

# Public Services Delivery Scotland

## Remuneration Committee Terms of Reference

### 1. Purpose

- 1.1. The Remuneration Committee, referred to hereafter as “the Committee”, ensure the application and implementation of fair and equitable pay systems on behalf of the Board. The Committee will provide assurance that systems and procedures are in place to comply with directions, guidance and circulars<sup>1</sup> and shall ensure that overarching staff governance responsibilities can be discharged.
- 1.2. The Committee shall operate within the Corporate Governance Framework<sup>2</sup> approved by the Board and in accordance with the principles outlined in the [Blueprint for Good Governance](#). It is established in accordance with [MEL \(1993\) 114](#) and subsequent amendments.

### 2. Membership and Attendance

- 2.1. The Chair of the Board and at least three non-executive members, of which one must be the Employee Director(s), shall be members of the Committee. The Chair of the Committee will be nominated by the Chair of the Board and thereafter confirmed by the Board. The Committee may nominate a Vice Chair from among the membership to deputise for the Chair of the Committee as required. The Committee’s current composition is as follows:
  - **Chair:** G. Valiotis.
  - **Vice Chair:** I. Cant.
  - **Members:** L. Blackett; L. Grieve; K. Redpath.
- 2.2. The Committee will routinely invite the Director of HR and Organisational Development and the Director of People and Culture to receive professional advice. The Chief Executive Officer will also be regularly invited. Other officers may be invited to attend meetings as required.
- 2.3. Attendees will not be present for any discussion or decisions relating to their own performance, remuneration, and terms and conditions.
- 2.4. Papers are shared only with Committee members and authorised attendees in line with requirements under the Data Protection Act 2018 and the General Data Protection Regulation (GDPR).
- 2.5. Executive performance papers remain restricted to Committee members, except where the National Performance Management Committee (NPMC) requests information for assurance, such as evidence and/or minutes.

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<sup>1</sup> Including but not limited to: [MEL \(1993\) 114](#), [DL \(2019\) 15](#), [PCS\(DD\)1995/6](#), [PCS\(DD\)2000/1](#), [PCS\(DD\)2022/01](#) and [Consultant Grade Terms and Conditions of Service](#).

<sup>2</sup> The Corporate Governance Framework includes the Standing Orders, Scheme of Delegation, Standing Financial Instructions, Board Assurance Framework, Code of Conduct and Committee Terms of Reference.

### **3. Meetings and Quorum**

- 3.1. The Committee shall meet at least two times per year. Meetings and business will be conducted in accordance with the Standing Orders, as approved by the Board.
- 3.2. The quorum for a meeting of the Committee shall be no less than one-third of the members, as outlined in paragraph 2.1, who are entitled to vote and, in any event, not less than three members.
- 3.3. Meetings will not be held in public and the Committee may sit in private without any non-members present for all or part of a meeting if they so decide.

### **4. Reporting**

- 4.1. The Committee shall develop a schedule of business each year to determine the information that it requires at meetings. An annual report shall also be prepared for the Board to provide assurance that the Committee continues to discharge its remit effectively.

### **5. Remit**

The Committee shall:

- 5.1. Comply with all Health and Social Care Directorate in Scottish Government directions and take into account any relevant guidance on remuneration or terms and conditions of employment.
- 5.2. Review and approve all new or additional posts created at higher Agenda for Change bands (8d and 9) and Executive Grades. In addition, agree on appointments where the lower half of the salary range will not secure the preferred candidate. The Committee may delegate authority to the Chair to approve these matters to prevent delays in appointments, with a report of all decisions submitted to the next Committee meeting.
- 5.3. In respect of Executive Grade roles, review and approve all terms and conditions of employment, including job descriptions, terms of employment, basic pay, performance pay (where applicable) and all benefits associated with each post.
- 5.4. In respect of Executive Graded staff, review and approve annual performance objectives, oversee the mid-year review of performance against these objectives and agree any revisions required during the year.
- 5.5. In respect of Executive Graded staff, consider and approve year-end performance assessments and any resulting changes to remuneration or terms and conditions of employment, ensuring onward submission for approval to the National Workforce Performance Management Committee within the required timescales.
- 5.6. Approve any responsibility allowances or temporary regrading for staff within the Executive cohort and review the overall position on an annual basis.
- 5.7. Ensure that effective arrangements are in place for carrying out the activities set out in 5.3 to 5.5 in respect of members of the Executive cohort.

- 5.8. Review submissions from the Chief Executive for settlement agreements and business cases for redundancy or severance, ensuring that cases exceeding £95,000 follow the Scottish Public Finance Manual process and obtain Scottish Government approval under DL (2019) 15.
- 5.9. Consider early retirements requiring employer costs. Employer-cost early retirements must meet a maximum two-year payback period.
- 5.10. Receive an anonymised annual report on voluntary severance and related cases prior to inclusion in the Annual Report and Accounts.
- 5.11. Review and approve, on an annual basis, the Discretionary Points awarded by the PSD Scotland Committee on Consultants' Discretionary Points, confirm the process followed and report the outcomes to both the Board and the Executive Medical Director(s).

## **6. Review and Approval**

- 6.1. The Committee shall review these Terms of Reference at least annually. Any amendments shall be submitted to the Board for consideration and approval before they take effect.
- 6.2. The Board approved the Committee's Terms of Reference (Version 1.0) on 2 April 2026.