

People and Remuneration Committee Charter

November 2020

1. Introduction

- 1.1 This charter has been adopted by the Agency Management Committee (the Board) to set out the role of the People and Remuneration Committee (the Committee).
- 1.2 The Committee's purpose is to assist the Board to effectively discharge its functions by providing governance oversight of strategy and performance in relation to people, capability and culture within the National Registration and Accreditation Scheme.
- 1.3 Key focus areas include:
 - a. capability and culture
 - b. diversity and inclusion
 - c. health safety and wellbeing
 - d. strategic workforce planning, and
 - e. remuneration and performance management framework for the CEO and senior managers on individual contracts.
- 1.4 The Committee has no formal delegated power from the Board. The Board may, from time to time, authorise a committee to undertake certain functions on behalf of, and in the name of, the Board if the power or function is of an administrative necessity and is routine in nature. Any authorisation must be made in writing by the Board. The Board cannot delegate to a committee a power or function that is stated in the National Law to be a power or function of the Board.
- 1.5 This Charter has effect from the date nominated by the Board until it is subsequently reviewed, amended and approved by the Board.

2. Purpose

- 2.1 The Committee will provide oversight, advice and recommendations consistent with the values expressed in the NRAS Strategy 2020-2025 and the values and behaviours expressed in the Health Professions Agreement. The remit includes Ahpra employees, Board and Committee members. Specific areas of focus include:
 - a. strategic workplace planning and workforce capability and culture initiatives, including implementation of the Ahpra People Plan
 - b. board member induction and development
 - c. health, safety and wellbeing of Ahpra employees and board members
 - d. strategies and initiatives to support a positive culture and diversity
 - e. the Aboriginal and Torres Strait Islander Employment Strategy
 - f. the remuneration policy and principles for the CEO and senior managers having regard to performance and financial sustainability
 - g. review and make recommendations on the application of the framework for the payment of sitting fees and/or stipends to members of National Boards as determined by Ministerial Council
 - h. other duties as identified and referred by the Board.

- 2.2 The Committee must follow a lawful direction given to it by the Board, and those directions override all provisions of this Charter.
- 2.3 In order to ensure that it provides effective and timely advice to the Board, the Committee will:

Capability and culture

- a. report to the Board on the implementation of the Ahpra People Plan
- b. review reports and survey data on organisational culture and make recommendations on actions to support the desired organisational culture
- c. monitor strategies and initiatives to support a positive workplace culture
- d. monitor effectiveness of Ahpra's capability framework
- e. monitor and advise on effectiveness of strategies for Board member induction and development
- f. monitor the effectiveness of reform and organisational change initiatives.

Diversity and inclusion

- a. monitor implementation of diversity and inclusion initiatives and strategies
- b. monitor progress on the Aboriginal and Torres Strait Islander Peoples employment strategy

Health safety and wellbeing

- a. review and provide advice on reports on health, safety and wellbeing matters

Strategic workforce planning

- a. monitor organisational initiatives designed to support Ahpra's strategic objectives
- b. provide oversight of succession planning for key senior management roles within Ahpra and initiatives to build leadership, learning and change capability
- c. monitor organisational and leadership capability initiatives, designed to support strategic objectives.

Remuneration and performance management

- a. review and make recommendations on remuneration policies and principles and the performance management framework for Ahpra senior managers in order to ensure:
 - they are aligned to the NRAS Strategy;
 - demonstrate a clear relationship between the achievement of objectives, CEO and senior manager performance, and remuneration;
 - remuneration is aligned with market trends;
- b. monitor remuneration strategies to ensure there is no gender or other inappropriate bias in the remuneration of senior executives and other employees
- c. review and make recommendations on the annual objectives, performance measures, performance and remuneration of the CEO
- d. ensure that effective arrangements are in place for setting of annual objectives and appraisal across Ahpra
- e. ensure that there is an appropriate succession planning framework for the CEO and other key Ahpra senior management positions
- f. review and make recommendations on the application of the framework for the payment of sitting fees and/or stipends to members of National Boards as determined by Ministerial Council.

- 2.4 The Committee Chair may meet with the Chair of the Finance Audit and Risk Management Committee (FARMC) annually to develop a shared understanding of any planned audits of people, the findings of any relevant internal audits, capability or remuneration programs and enable feedback to be provided on any systemic issues arising from issues considered by the People and Remuneration Committee. The Committee will also have an opportunity to comment on any terms of reference for proposed internal audits of people, capability or remuneration programs. The FARMC retains oversight of risk or liability issues arising from health safety or wellbeing initiatives.

3. Members of the Committee

- 3.1 Members of the Committee are appointed by the Board for a term not exceeding three years. Members may be re-appointed for two additional terms.
- 3.2 The Committee will comprise up to eight members including:
 - a. the Chair of the Board
 - b. up to three other members of the Board
 - c. up to three National Board members
 - d. an independent member
- 3.3 The Chair of the Board is the Chair of the People and Remuneration Committee.
- 3.4 An independent committee member/s will provide an external perspective and expertise on matters considered by the committee.
- 3.5 The Board will consider the range and mix of skills necessary to enable the Committee to fulfil its function. The Board recognises the following skills as important for the success of the Committee and will look to make sure the Committee's membership reflects these competencies:
 - a. a sound understanding National Registration and Accreditation Scheme strategy and governance and the core functions of Ahpra and the National Boards
 - b. corporate governance experience
 - c. experience in reviewing and monitoring strategic workforce initiatives
 - d. experience in reviewing and/or providing advice on people, capability and culture initiatives
 - e. a sound understanding of strategies and initiatives to support health, safety and wellbeing in the workplace.
- 3.6 Secretariat and professional support will be provided by Ahpra.
- 3.7 The Board can fill a casual vacancy in the Committee and must ensure that the Committee has a Chair at all times

4. Meetings of the Committee

- 4.1 The Committee will hold three to four scheduled meetings per calendar year, subject to need.
- 4.2 In addition to the scheduled meetings, a meeting of the committee must be held if requested by either:
 - a. the Board, or
 - b. the CEO of Ahpra
- 4.3 Three members of the Committee are required for a quorum, at least two of whom must be Board members.
- 4.4 The Ahpra CEO shall normally be in attendance, except when the Committee is considering the remuneration or any aspect of the contract or performance of the Ahpra CEO.
- 4.5 The Committee, acting through the Ahpra CEO, may request the provision of:
 - a. information from Ahpra relevant to its operational requirements
 - b. independent professional advice and/or
 - c. the attendance of any relevant member of Ahpra staffat any of its meetings.

5. Reporting to the Board

- 5.1 The Committee must submit the minutes of each meeting to the next possible meeting of the Board and the Chair will provide a verbal update after each meeting.

5.2 The Committee will produce a report annually of its activities for consideration by the Board and circulation to National Boards.

5.3 The Committee must also provide any other reports requested of it by the Board.

6. Accountability and review

6.1 The Board will review this charter annually.

Name of document:	People and Remuneration Committee Charter
Version:	1.0
Archive:	The Remuneration Committee Charter (version 2: revised December 2019) is superseded by this Charter from date of effect
Approval:	Agency Management Committee, Ahpra (17 November 2020)
Date of effect:	The Committee Charter will take effect on a date to be advised by the AManC Chair and CEO
Date of next review:	12 months from last approval – 17 November 2021