the Board, shall have the right of direct access to the Committee for the purposes of auditing its work and effectiveness.

11. Dates of Revisions

Approved	NHSBT Board on (to be inserted)
Review due	February 2025 (or earlier if required)