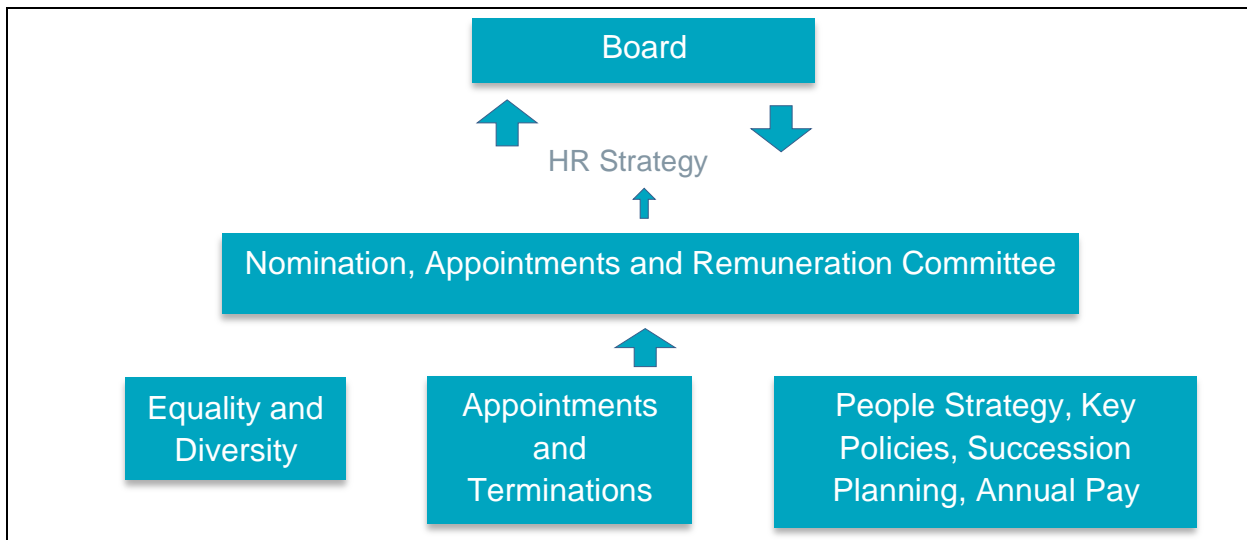


Terms of Reference	CITB NOMINATION, APPOINTMENTS AND REMUNERATION COMMITTEE		
<b>Section I: Committee Identification</b>			
<b>Lead staff member</b>	Martina Doyle-Turner, People Director	<b>Executive Director</b>	Tim Balcon, CEO
<b>Chair:</b>	1. Tony Elliott (Board Trustee)		
<b>Members: (name, organisation, position)</b>	2. Vacancy (Board Trustee) 3. Sophie Seddon (Board Trustee) 4. Independent Member (Board Appointed) – vacancy	+ Department for Education representative (by invitation) + Corporate Governance team representative + Chair of CITB Board + By invitation: the Committee Chair may, in consultation with the Lead staff member, invite any other person to attend any individual meetings of the Committee as guests.	
<b>Start date</b>	December 2023	<b>Performance review date</b>	March 2024
<b>Section II: Authority</b>			
<p>This Committee is established by the Board pursuant to Section [2] of the Industrial Training Act 1982 with delegated authority to exercise the functions and duties described in these Terms of Reference.</p>			
<b>Section III: Purpose and Performance</b>			
<b>A. General Purpose</b>			
<p>1. This Committee is established to support the Board in the delivery of its statutory responsibilities under Schedule 1, Section 11 of 'the Act' with regard to proposals on remuneration, pension rights and other conditions of service, including bonus schemes, individual personal performance management, senior appointments/departures and key HR policy and practice across the organisation.</p> <p>2. In making decisions and recommendations, the Committee will have regard to all relevant legal and regulatory requirements together with guidance and best practice, including the public sector pay strategy and information from the charity/not-for profit sector, public services, and the construction industry CITB serves.</p> <p>3. Nothing in these Terms of Reference shall detract from the authority or responsibility of the Chief Executive acting as Accounting Officer.</p>			
<b>B. Specific Purpose Overview</b>			



### C. Specific scope and objectives:

1. The purpose of the Committee is to consider, agree and recommend to the Board an overall HR (People) Strategy, Remuneration Strategy (to include pay, pensions, allowances, bonuses, and other financial benefits), and culture for CITB that is aligned with its long-term business strategy, business objectives, risk appetite and values.

2. Within this, the Committee has particular engagement with the work of the People Director and will liaise, as required, with the Audit and Risk Committee in relation to risk-adjusted performance measures to confirm that the Remuneration Strategy is in line with sound and effective risk management.

3. In particular, the Committee will provide recommendations for approval by the Board on:

- The appointment of the CEO (including salary, pension and allowances), via an interview panel comprising the Committee Chair, two other Trustees and a representative from the Sponsoring Department;
- The appointment of Nation Council Chairs, via an interview panel comprising the Chair of the Board and at least one other Trustee;
- A Pay Policy
- The CITB-wide budget for annual salary increases and the bonus pay envelope (if allocated), based on the agreed Total Reward Framework;
- All aspects of remuneration in respect of the CEO (including performance target outcomes, and any commitments to be made on their redundancy, retirement, resignation or dismissal);
- An overall People Strategy, to include matters of equality, diversity and inclusion.

4. The Committee will have delegated authority to take decisions which will subsequently be reported to the Board on:

- The appointment of members of the Executive team, via an interview panel which includes one member of the Committee.
- All aspects of remuneration in respect of each Executive Director reporting to the CEO (including performance target outcomes, and any commitments to be made on their redundancy, retirement, resignation or dismissal);
- The CITB's Total Reward Framework (to include financial and non-financial benefits), which should be updated annually against agreed benchmarks and

substantively reviewed every three years - to attract, recruit and retain the best talent;

- Strategic HR policies which are not reserved for Board approval; including the Redundancy Policy;
- Pension arrangements;
- Succession Planning Process for members of the Executive and Leadership Team;
- The ongoing monitoring of HR KPIs in the context of the CITB People Strategy.

5. The Committee may procure specialist ad-hoc advice at CITB's expense, subject to budgets agreed by the Board.

#### **D. Committee performance**

1. The Board is committed to following a performance excellence framework and governance best practice. Accordingly, it will undertake an annual evaluation of its own effectiveness (with external facilitation every three years) and that of its Committees to learn from experience and share best practice.
2. Adopting a similar approach, the Committee will review its own effectiveness annually, including input from members, and the Board will review outcomes with Committee Chairs and Board Members.

### **Section IV: Membership and Committee working**

#### **A. Composition of Committee, Membership and Appointment**

##### **Composition**

The Committee shall comprise of a maximum of four standing Members; three of whom (including the Committee Chair) are required to be Board Trustees. The Committee shall have the option to recruit Co-opted Members, where appropriate, although the number of Co-opted Committee Members recruited shall be no greater than one-third of the total membership of the Committee.

##### **Recruitment and Appointment of Committee Chair and Members**

The CITB Board will select three of its number to sit on the Committee, one of whom will be appointed Committee Chair by the Board.

Independent Members will be recruited and appointed in accordance with the process set out in Schedule A. The Board reserves the right to amend the process set out in Schedule A to best reflect and deliver the objectives of the Committee.

Co-opted Members will be recruited and appointed in accordance with the process set out in Schedule B. The Board reserves the right to amend the process set out in Schedule B to best reflect and deliver the objectives of the Committee.

##### **Board Accountability**

The Committee Terms of Reference, delegated authority, Committee Chair and Member recruitment and appointment are matters for the Board. Whilst the Board will delegate the operation of the recruitment and selection process of Independent Members to a specifically convened Selection Panel, it will retain sole authority to make appointments (based predominantly upon recommendations made by the Selection Panel). Attendance is published in the Annual Report and Accounts.

**Membership, Independence, Objectivity and Understanding**

Members of the Committee must prioritise the interests of the Construction Industry, independent of any affiliation to their companies or other associated bodies, being objective in their contributions and decision-making. Members will conduct themselves in line with CITB's Code of Conduct for Board and Committee members, including making appropriate disclosure of interests.

**Skills**

The Committee should collectively possess an appropriate skills mix to allow it to carry out its overall function. Each member should have a good understanding of CITB's objectives and priorities and of their role as a Committee member. It is advisable that at least one member has HR experience at senior level.

**Training**

Members should continue to develop their skills and knowledge and should be able to work collaboratively. Members will engage in the annual review of the Committee's effectiveness and of their own contributions.

**Tenure:** Terms of office will be in line with:

- Trustee Members have tenure for the remaining duration of their term of office as Trustees, unless directed otherwise by the Board.
- Independent Members - normally up to four years, renewable for up to another four years at the invitation of the Board.
- Co-opted Members – Up to one year

**B. Committee working and meeting arrangements****Committee working**

1. The use of alternates or proxies to attend meetings on behalf of Committee members is prohibited.

2. The Committee may ask any other official of the organisation to attend to assist it with its discussions on any particular matter.

3. The Committee may ask any or all of those who normally attend as additional invitees or Members who may have a conflict of interest, to withdraw to facilitate open and frank discussion of particular matters. This will be recorded in the minutes.

4. Members may consult, individually and collectively, with the Committee Chair on any matters of a confidential nature.

**Meeting arrangements**

5. The Committee will meet four times per year. Additional meetings may be convened by the Committee Chair when deemed necessary.

6. The Board may also ask the Committee to convene further meetings to discuss particular issues on which it wants to have the Committee's advice.

7. Meetings will be conducted via a mixture of in-person and remote gatherings, as deemed appropriate by the Committee Chair. In exceptional circumstances, the Committee Chair may give short notice on how the meeting will be conducted. Where meetings are held in-person, Members may, as an exception, and with the permission of the Committee Chair, participate in a meeting by means of a conference telephone, video conferencing facility or other similar communicating equipment.

8. The Corporate Governance Team shall provide advice, guidance, and administration services to the Committee.

9. Unless otherwise agreed, notice of each meeting confirming the venue, time, and date together with an agenda of items to be discussed, 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.

## **Section V: Rules of Engagement and Code of Conduct**

### **A. Decision-Making Methodologies:**

1. In line with the remit of the Committee, decisions will normally be arrived at by a consensus of those Members present and in accordance with the authorities laid down by the Board.

2. Where appropriate, decisions can be made by a formal vote. In the case of an equality of votes, the Committee Chair will have a second or casting vote.

### **B. Reporting and Accountability:**

#### **Committee Chair**

1. The Committee Chair shall preside at all meetings of the Committee at which he/she shall be present, but if at any meeting the Committee Chair is not present within ten minutes of the time appointed for holding the meeting, another Board Trustee Member will chair the meeting.

#### **Quorum**

2. Meetings will be quorate when a minimum of two Trustee or Independent Members (to include one Trustee Member) shall be present.

3. 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.

#### **Communication and reporting**

4. Terms of reference should be publicly available and the schedule of its agreed delegations from the Board (if any) should be documented in the Board's Standing Orders.

5. The Committee should ensure that it has effective communication with appropriate key stakeholders.

6. Minutes of Committee meetings will be made available to the Board. The Committee Chair may choose to present an oral summary of key discussions, decisions and outcomes to appropriate Board meetings.

7. The Committee is accountable to the Board.

### **C. Declarations and conflict of interest:**

1. Committee Members are required to make an annual declaration of interests in accordance with the CITB Code of Practice for Board and Committee Members.

2. During the course of a meeting, if a conflict of interest arises in relation to matters under consideration, dependent upon the nature of the interest, the Member(s) concerned may be

asked to withdraw from any discussion that has the potential to be affected by the declared conflict of interest, at the Committee Chair's request, as appropriate. Any declaration of interest will be recorded in the minutes.

#### **D. Code of Conduct**

1. Committee members and others in attendance at Committee meetings shall be bound by CITB policies relating to information designated as confidential, subject only to the organisation's compliance with statutory obligations.

2. The Committee Chair shall be responsible for ensuring that the business of a meeting is conducted in a courteous and professional manner and shall, taking the advice from the Corporate Governance team, have the right to adjourn a meeting or temporarily exclude any individual or individuals whose conduct falls below acceptable standards.

3. Failure to adhere to CITB's Code of Conduct may damage the reputation of the CITB and the Committee; any Member in breach of the Code will be required to resign their membership of the Committee.

#### **E. Evaluation**

1. The Corporate Governance Team will support the Board and Committee in undertaking an annual review of the membership, operation and functioning of the Committee, with particular reference to the extent to which the Committee has discharged its roles and responsibilities and has the right skills set to work effectively and collaboratively. Where appropriate, the review should make recommendations for improvements. A copy of the review report will be provided to the Board and Committee.

### **Section V: Good Governance**

#### **Agenda:**

There will be a Standing Agenda focused on outcomes and reflective of key strategic themes. This agenda will be produced collaboratively with the Committee Chair, lead staff member and Corporate Governance team. Committee Members can submit agenda items, through the Corporate Governance team, up to one month ahead of the meeting date for consideration by the Committee Chair. Any other business should be used for emergency items, notifiable to the Committee Chair and Corporate Governance team in advance of the meeting.

Notice of each meeting, with the agenda of items to be discussed, 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.

#### **Papers:**

Meeting papers will be collated into a meeting pack and sent electronically to Members no later than five working days before the respective meeting date.

#### **Minutes:**

Minutes will include concise summaries of discussions, together with clear records of recommendations and actions. The proceedings and decisions of all meetings of the Committee, including recording the names of those in attendance, will be recorded and distributed to Committee members and the CITB Board. Supporting papers and minutes shall be sent digitally, via Convene, to Committee Members and to other attendees.

**Terms of Reference (ToR):**

The Committee's Terms of Reference will be reviewed annually by the Committee and recommended to the Board for approval.

<b>ToR approved by Board</b>	16 November 2022	<b>Copy sent to Board Secretary</b>	17 November 2022
<b>1. Date for review of TOR /outcomes evaluation within 12 months of inception</b> (as appropriate to remit)		November 2024	
<b>2. Board decision on renewal/revision of ToR</b>		December 2024	

## Schedule A

### **Recruitment and Appointment of Nomination, Appointments & Remuneration Committee and Independent Members**

1. Expressions of Interest from interested individuals, who have the requisite skills and experience as set out in the Committee's Terms of Reference, may be submitted to the Board Secretary.
2. Expressions of Interest will be considered by a Panel comprising of two Board Trustee Members of the Committee (one of whom will be the Committee Chair) and CITB's People Director ('the Panel').
3. Applicants considered by the Panel to satisfy the requisite skills and experience will be selected for interview.
4. Interviews will be conducted by the Committee Chair and one other member of the Panel.
5. At the conclusion of this selection process, the Committee Chair will make a recommendation to the CITB Board of Trustees to appoint the successful applicant(s) to the Nomination, Appointments and Remuneration Committee. Approvals can be given within a Board meeting or via email. Upon Board approval, the Board Secretary will present a formal offer of Committee membership to successful applicant(s).
6. Once an Independent Member has completed their four-year term, the Committee Chair can make a recommendation to the CITB Board of Trustees to re-appoint the Member for another and final four-year term, provided the Member still meets the criteria for membership of the Committee. Approvals can be given within a Board meeting or via email. Upon Board approval, the Board Secretary will present a formal renewal of Committee membership to the continuing Member.



## Schedule B

### **Recruitment and Appointment of Nomination, Appointments & Remuneration Committee Co-opted Members**

At the Committee Chair's discretion (after consultation with existing Committee Members) and with their formal approval, additional Members may be co-opted onto the Committee where this will address short-term skills or knowledge gaps. Such Members will be known as Co-opted Members, and they will have full contribution rights at meetings, but no voting rights, which will only be assigned to Board-appointed Committee Members. The number of Co-opted Committee Members appointed shall be no greater than one-third of the total membership of the Committee.

1. At the Committee Chair's discretion, potential candidates should be considered by the Committee Chair and the Corporate Governance Team.
2. The Committee Chair should then consult with the existing Committee Members to agree to Co-opt a specific additional Member to the Committee who satisfies the requisite skills and knowledge required.
3. The Board Secretary will present the offer of a Co-opted Member post to the successful candidate. The letter should identify the start and end dates for the tenure of the Membership (no longer than one year) and record the reasons as to why they have been recruited into role (i.e. the skills and knowledge that the Member brings for a particular purpose).
5. If at any point up to the end of the year's tenure the Committee Chair considers the skill(s) or knowledge that the Co-opted Member provides is a longer term need, then they can either recommend to the Board that the individual is appointed as an Independent Committee Member if there is a vacancy, or if there is no vacancy, then recommend their reappointment and seek an increase in Committee membership accordingly.