NHS Fife

ANNUAL STATEMENT OF ASSURANCE FOR
NHS FIFE REMUNERATION COMMITTEE FOR 2025/26

1. Purpose

1.1 The purpose of the Remuneration Committee is to consider and agree performance objectives and performance appraisals for staff in the Executive Cohort and to oversee performance arrangements for designated senior managers.

1.2 To direct the appointment process for the Chief Executive and Executive Members of the Board.

2. Membership

2.1 During the financial year to 31 March 2026, membership of the Remuneration Committee comprised:

Pat Kilpatrick	Chair / Chairperson of NHS Fife Board
Alistair Morris	Vice Chair & Non-Executive Board Member
Alastair Grant	Non-Executive Board Member (to 30 July 2025)
John Kemp	Non-Executive Board Member (to 30 September 2025)
Lynne Parsons	Employee Director
Colin Grieve	Non-Executive Board Member (from 30 September 2025)
Jo Bennett	Non-Executive Board Member (from 30 September 2025)

2.2 The Committee may invite individuals to attend Committee meetings for particular agenda items. The Chief Executive and Director of People & Culture will normally be in attendance at Committee meetings. Other attendees, deputies and guests are recorded in the individual minutes of each Committee meeting. The Executive Assistant to the Director of People & Culture will normally take the minute of the meeting.

3. Meetings

3.1 The Committee met on four occasions during the financial year to 31 March 2026, on the undernoted dates:

- 26 May 2025
- 11 August 2025
- 1 December 2025
- 30 March 2026

3.2 The attendance schedule is attached at Appendix 1.

4. Business

4.1 An extract of the Committee's workplan for the year, illustrating the assurance levels agreed for each of the substantive agenda items, is attached as Appendix 2. A summary of the Committee's business over the year is given below.

4.2 The Remuneration Committee's first meeting of the 2025/26 reporting year was in May 2025 where the Committee approved the Annual Statement of Assurance for the 2024/25 reporting period and took a significant level of assurance from the Board's Corporate Objectives for 2025/26, which were approved at the March 2025 meeting of the NHS Fife Board. The Committee considered and approved the performance management outcomes for the Executive and Senior Management (ESM) Cohort for 2024/25, including the provisional performance ratings for submission to the National Performance Management Committee (NPMC) by the 18 July 2025 deadline. Taking a significant level of assurance, the Committee considered and agreed (subject to the amendments discussed) the 2025/26 personal objectives for the Chief Executive. The commencing salary of the Director of Nursing (due to commence in post on 1 July 2025) was approved.

4.3 At the meeting in August 2025 the Committee considered and agreed (subject to the amendments discussed), the 2025/26 objectives for the ESM cohort. Proposals to realign Executive reporting lines to strengthen digital, governance, analytical and clinical oversight, supporting clearer accountability, streamlined Executive leadership, and improved Board-level assurance were approved. The proposal to update remuneration rates for GPs working within the Board's Medical Education Team was also agreed at this meeting.

4.4 At the meeting held in December 2025, the Committee noted that the NPMC Letter of Assurance confirming completion of the governance process in relation to appraisal outcomes for 2025/26 ESM Performance Management had not as yet been issued. Robust discussions took place on the 2025/26 Mid-Year Appraisal Reviews for the Executive cohort noting that this activity had been conducted in accordance with the Performance Management arrangements for Executive and Senior Management posts and recorded using the TURAS Appraisal programme. Recommendations of the Discretionary Points Committee in the matter of awarding Discretionary Points to Consultants in relation to 2024/25 performance were approved. The Committee formally endorsed the proposal to fill the Chief Executive vacancy, agreed the content of the Job Description subject to the amendments discussed and the commencement of the recruitment process for this post. The Committee also considered the proposed regrading of the Director of Communications & Engagement role, arising from significant changes in scope and executive alignment.

4.5 At the last meeting of the year in March 2026 the Committee discussed the Corporate Objectives for 2026/27, taking a limited level of assurance, acknowledging that this matter was scheduled for discussion as part of the Annual Delivery Plan at the Private Session of the NHS Fife Board on 31 March 2026.

The Committee discussed and endorsed the 2026/27 Committee Terms of Reference for further consideration by the NHS Fife Board in May 2026. The Annual Workplan for 2026/27 was discussed and agreed (subject to a minor amendment). The Committee noted receipt of the NPMC Letter of Assurance (issued on 17 February 2026) which confirmed completion of the governance process in relation to the 2024/25 ESM appraisal outcomes; that the NPMC was content with the Board's appraisal outcomes and that the Director of People & Culture has implemented the application of any relevant adjustments to pay for staff in the ESM cohort in accordance with the relevant Scottish Government circulars. The commencing salary of the incoming Chief Executive was approved. A proposal to appoint the Deputy Director of Planning and Performance as Interim Director of Planning and Transformation for a six-month period from 24 April 2026 was noted, and the payment of a temporary responsibility allowance for this duration agreed, to ensure continuity of cover and maintain Executive level accountability across critical planning, performance and transformation functions, following the resignation of the Director of Planning & Transformation.

4.6 Throughout the year the Remuneration Committee has considered and where appropriate approved the decisions relating to Executive and Senior Management performance management arrangements.

4.7 At each meeting appropriate circulars and letters were presented and noted by the Committee.

5. Self Assessment

5.1 The Committee completed a self assessment of its own performance and effectiveness, utilising the questionnaire approved by the Board Secretary. Attendees were also invited to participate in the self assessment, which was carried out via an easily accessible online portal. A report summarising the findings of the survey was considered and approved by the Committee at its meeting in March 2026, and action points are being taken forward.

6. Conclusion

6.1 As Chair of the Remuneration Committee during the financial year 2025/26, I am satisfied that the frequency of meetings, the breadth of the business undertaken and the range of attendees at meetings of the Committee has allowed us to fulfil our remit as detailed in the Code of Corporate Governance. As a result of the work undertaken during the year, I can confirm that appropriate arrangements were in place for the implementation of the circulars and the Committee fulfilled its remit and purpose.

6.2 I continue to pay tribute to the dedication and commitment of fellow members of the Committee and to all attendees. I thank all those members of staff who have prepared reports and attended meetings of the Committee.

Signed: Pat. Kilpatrick Date: 25 May 2026

Pat Kilpatrick, Committee Chair
On behalf of the Remuneration Committee

Appendix 1 - Attendance Schedule
Appendix 2 - Levels of Assurance mapped to Committee's Annual Workplan

NHS FIFE REMUNERATION COMMITTEE
ATTENDANCE SCHEDULE 1 APRIL 2025 – 31 MARCH 2026

Members	**26.05.25**	**11.08.25**	**01.12.25**	**30.03.26**
Pat Kilpatrick, Chair	✓	✓	✓	✓
Alistair Morris, Vice Chair & Non-Executive Board Member	x	✓	✓	x
Alastair Grant, Non-Executive Board Member	x			
John Kemp, Non-Executive Board Member	✓	✓		
Lynne Parsons, Employee Director	✓	✓	✓	x
Colin Grieve, Non-Executive Board Member	✓ (ad hoc attendance at the request of the Chair)		✓	✓
Jo Bennett, Non-Executive Board Member	✓ (ad hoc attendance at the request of the Chair)		✓	✓

In Attendance

David Miller, Director of People & Culture	✓	✓	✓	✓
Carol Potter, Chief Executive	✓	✓	✓	x

Agreed Level of Assurance	
S	Significant
M	Moderate
L	Limited
N	None

REMUNERATION COMMITTEE
LEVELS OF ASSURANCE MAPPED TO ANNUAL WORKPLAN 2025 / 2026

	Lead	26.05.25	11.08.25	01.12.25	30.03.26
Governance and Assurance					
Annual Statement of Assurance	**Director of People & Culture**	**M**			
NHS Fife Corporate Objectives	**Chief Executive**	**S**			**L (2026/27)**
Corporate Calendar / Committee Dates	**Director of People & Culture**			✓	
Committee Self-Assessment Report	**Board Secretary**				**M**
Review of Committee Terms of Reference	**Board Secretary**				**S**
Annual Workplan	**Director of People & Culture**				**S**
Pay and Performance Management					
ESM Performance Management – End of Year Reviews (2024/25) (Executive and Senior Manager Cohort)	**Chief Executive**	**S**			
Performance Management – Setting Objectives (2025/26) ESM Executive Cohort	**Chair/ Chief Executive**	**S** *Chief Exec*	**M** *Directors*		
ESM Performance Management Outcomes 2024/25 – NPMC Confirmation	**Director of People & Culture**			**Verbal** *(For Noting)*	**S**
ESM Performance Management - Mid Year Appraisal Reviews 2025/26 Executive Cohort	**Chief Executive**			**M**	
Consultant Discretionary Awards - Outcomes	**Director of People & Culture**			**S**	
Ad-Hoc Items: these are items that are unscheduled, but the Committee will consider as and when appropriate					
Circulars and Directors Letters	**Director of People & Culture**	✓	✓	✓	✓
Job Description for the Executive Cohort – new or revised	**Director of People & Culture**	✓	✓	**M**	**For Noting**

	Lead	26.05.25	11.08.25	01.12.25	30.03.26
				Director of Communications & Engagement Regrading **S** *Chief Executive Recruitment*	*Director of Communications & Engagement*
Terms and Conditions of Employment not under Ministerial direction	**Director of People & Culture**	**S** *Director of Nursing Commencing Salary*	✓		**S** *Chief Executive Commencing Salary* **S** *Temporary Responsibility Allowance (Deputy Director of Planning & Transformation)*
Executive Leadership & Portfolio Realignment	**Chief Executive**		**S**		
Medical Education: GP Remuneration Review & Proposal	**Director of People & Culture**		**S**		