



**DORSET**

Local Enterprise Partnership

**Nomination and Remuneration  
Committee**

**Terms of Reference**

**Dated  
July 2020**

## **1. Purpose**

1.1. The Nomination and Remuneration Committee (referred to as the Committee hereafter) purpose is to:

- review the structure, size and composition (including the skills, knowledge, experience, aptitude and diversity) of the Dorset LEP Board and its Governance Structure.
- give full consideration to succession planning.

## **2. Objectives**

2.1. Annually review the Dorset LEP Governance structure to ensure that it meets the requirements of the Dorset LEP Board.

2.2. Review the composition of the Dorset LEP Board and governance structure including the skills, knowledge, experience, aptitude and diversity

2.3. Give full consideration to succession planning for members of the Dorset LEP Board and Governance Structure in the course of its work, taking into account the challenges and opportunities facing the company, and the skills and expertise needed on the Dorset LEP Board and its Committees in the future;

2.4. Be responsible for the recruitment process to fill all vacancies on the Dorset LEP Board – including Chair and Deputy Chair roles and Committees as and when they arise. This includes identifying and nominating candidates;

2.5. Regarding the recruitment to the role of Chair, to ensure wide consultation with the business community before any appointment are made and to ensure the Dorset LEP works with Government to advertise on the Chair role for private sector leaders when vacancies emerge, including listing this on the vacancies section of the Centre for Public Appointments website.

2.6. Provide any direction necessary when deviation from the Dorset LEP recruitment process is considered, specifically regarding the balance of skills, knowledge, experience and diversity; ensuring the arrangements are in line with the Articles of Association and Assurance Framework;

2.7. Have oversight and deliver on any matters relating to the continuation in office of any member of the Dorset LEP Board or Committees at any time including the suspension or termination of service of Dorset LEP Board or Committee member;

2.8. Receive the annual review of the Dorset LEP Director performance (conducted by the Chair of the LEP) to ensure the outcome of any performance evaluation process is fair, reasonable and focussed upon the agreed targets for the prior year. Then to agree any alteration to the remuneration package including; cost of living increase, market supplement, performance bonus or any other measure that is felt to be appropriate.

2.9. To endorse the Directors targets for the coming year and ensure they are fair, reasonable and focussed upon achieving the overall objectives, plans and performance criteria for the whole business.

2.10. Review the Remuneration/ Travel Expense policy on an annual basis.

2.10 Be provided with appropriate and timely training, both in the form of an induction programme for all new Board and Committee members and on an ongoing basis for all members;

2.11 All business of the Nomination and Remuneration Committee will be conducted in accordance with the Nolan Principles of Public Life (see Appendix 3).

### **3. Status**

3.1. The Committee is established as Committee to the Dorset LEP Board.

3.2. The Committee shall be fully accountable to the Dorset LEP Board.

### **4. Board membership**

4.1. The Committee will consist of up to 4 Dorset LEP Board members

### **5. Chair**

#### **5 Chair**

5.1. The Committee Chair shall be appointed by the LEP Board and be a member of the LEP Board. A Vice-Chair will be chosen from the total membership of the LEP by the Committee Chair. Both positions will be subject to annual renewal.

5.2. Duties of the Chair will include:

- Leading the smooth and effective operation of the Committee;
- To ensure the Secretariat is operating effectively and within its mandate, that budgets are appropriately applied and that proper policies and processes are in place and observed;
- To ensure timely advice and reporting to the Dorset LEP Board relating to the work of the Committee;
- To undertake activity as required according to the delivery plan and strategy.

### **6. Decisions**

6.1. The Committee shall operate on the basis of consensus.

6.2. In the event that a consensus cannot be achieved on a matter requiring decision, that decision shall be taken by vote and carried if it is supported by over 50% of those present.

6.3. In the event of a tied decision, the Chair of the meeting will cast the deciding vote.

6.4. There should be a quorum of three.

- 6.5. If a decision needs to be made outside of the meeting, decision can be sought via Written Procedure (Appendix 1). In such cases, the LEP executive team will write to each Committee member requesting agreement to a specified course of action. Committee members shall be given no fewer than five working days to respond to the LEP executive.
- 6.6. For a decision to be taken by Written Procedure, the number of members participating and the composition of those members must be as required for a quorate meeting. Over 50% of members responding to the request must indicate agreement to the proposal.
- 6.7. All decisions made by Written Procedure shall be ratified at the next scheduled meeting.

## **7. Meetings and papers**

- 7.1. The Committee meetings shall be held on a bi-annual basis. A calendar of future meetings will be set for a year at a time although the minimum notice required for a meeting is two weeks, to ensure that all members are afforded the opportunity to attend.
- 7.2. The agenda and papers for meetings shall be approved by the Chair and issued at least 5 working days in advance of the meeting by the Secretariat.
- 7.3. Meeting minutes shall be approved in draft form by the Chair and disseminated to members no later than ten working days following the meeting. Minutes shall remain in draft until approval by the Committee at the next meeting.
- 7.4. Minutes shall be made publicly available on the Dorset LEP website. Minutes will be redacted were they contain personal information about individuals or commercially sensitive data or for good legal reason.

## **8. Conflicts of interest**

- 8.1. The Committee shall ensure that all conflicts of interest are fully disclosed.
- 8.2. The Secretariat shall maintain a Register of Members' Interests and publish these on the Dorset LEP website. Members shall supply information to the Secretariat for inclusion in the register, on joining the Committee, in response to any request for an update and on becoming aware of any new interest.
- 8.3. Should a member's interests change, s/he shall inform the Secretariat at the earliest opportunity.
- 8.4. Should an issue be discussed by the Committee which presents a conflict of interest to a member, the member shall declare the conflict of interest, regardless of whether s/he has previously declared the interest in the Register of Members' Interests. Such declarations shall be minuted.
- 8.5. Members shall not vote or participate in discussions on any issues on which they have registered an interest.

## **9. Review**

- 9.1. The Committee shall arrange for periodic reviews of its own performance and review its terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the LEP board for approval.

## **Appendix 1**

### **Written Procedure**

- A copy of the written resolution must be sent to every member of the committee together with a statement informing the member how to signify their agreement to the resolution and the date by which the resolution must be passed if it is not to lapse.
- A member of the committee signifies their agreement to a proposed written resolution when the Company receives from him or her an authenticated Document identifying the resolution to which it relates and indicating his or her agreement to the resolution.
- If the Document is sent to the Company in Hard Copy Form, it is authenticated if it bears the member's signature.
- If the Document is sent to the Company by Electronic Means, it is authenticated if it bears the member's signature or if it is from an email Address notified by the member to the committee for the purposes of receiving Documents or information by Electronic Means.
- A written resolution is passed when the required majority of eligible members have signified their agreement to it.
- A proposed written resolution lapses if it is not passed within 28 days beginning with the circulation date.

## Appendix 2

**7 Legal Duties of a Company Director** (*applies to those members of the committee who are also LEP Board Members*)

Extract from <https://companieshouse.blog.gov.uk/2019/02/21/7-duties-of-a-company-director/>

### **Duty to act within powers**

A director of a company must—

- (a) act in accordance with the company's constitution, and
- (b) only exercise powers for the purposes for which they are conferred.

### **Duty to promote the success of the company**

A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company.

### **Duty to exercise independent judgment**

### **Duty to exercise reasonable care, skill and diligence**

### **Duty to avoid conflicts of interest**

### **Duty not to accept benefits from third parties**

### **Duty to declare interest in proposed transaction or arrangement**

(1) If a director of a company is in any way, directly or indirectly, interested in a proposed transaction or arrangement with the company, he must declare the nature and extent of that interest to the other directors.

## Appendix 3

### Nolan Principles of Public Life

#### **Selflessness**

Holders of public office should act solely in terms of the public interest.

#### **Integrity**

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

#### **Objectivity**

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

#### **Accountability**

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

#### **Openness**

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

#### **Honesty**

Holders of public office should be truthful.

#### **Leadership**

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.