

Remuneration Committee

Meeting Date	07 October 2026
Title	Review of Remuneration Committee effectiveness
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Executive Sponsor	Claire Amor, Executive Director of Corporate Affairs
Executive Summary As part of its commitment to good governance, each of the Council's committees annually reviews its own effectiveness and reports its findings to the Council. To support the Remuneration Committee (the Committee) in undertaking this review, an anonymous survey was circulated to Committee members and regular attendees on 21 August 2026. The purpose of the survey was to gather reflections on how effectively the Committee is operating and to identify any areas for potential improvement. We received 7 responses to the survey, an increase on 2025, and there was an overwhelmingly positive response to the Committee's focus on its role and remit; clarity around about its role in relation to the Council and other Council Committees; and its overall effectiveness. However, there were a small number of survey statements where multiple respondents disagreed with the statement, these were in relation to: • providing examples of where the Committee's focus has led to positive change (three respondents); • the Committee having the right balance of experience, knowledge and skills to fulfil its role and responsibilities (two respondents); and • regularly reflecting on its discussions, decisions made and any matters for escalation to the Council or any other Committee (two respondents). There were also a number of survey statements where a single respondent disagreed, these were in relation to the Committee: • having made conscious decisions about the information it would like to receive; • structuring its annual programme of business and agenda to cover all the areas within its remit; • having an awareness of its key sources of information and/or assurance and who provides them; • being briefed by management about key risks and opportunities and plans to mitigate or capitalise on these; • ways of working enabling members and attendees to express their views and any concerns, and raise any questions;	

- having clarity on the conclusion of agenda items, who is doing what and when, and where requirements have been agreed.

There were no statements with which a respondent strongly disagreed.

The survey results are at Annex 1.

Respondents were also given an opportunity to provide free text comments in relation to better supporting the Council/Executive Leadership team (ELT) and training and support for members and these comments are included in Annex 1.

As reflected in last year's survey response, respondents identified some overlap with the People and Resources Committee and noted that discussion and actions to address this to maximise efficiency has been helpful. Given that the membership of both committees is the same it is only natural that a discussion from one committee will inform discussion at the other, despite the fact that members are conscious of the distinct role of each committee. However, constructive discussion and challenge in a wider context is likely to be helpful e.g. pay award decisions informed by wider and more regular discussions at People and Resources Committee around people data, including staff survey results and attrition rates as well as regular oversight of financial information and budget affordability.

In terms of responding to the points raised by multiple respondents, the Committee may wish to consider the following:

- Examples of where the Committee's focus has led to positive change could include: recommending a salary range for the Chair appointment to ensure that the remuneration keeps pace with benchmarking statistics during the lengthy appointment process; detailed consideration of the remuneration of the Chief Executive and ELT members to ensure that remuneration levels reflect changing responsibilities and support continuing leadership stability at a time of organisational change; and continuing to constructively challenge gender and ethnicity pay gaps.
- Committee appointments (memberships and chairs) are reviewed every two years or earlier depending on business need in accordance with the Code of Governance. The Council is currently carrying a registrant vacancy until the Chair appointment process concludes, as this appointment had to be advertised as being open to both lay and registrant members. The Committee should consider the experience, knowledge and skills required in light of Valerie Webster's departure as a Committee member on 31 December 2025 to ensure that the Committee is able to continue to fulfil its role and responsibilities. This can then be shared with the Chair and Council to inform discussion and requirements for Committee and Council appointments, as appropriate.
- Time for reflection is included at the end of each meeting. This item could be more proactively used to formally prompt members for any points of escalation, which will then be conveyed via the Chair's report to the Council, as required.

In relation to the single respondent comments, for members ease of reference and to show the different responsibilities of the Remuneration Committee and the People and Resources Committee, Annex 2 details the Committees' remits mapped against the forward work programmes and showing sources of assurance and key personnel.

The Committee will also wish to consider the free text comments and consider what, if any further action is required in relation to these.

Action required

The Committee is asked to provide input and feedback to develop the proposal.

Previous consideration	The Committee last reviewed its effectiveness in October 2025. As part of the review of the Committee's standing orders a proposal is suggested to move the effectiveness review from an annual undertaking to biennial in the interests of proportionality.
Next steps	The Chair of the Committee will report to the Council on the results of Committee effectiveness review and any actions or recommendations as part of the Chair's report to the Council.
Financial and resource implications	There are unlikely to be any financial or resource implications, however, this will be determined based on the actions or recommendations agreed as a result of the review.
Associated strategic priority/priorities	Supporting healthcare workforce development through proportionate, agile regulation
Associated strategic risk(s)	SR01 - Delivery of Regulatory Requirements
Risk appetite	Regulation - measured
Communication and engagement	A survey was circulated to Committee members and regular attendees to complete on 21 August 2026. Seven responses were received. No external or public engagement was undertaken.
Equality, diversity and inclusion (EDI) impact and Welsh language standards	None identified
Other impact assessments	Not applicable
Reason for consideration in the private session of the meeting (if applicable)	Not applicable

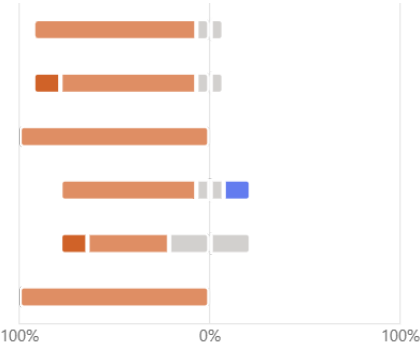
Responses

7

1. Committee focus

Strongly agree Agree Disagree Strongly disagree Unable to comment

- The Committee has made conscious decisions about the information it would like to receive.
- The Committee has structured its annual programme of business and agenda to cover all the areas within its remit.
- Committee members contribute regularly to decisions about the areas of focus for the Committee.
- The Committee is aware of its key sources of information and/or assurance and who provides them.
- Committee members and attendees can provide examples of where the Committee's focus has led to positive change.
- The Committee is clear about its role in relation to the Council and other Council Committees.



Item 08

2. Committee engagement

● Strongly agree ● Agree ● Disagree ● Strongly disagree ● Unable to comment

The Committee has the right balance of experience, knowledge and skills to fulfil its role and responsibilities.

The Committee ensures that the relevant members of the leadership team attend meetings to enable it to fully understand the matter under discussion.

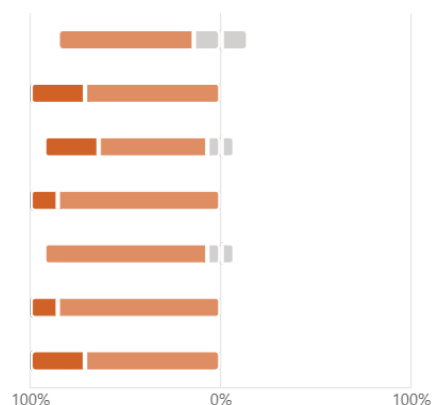
Management fully briefs the Committee about key risks and opportunities and plans to mitigate or capitalise on these.

The Committee is provided with timely and clear information to support the work of the Committee.

The Committee's ways of working enable members and attendees to express their views and any concerns, and raise any questions.

The Committee supports open and proactive accountability from the HCPC leadership team and attendees to the Council.

Decisions, actions and recommendations are implemented within the timescales agreed with the Committee.



3. Committee effectiveness

● Strongly agree ● Agree ● Disagree ● Strongly disagree ● Unable to comment

The quality of papers received allows the Committee to perform its role effectively.

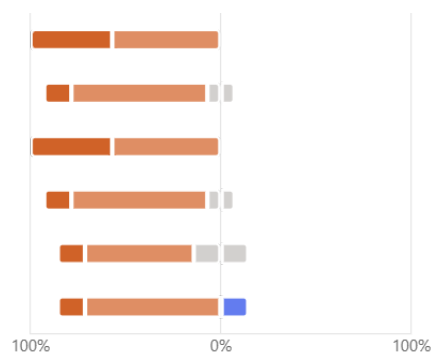
Members of the Committee provide effective input and constructive challenge.

Discussion at Committee meetings is allowed to flow and conclusions are reached without discussions being cut short.

In relation to each item on the agenda, the Committee is clear on the conclusion, who is doing what and when, and where requirements have been agreed.

The Committee regularly reflects on its discussions, decisions made and any matters for escalation to the Council or any other Committee.

The information provided to the Council about the Committee meetings provides the Council with assurance on those areas within the Committee's remit.



4. Is there anything that the Committee could do differently to better support a) the Council; or b) the leadership team in its work?

- o The leadership could make more use of Committee Members informally in between meetings.
- o It would be interesting to understand how our ToR compare with other regulators
- o An annual review of decisions and actions might be useful perhaps as part of a strategy day.
- o Meetings would sometimes benefit from clearer summing up of decisions reached.
- o Occasional risk of scope creep into other areas not directly within Remcom's remit.
- o Consistency and focus
- o The Committee could further support the Executive Team by providing greater guidance on pay and reward matters, particularly where there are difficult decisions or competing priorities.

Given that the Executive Team brings the relevant market data, affordability analysis and recommendations to the Committee, it would be helpful for the Committee to use its expertise to provide early guidance on the principles and direction of travel.

It would also be helpful for pay and reward to be explicitly identified as an annual organisational priority, with the Committee providing early strategic direction on this. Pay and reward should not be considered only in terms of what funding is available after other organisational priorities have been addressed. Given its importance to attracting, retaining and motivating the workforce, it should be considered alongside other strategic priorities as part of the annual planning and budgeting process. This would enable the Executive Team to develop a more proactive and sustainable approach to reward, rather than having to determine the scope of reward interventions based primarily on the residual funding available.

The Committee could also support the Executive Team by taking a longer-term view of reward, rather than focusing predominantly on the annual pay award.

More regular, informal strategic discussions between the Executive Team and Committee Chair/Committee members on emerging reward issues could also be valuable. This would create an opportunity to explore complex issues early, before they become formal recommendations, and would help the Executive Team navigate areas where there may be significant financial, employee or reputational considerations.

Overall, the greatest value the Committee could add would be through strategic perspective and early guidance, alongside recognising pay and reward as a strategic annual priority. This would enable the Executive Team to develop robust, evidence-based reward proposals while retaining clear executive ownership of the recommendations.

5. Is there any training or support members of the Committee feel would help them to fulfil their role on the Committee?

- o It would be useful to understand if Council is OK with the Committee's work
- o No additional training or support needs identified at this time.
- o Linked to the above briefings or presentations from external experts about remuneration trends, tech and similar
- o Perhaps some targeted training or briefing on current reward and remuneration practice could be helpful in strengthening the Committee's ability to provide effective challenge and support to the Executive Team e.g. short, timely horizon-scanning briefings ahead of key remuneration discussions

6. Is there any other feedback you would like to provide relating to the effectiveness of the Committee?

- o Well Chaired
- o Acknowledgment of some overlap with People and Resources and discussion re: actions to address this to maximise efficiency has been helpful.
- o I still feel it this is just an extension of regular business of PRC.
- o Overall, the Committee provides valuable oversight and challenge on remuneration matters. There is an opportunity, however, to further strengthen its effectiveness by ensuring that pay and reward remain a visible strategic priority throughout the year, rather than becoming predominantly focused around the annual pay award.

The Committee could add further value through earlier strategic dialogue with the Executive Team, particularly on the longer-term direction of the reward strategy and the trade-offs between affordability, market competitiveness, internal equity and employee retention. This would allow the Committee to act not only as a point of approval and challenge, but also as a source of strategic insight and support to the Executive Team.

It would also be helpful to maintain a clear distinction between the Committee's governance role and the Executive Team's operational responsibility, while ensuring there is sufficient space for constructive challenge and discussion of difficult or emerging issues.

Annex 1 - People and Resources Committee and Remuneration Committee key division of responsibilities and sources of assurance

Area	Remuneration Committee	People and Resources Committee	Reporting and KPIs	HCPC Lead
Remuneration policies for Council, independent committee members, the Chief Executive, the Executive Leadership Team (ELT), and employees	X		Annual – recommend to Council	Head of HR and OD
Remuneration of the Chief Executive, the Executive Leadership Team (ELT) and the annual pay review for employees	X	X	Annual – Rem Co recommends to Council/ People and Resources Committee consider as part of the overall annual budget for each financial year and recommends annual budget to Council. Rem Com approves advertised salaries for Chief Executive and ELT.	Head of HR and OD
Partner remuneration	X		Annual policy review. Remuneration level every 3 years – recommend to Council	Partner Project Lead
Council and committee member remuneration	X		Annual policy review. Remuneration level every 3 years – recommend to Council	Head of Governance

Chief Executive performance appraisal	X		Annual	Chair
ELT performance appraisal	X		Annual	Chief Executive
Severance payments and expenses policies	X		As required	Head of HR and OD
People strategy, workforce performance, culture and internal EDI		X	Quarterly – Directorate report and separate HR report. Gender pay gap report on an annual basis	Head of HR and OD
Partner recruitment, retention and performance		X	Quarterly. EDI report annually	Partner Project Lead
Financial oversight		X	Quarterly	Head of Finance
Investment, business change, projects		X	Quarterly – Directorate report and separate Investment report	Head of Business change
Digital strategy and transformation		X	Quarterly Directorate report and separate reports as required	Head of IT and Digital Transformation
Estates strategy and sustainability		X	Quarterly Directorate report and separate reports as required	Head of Estates, FM & Sustainability
Financial management, investment and reserves policy		X	As required, following ARAC consideration and ahead of Council approval	Head of Finance