

TERMS OF REFERENCE – PEOPLECOMMITTEE

Version control: version 1. Approved by ISHA Board 3 December 2025.

1.0 Role

1.1 The Committee's role is to support the Board to achieve strategic objectives and compliance around remuneration, to provide advice on a limited range of non-executive and executive recruitment matters and to support and advise the Board in relation to people and its obligations around culture as per its Code of Governance (1.4). The Committee's role includes to:

1. Review and recommend Leadership Team* (LT) pay and reward strategies and any annual change to the Board
2. Review and recommend staff pay and reward strategies, ensuring that they reflect the values of the organisation, and any annual changes to the Board
3. Review and recommend Board member remuneration levels to the Board, with a benchmarking exercise completed by an independent consultant/consultancy every two years
4. Comment on non-executive director policies before Board approval
5. Approve non-contractual payments to staff and review LT non-contractual payments before consideration by the Board
6. Review succession planning for Board and independent committee member roles and make recommendations to the Board
7. Oversee if requested by the Board, the recruitment and appointment process for the role of Chief Executive, Board members and independent committee members
8. Oversee the appraisal of the Chief Executive
9. Promote VFM in ISHA's remuneration and senior recruitment work
10. Advise the Board on defining and promoting the culture of ISHA in line with the organisation's mission and values and seeking assurance that the desired culture and behaviours are being enacted in practice
11. Review and make recommendations to the Board on people and culture related strategies, including the Equality, Diversity and Inclusion (EDI) Strategy
12. Seek assurance on staff well-being, development and support
13. Ensure that the organisation meets its obligations on EDI

2.0 Membership, quorum and meetings

- 2.1 Membership: a maximum of four members with a minimum of three members. All of the committee members must sit on the Board. The majority of members must sit on the Board.
- 2.2 The association's staff cannot be members and the association's Chair cannot chair this committee.
- 2.3 Membership, including the Chair, will be appointed by the Board on recommendation from the People Committee.

- 2.4 Quorum: the quorum is three.
- 2.5 Meetings: the committee will meet twice per financial year plus ad hoc meetings if required. In accordance with ISHA's Rules, meetings can be carried out by phone, videoconferencing or any method where members can hear each other.
- 2.6 Meeting papers will be issued at least one week before the meeting.
- 2.7 The lead officer for the People Committee is the Director of Culture, Communications and Involvement. The Governance Manager and Company Secretary will also attend meetings. Other staff will attend as required. The Committee may meet without any staff present, but it is expected staff will usually be present to provide additional information and answer member's questions.
- 2.8 Decisions require the approval of a majority of committee members present at a meeting. Between meetings, the organisation's rules (Rule D38) allow the Committee to take decisions by email. Decisions by email must be approved by at least 75% of committee members.
- 2.9 The minutes of each People Committee meeting will be reported to the Board.
- 2.10 Confidential and personal information will be stored on the Confidential Section of the Board portal.

3.0 Delegated authority

- 3.1 The Board gives delegated authority where the word 'approve' appears in section four and specifically to approve:
1. Non-contractual payments to individual members of staff but not LT members
 2. Board & Committee Recruitment Procedures
 3. Board Member, Chair and Committee Chair role profiles
 4. Redundancy & Restructure Policy

4.0 Responsibilities

4.1 Remuneration:

1. Review and recommend LT pay and reward strategies, contract terms and any annual changes to the Board.
2. Review and recommend staff pay and reward strategies and any annual change to the Board.
3. Review and recommend Board member remuneration levels to the Board, with a benchmarking exercise completed by an independent consultant/consultancy every two years.

4.2 Recruitment, appointment and appraisal:

1. Review succession planning for Board and independent committee member roles and make recommendations to the Board.
2. If requested by the Board, oversee the recruitment process for the role of Chief Executive, Board members and independent committee members and recommend appointment to the Board for approval.
3. Oversee the appraisal of the Chief Executive and report to the Board on the overall outcome of the appraisal.

4.3 Non-executive director policies:

1. Review and recommend to Board, the following non-executive policies:
 - Succession Policy
 - Board Appraisal and Effectiveness Policy
 - Board Skills Strategy

4.4 Non-contractual payments to staff and LT:

1. Receive an annual report on any non-contractual payments made in the previous financial year.
2. Approve non-contractual payments in advance to individual staff members, but the Board must approve any proposed to be paid to LT members.

4.5 Risk:

1. Monitor ISHA's people risks and inform the Board of any emerging risks.

4.6 Culture:

1. As part of the development of the association's corporate strategy, consider and make recommendations to the Board on the people related strategies, organisational culture and the behaviours that will enable the organisation to deliver its strategic objectives and overall mission.
2. Advise the Board on how it can lead by example to promote the desired culture, values and behaviours.
3. Seek assurance that the culture defined by the Board is being enacted in practice.
4. Seek assurance on staff well-being, development and support.

4.7 Other:

1. Promote remuneration best practice and adherence to relevant regulatory standards.
2. Consider and recommend to the Board any significant changes to staff Terms & Conditions.
3. Ensure that the organisation meets its obligations on EDI.
4. The People Committee can obtain independent, legal or other professional advice at ISHA's expense to assist Committee with its responsibilities as set out in these Terms of Reference.

*LT includes the Chief Executive