

LIVERPOOL WOMEN'S NHS FOUNDATION TRUST

Council of Governors Meeting

6 November 2019



Meeting of the Council of Governors
Wednesday 6 November 2019 at 1730
Lecture Theatre, Blair Bell Education Centre, Liverpool Women's Hospital, Crown Street, Liverpool L8 7SS

Item no. 2019	Title of item	Objectives/desired outcome	Process	Item presenter	Time allocated to item	CQC Fundamental Standard
056	Welcome & Apologies for absence	Receive apologies	Verbal	Chair	1730 (5mins)	Well led
057	Meeting guidance notes	Receive and note	Written guidance	Chair		Well led
058	Declarations of interest	Identify and avoid conflicts of interest	Verbal	Chair		Well led
059	Minutes of the previous meeting – 31 July 2019	Confirm as an accurate record the minutes of the previous meeting	Written minutes	Chair		Well led
060	Matters arising and action log - <i>No formal actions outstanding.</i>	Provide an update in respect of any matters arising	Verbal	Chair		Well led
061	Chair's announcements <ul style="list-style-type: none"> Governor Elections 2019 Chief Executive update <ul style="list-style-type: none"> RTT and 62-day Cancer Trajectory Clinical Summit Outcomes Future Generations 	Report recent and announce items of significance not elsewhere on the agenda	Verbal	Chair, CEO & Executive Directors	1735 (20 mins)	Well led

MATTERS FOR RECEIPT / APPROVAL						
062	Activity Report from the Governor Group Meetings. 1. <i>Finance and Performance Group</i> 2. <i>Quality and Patient Experience Group</i> 3. <i>Communications and Membership Engagement Group</i>	Receive activity reports for assurance	Written Written Verbal	Group Chairs	1755 (10mins)	All
063	Nominations & Remuneration Committee – Terms of Reference	For approval	Written	Interim Trust Secretary	1805 (5mins)	Well led
064	CQC Inspection 2019	For information	Verbal	Director of Nursing & Midwifery	1810 (5mins)	Well led
065	Development of the Quality Strategy	To participate in the development of the Strategy	Workshop	Head of Governance & Quality	1815 (20 mins)	Well led
ITEMS FOR INFORMATION AND DISCUSSION						
066	Review of risk impacts of items discussed	Identify any new risk impacts	Verbal	Chair	1835 (5 mins)	Well Led
067	Any other business	Consider any urgent items of other business	Verbal or written	Chair		Well Led
068	Review of meeting	Review the effectiveness of the meeting	Verbal	Chair / all	Meeting end 1840	Well Led

Date, time and place of next meeting: Wednesday 5 February 2020 at 1730 in the Lecture Theatre, Blair Bell Education Centre, Liverpool Women's Hospital

Meeting attendees' guidance, April 2019

Under the direction and guidance of the Chair, all members are responsible for ensuring that the meeting achieves its duties and runs effectively and smoothly. At all times the members should be cognisant of the meetings Terms of Reference.

Before the meeting

- Prepare for the meeting in good time by reviewing all reports
- Submit any reports scheduled for consideration at least 8 days before the meeting to the meeting administrator for issue 7 days before the meeting (see bullet 2 below under Standards and Obligations)
- Ensure your apologies are sent if you are unable to attend and *arrange for a suitable deputy to attend in your absence
- Notify the Chair in advance of the meeting if you wish to raise a matter of any other business

*some members may send a nominated representative who is sufficiently senior and has the authority to make decisions. Refer to the terms of reference for the committee/subcommittee to check whether or not this is allowable

At the meeting

- Arrive in good time to set up your laptop/tablet for the paperless meeting
- Switch to silent mobile phone
- Focus on the meeting at hand and not the next activity
- Actively and constructively participate in the discussions
- Think about what you want to say before you speak; explain your ideas clearly and concisely and summarise if necessary
- Make sure your contributions are relevant and appropriate
- Respect the contributions of other members of the group and do not speak across others
- Ensure you understand the decisions, actions, ideas and issues agreed and to whom responsibility for them is allocated
- Do not use the meeting to highlight issues that are not on the agenda that you have not briefed the chair as AoB prior to the meeting
- Re-group promptly after any breaks
- Take account of the Chair's health, safety and fire announcements (fire exits, fire alarm testing, etc)

Attendance

- Members are expected to attend at least 75% of all meetings held each year. Please check Terms of Reference of the Committee on each committees requirement.

After the meeting

- Follow up on actions as soon as practicably possible
- Inform colleagues appropriately of the issues discussed

Standards & Obligations

1. All documentation will be prepared using the standard Trust templates. A named person will oversee the administrative arrangements for each meeting

2. Agenda and reports should be issued 7 days before the meeting. Any changes to this timeframe require the agreement of the Chair of the meeting.
3. The draft minutes, Chair's Report and action schedule will be prepared and circulated to all members of the meeting within 7 days following the meeting.
4. Chair and members are also responsible for the committee/ subcommittee's compliance with relevant legislation and Trust policies
5. It is essential that meetings are chaired with an open and engaging ethos, where challenge is respectful but welcomed
6. Where consensus on key decisions and actions cannot be reached this should be noted in the minutes, indicating clearly the positions of members agreeing and disagreeing – the minute should be sufficiently recorded for audit purposes should there need to be a requirement to review the minutes at any point in the future, thereby safeguarding organisational memory of key decisions
7. Committee members have a collective duty of candour to be open and honest both in their discussions and contributions and in proactively at the start of any meeting declaring any known or perceived conflicts of interest to the members of the committee.
8. Where a member of the committee perceives another member of the committee to have a conflict of interest, this should be discussed with the chair prior to the meeting
9. Where a member of the committee perceives that the chair of the committee has a conflict of interest this should be discussed with the Trust Secretary
10. Where a member(s) of a committee has repeatedly raised a concern via AoB and subsequently as an agenda item, but without their concerns being adequately addressed the member(s) should give consideration to escalating the concern to their line manager or if this is not appropriate to the Trust Secretary or via the Trusts raising concerns policy
11. Where a member(s) of a committee has exhausted all possible routes to resolve their concerns consideration should be given (which is included in the raising concerns policy) to contact the Senior Independent Director to discuss any high level residual concerns. Given the authority of the SID it would be inappropriate to escalate a non-risk assessed issue or a risk assessed issue with a score of less than 15
12. Towards the end of the meeting, agendas should carry a standing item that requires members to collectively identify new risks to the organisation – it is the responsibility of the chair of the committee to ensure, following agreement from the committee members, these risks are documented on the relevant risk register and scored appropriately

Speak well of NHS services and the organisation you work for and speak up when you have Concerns

Council of Governors Finance and Performance Group
Monday, 21 October 2019 at 17:30 hrs
Boardroom, Liverpool Women's NHS Foundation Trust

32	<p>Governors Present: Evie Jefferies - Public Governor Jackie Sudworth - Public Governor</p> <p>Directors & Managers Present: Robert Clarke - Trust Chair Ian Knight - Non-Executive Director Jo Moore - Non-Executive Director Jenny Hannon - Director of Finance Gary Price - Director of Operations Paul Buckingham - Interim Trust Secretary</p> <p>Apologies for Absence: Apologies were received from; Denise Richardson, Kate Hindle, Mary Doddridge, Nigel Parsons, Mary McDonald, Gillian Walker and Sara Micelli-Fagrell</p>
33	<p>Meeting guidance notes Meeting guidance notes were received and noted.</p>
34	<p>Declarations of Interest None</p>
35	<p>Minutes of Meeting Robert Clarke welcomed all present to the meeting and introductions were made. The Group reviewed the minutes of the previous meeting held on 22 July 2019 and a number of typographical errors were noted by Jenny Hannon. It was also noted that there were no Governors present who had attended the previous meeting. Consequently, it was agreed that the typographical errors should be corrected and that a final version of the minutes should be circulated to Governors present at the 22 July 2019 for confirmation of accuracy.</p>
36	<p>Matters Arising For the benefit of the recently elected Governors, Robert Clarke explained the purpose of Governor Group meetings and noted that the meetings provided an opportunity for Governors to consider subjects with a greater focus and level of detail and in a more relaxed environment than the formal Council of Governors meetings.</p> <p>Robert Clarke advised that Group meetings were scheduled to be held on the same days that Board Committee meetings were held which allowed the Non-Executive Director chairs of the relevant Board Committees to attend and brief Governors on the business considered by their respective Committees.</p>
37	<p>Chairs Report from the Finance, Performance and Business Development Committee (FPBD) and Audit Committee (AC)</p> <p>Finance, Performance & Business Development Committee The Group noted that the Chair's Reports from the meetings held on 22 July and 23 September 2019 were included in the meeting pack for reference. Jo Moore then briefed the Group on matters considered during the Committee meeting held earlier that day. She provided an overview of current</p>

Operational Performance against key indicators and noted continuing challenges in relation to performance against the 31 Day and 62 Day Cancer standards. Robert Clarke commented on the challenges associated with Gynaecology Cancer and Gary Price noted that the Trust currently had just three working Consultants compared to an establishment of 6. He advised the Group of work with partners to address capacity and demand challenges.

Jo Moore advised that the Committee had received positive assurance on the Trust's financial performance which remained on track for achievement of the breakeven control total. Jenny Hannon explained the background to agreement of the control total and noted that delivery would be dependent on the Trust securing the associated central funding. In response to comments from Jo Moore, who noted good progress against the cost improvement programme (CIP), Jenny Hannon assured the Group that the Trust would not seek to make savings at the expense of quality and noted the use of robust Quality Impact Assessments (QIA) and Equality Impact Assessments (EIA) for each scheme. She also noted that the Committee meeting earlier that day had received a report which detailed the outcomes of a Post-Implementation Review which assessed any positive or adverse impacts on quality for each CIP scheme.

Jo Moore noted that the Committee had been assured that good progress was being made with the Neonatal Build with a forecast completion date of August 2020, just 2 weeks adrift of the original scheduled completion date. Jackie Sudworth commented on the 2-week slippage in the context of delays to the Royal Liverpool project and queried whether the Neonatal facility would result in a requirement for additional staff. Gary Price advised that no additional staff would be required as the redevelopment provided a significant increase in the space available to accommodate the current total of 44 cots. In response to a follow up question from Jackie Sudworth, regarding the 'Save Liverpool Women's' campaign, Robert Clarke advised that the campaign was likely to be happy to see any investment on the current hospital site and noted the importance of maintaining safe and effective services whilst progressing longer term strategic objectives.

Audit Committee

Ian Knight briefed the Group on matters considered by the Audit Committee during a meeting held earlier that afternoon which had included the following:

- Internal Audit Progress Report
- External Audit Sector Report
- Follow Up on Audit Recommendations
- Anti-Fraud Progress Report
- Waivers of Standing Financial Instructions (SFI) Report
- Charitable Funds Governance Arrangements
- Assurance on Compliance with Governance Processes

Ian Knight explained the differing roles and responsibilities of Internal Audit and External Audit and provided an overview of the nature of the Internal Audit reports considered by the Committee. He advised that there was a robust process in place to ensure that any recommendations arising from audit reviews were monitored and tracked through to implementation with follow-up checks being performed by Internal Audit to provide assurance. Ian Knight noted a report on a Patient Kiosk audit considered by the Committee as an example and commented on the challenges relating to confidentiality and General Data Protection Regulations (GDPR) requirements. Jackie Sudworth noted that self-check-in facilities were commonplace in GP practices. Jenny Hannon acknowledged these comments but noted that recommendations would need to be thoroughly assessed to identify any practical means of enhancing confidentiality.

	<p>The Group:</p> <ul style="list-style-type: none"> Received and noted the briefings from Committee Chairs.
38	<p>Any Other Business None</p>
39	<p>Review of meeting – review the effectiveness of the meeting in achieving objectives/desired outcomes and management of time. The Governors present thanked the Executive and Non-Executive Directors for their time and agreed that content of the meeting had been well delivered in a simple, understandable style.</p>
40	<p>Date, time and place of next meeting: Monday, 27 January 2020, 1730 in the Boardroom</p>

Notes from the Council of Governors Quality and Patient Experience Group
Monday 23 September 2019 at 1730hrs
Large Meeting Room, Liverpool Women's NHS Foundation Trust

	<p>Attended by: Pat Speed-Chair, Kate Hindle, Carole McBride, Mary McDonald.</p> <p>Directors: Robert Clarke, Tony Okotie, Ian Knight, Susan Milner, Caron Lappin, Colin Reid</p>
032	<p>Apologies for absence Aminu Audu, Adrian O'Hara, Devender Roberts</p>
033	<p>Meeting Guidance notes Noted</p>
034	<p>Declarations of interest None</p>
035	<p>Minutes of Meeting The Minutes of the meeting of the Group held 24 June 2019 were approved.</p>
036	<p>Matters Arising All actions arising were included on the agenda for the meeting.</p>
037	<p>Update of Cancer and RTT: The Director of Operations was called away from the meeting before his agenda item. The Group was advised that the update would be circulated.</p>
038	<p>Audit findings – Quality Report 2018/19 The Trust Secretary updated the Group on the Audit presentation (ISA 260) which was shared at the Council of Governors meeting. It was noted that the papers advised of the findings, along with the limited assurance gained. The Group noted that there were sample cases which had not followed guidance and that processes were in place to address similar issues going forward. The Group was updated that training was now available for everyone who deals with RTT including Clinicians.</p> <p>The Trust Secretary advised the Group that '30 day re-admissions' was not an auditable indicator. It was noted that next year the Trust must choose an indicator with quantifiable data held at LWH.</p>
039	<p>Chairs Report for the Quality Committee and Putting People First Committee The Group received feedback from each of the Board Committees on their activity since the last meeting of the Group.</p> <p>Quality Committee Dr. Susan Milner updated the Group on the work of the Quality Committee and the assurances it had received.</p> <ul style="list-style-type: none"> ~ Board Assurance Framework: The Group was advised that the BAF was now in a different format, with the possibility of 3 new areas to be added under maternal medicine. It was noted that the seven day service and oncology would be reviewed and would return to Quality Committee in October 2019. ~ CQC Action Plan: It was noted that the Committee had received an update advising that the CQC action plan was being prepared for the upcoming visit.

	<ul style="list-style-type: none"> ~ EPR: The Committee had received a verbal update from the Director of Finance who advised what the change of direction would look like. ~ Monthly Quality Performance Report: The Committee was updated on the ongoing challenges. ~ LocSSIPs Assurance Report: Dr Susan Milner, Chair of the Quality Committee, provided the Group with an overview of LocSSIPs, updating the Group that great progress had been made, however, this item would remain on the agenda until the Committee was 100% assured. ~ Mortality Rates: The Committee noted that the mortality rates were a concern at present; that data was being thoroughly reviewed and that this would be a standing item on the agenda. The Committee was advised that mortality rates would be reviewed by an external source. The Trust Chair updated the Group that the Executive team were classing this concern as high priority, ensuring that no time was lost ~ Other updates: The Committee received an update on the Clinical Audit 2018/19. A verbal update was given on clinical quality and sustainability. The Gynaecology quality spot check report was shared and it was noted that progress was being made. <p>PPF Committee</p> <p>Tony Okotie updated the Group on the work of the Putting People First Committee and the assurances it had received.</p> <ul style="list-style-type: none"> ~ Director of Workforce Report: The Committee received an update on the student, work experience and pre-employment programmes. An update on the leadership development programme was shared with the Committee. ~ Workforce Review: The Committee was updated on a review which had taken place within Clinical Support Services. Resus performance metrics were shared with the Committee. ~ Workforce KPIs Dashboard – Tony Okotie reported that much more detail was provided at the meeting. It was noted that there was a lot of focus on sickness levels, that August 2019 had the highest levels in the past 12 months. This item will return to the next PPF Committee meeting. ~ Other updates: It was noted that further discussions were required around the medical appraisal revalidation and the nursing & midwifery appraisal and revalidation.
040	<p>Experience Senate</p> <p>Kate Hindle advised that Committee that the full Chairs report would be circulated.</p>
041	<p>Any Other Business</p> <p>The Group was asked to note that the Annual Members Meeting was scheduled for Thursday 3rd October 2019 at 5pm.</p>

	<p>Review of Meeting Members happy with content and quality of discussion</p>
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Agenda Item

MEETING	Council of Governors	
PAPER/REPORT TITLE:	Terms of Reference – Nominations & Remuneration Committee	
DATE OF MEETING:	Wednesday, 06 November 2019	
ACTION REQUIRED	Approve	
EXECUTIVE DIRECTOR:	Paul Buckingham, Interim Trust Secretary	
AUTHOR(S):	Paul Buckingham, Interim Trust Secretary	
STRATEGIC OBJECTIVES:	<p>Which Objective(s)?</p> <p>1. To develop a well led, capable, motivated and entrepreneurial workforce <input checked="" type="checkbox"/></p> <p>2. To be ambitious and efficient and make the best use of available resource <input type="checkbox"/></p> <p>3. To deliver safe services <input type="checkbox"/></p> <p>4. To participate in high quality research and to deliver the most effective Outcomes <input type="checkbox"/></p> <p>5. To deliver the best possible experience for patients and staff <input type="checkbox"/></p>	
LINK TO BOARD ASSURANCE FRAMEWORK (BAF):	<p>Which condition(s)?</p> <p>1. Staff are not engaged, motivated or effective in delivering the vision, values and aims of the Trust..... <input type="checkbox"/></p> <p>2. Potential risk of harm to patients and damage to Trust's reputation as a result of failure to have sufficient numbers of clinical staff with the capability and capacity to deliver the best care. <input type="checkbox"/></p> <p>3. The Trust is not financially sustainable beyond the current financial year..... <input type="checkbox"/></p> <p>4. Failure to deliver the annual financial plan <input type="checkbox"/></p> <p>5. Location, size, layout and accessibility of current services do not provide for sustainable integrated care or quality service provision <input type="checkbox"/></p> <p>6. Ineffective understanding and learning following significant events..... <input type="checkbox"/></p> <p>7. Inability to achieve and maintain regulatory compliance, performance and assurance..... <input checked="" type="checkbox"/></p> <p>8. Failure to deliver an integrated EPR against agreed Board plan (Dec 2016) <input type="checkbox"/></p>	
CQC DOMAIN	<p>Which Domain?</p> <p>SAFE- People are protected from abuse and harm <input type="checkbox"/></p> <p>EFFECTIVE - people's care, treatment and support achieves good outcomes, promotes a good quality of life and is based on the best available evidence. <input type="checkbox"/></p> <p>CARING - the service(s) involves and treats people with compassion, kindness, dignity and respect. <input type="checkbox"/></p> <p>RESPONSIVE – the services meet people's needs. <input type="checkbox"/></p> <p>WELL-LED - the leadership, management and governance of the organisation assures the delivery of high-quality and person-centred care, <input checked="" type="checkbox"/></p>	

	<i>supports learning and innovation, and promotes an open and fair culture.</i> ALL DOMAINS <input type="checkbox"/>	
LINK TO TRUST STRATEGY, PLAN AND EXTERNAL REQUIREMENT	1. Trust Constitution <input checked="" type="checkbox"/> 2. Operational Plan <input type="checkbox"/> 3. NHS Compliance <input type="checkbox"/>	4. NHS Constitution <input type="checkbox"/> 5. Equality and Diversity <input type="checkbox"/> 6. Other: Click here to enter text.
FREEDOM OF INFORMATION (FOIA):	1. This report will be published in line with the Trust's Publication Scheme, subject to redactions approved by the Board, within 3 weeks of the meeting	
RECOMMENDATION: <i>(eg: The Board/Committee is asked to:-....)</i>	<i>The Council of Governors is recommended to approve the revised Terms of Reference included at Annex A.</i>	
PREVIOUSLY CONSIDERED BY:	Committee name	<i>Choose an item.</i> Or type here if not on list: Nominations & Remuneration Committee
	Date of meeting	Wednesday, 30 October 2019

Report

Introduction

The Terms of Reference for the Committee were last reviewed and approved by the Council of Governors on 25 January 2017. This followed a decision to merge the two Governor Committees responsible for Nominations and Remuneration into a single Committee. Section 11 of the current Terms of Reference states that “***The terms of reference of the committee shall be reviewed by the council of governors at least annually***”. Consequently, the Terms of Reference are overdue for review.

Issues for Consideration

The current Terms of Reference were reviewed by the Nominations & Remuneration Committee during a meeting held on 30 October 2019. The Committee considered and agreed a number of amendments suggested by the Interim Trust Secretary which related to:

- The quorum for Committee meetings and amending the requirement for two public governors to be present
- Introducing a maximum term of office for members of the Committee; and
- Revising the review period from one to two years

The proposed amendments are highlighted in the draft Terms of Reference included at Annex A by the use of bold italics and/or strikethrough.

Conclusion / Recommendation

The Council of Governors is recommended to:

- Approve the draft Terms of Reference included at Annex A as recommended by the Nominations & Remuneration Committee.

Council of Governors

Nomination and Remuneration Committee

Please note that all references in these terms of reference to non-executive directors are to be taken to include the chair, unless specifically indicated otherwise.

1. AUTHORITY

- 1.1 The council of governors' nomination and remuneration committee (the committee) is constituted as a standing committee of the council of governors. Its constitution and terms of reference shall be as set out below, subject to amendment at future meetings of the council of governors.
- 1.2 The committee is authorised by the council of governors to act within its terms of reference. All members of staff are requested to co-operate with any request made by the committee.
- 1.3 The committee is authorised by the council of governors, subject to funding approval by the board of directors, to request professional advice and request the attendance of individuals and authorities from outside the trust with relevant experience and expertise if it considers this necessary for or expedient to the exercise of its functions.
- 1.4 The committee is also authorised to request such internal information as is necessary and expedient to the fulfilment of its functions.

2. CONFLICTS OF INTEREST

- 2.1 The chair of the trust, or any non-executive director present at committee meetings, will withdraw from discussions concerning their own re-appointment, remuneration or terms of service.

3. NOMINATION ROLE

The committee will:

- 3.1 Periodically review the balance of skills, knowledge, experience and diversity of the non-executive directors and, having regard to the views of the board of directors and relevant guidance on board composition, make recommendations to the council of governors with regard to the outcome of the review.
- 3.2 Review the results of the board of directors' performance evaluation process that relate to the composition of the board of directors.
- 3.3 Review annually the time commitment requirement for non-executive directors.
- 3.4 Give consideration to succession planning for non-executive directors, taking into account the challenges and opportunities facing the trust and the skills and expertise needed on the board of directors in the future.
- 3.5 Make recommendations to the council of governors concerning plans for succession, particularly for the key role of chair.
- 3.6 Keep the leadership needs of the trust under review at non-executive level to ensure the continued

ability of the trust to operate effectively in the health economy.

- 3.7 Keep up-to-date and fully informed about strategic issues and commercial changes affecting the trust and the environment in which it operates.
- 3.8 Agree with the council of governors a clear process for the nomination of a non-executive director.
- 3.9 Take into account the views of the board of directors on the qualifications, skills and experience required for each position.
- 3.10 For each appointment of a non-executive director, prepare a description of the role and capabilities and expected time commitment required.
- 3.11 Identify and nominate suitable candidates to fill vacant posts within the committee's remit, for appointment by the council of governors.
- 3.12 Ensure that a proposed non-executive director's other significant commitments are disclosed to the council of governors before appointment and that any changes to their commitments are reported to the council of governors as they arise.
- 3.13 Ensure that proposed appointees disclose any business interests that may result in a conflict of interest prior to appointment and that any future business interests that could result in a conflict of interest are reported.
- 3.14 Ensure that on appointment non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside board of director meetings.
- 3.15 Advise the council of governors in respect of the re-appointment of any non-executive director. Any term beyond six years must be subject to a particularly rigorous review.
- 3.16 Advise the council of governors in regard to any matters relating to the removal of office of a non-executive director.
- 3.17 Make recommendations to the council of governors on the membership of committees as appropriate, in consultation with the chairs of those committees.

4. REMUNERATION ROLE

The committee will:

- 4.1 Recommend to the council of governors a remuneration and terms of service policy for non-executive directors, taking into account the views of the chair (except in respect of his own remuneration and terms of service) and the chief executive and any external advisers.
- 4.2 In accordance with all relevant laws and regulations, recommend to the council of governors the remuneration and allowances, and the other terms and conditions of office, of the non-executive directors.
- 4.3 Receive and evaluate reports about the performance of individual non-executive directors and consider this evaluation output when reviewing remuneration levels.

- 4.4 In adhering to all relevant laws and regulations establish levels of remuneration which:
- 4.4.1 are sufficient to attract, retain and motivate non-executive directors of the quality and with the skills and experience required to lead the trust successfully, without paying more than is necessary for this purpose, and at a level which is affordable for the trust;
 - 4.4.2 reflect the time commitment and responsibilities of the roles;
 - 4.4.3 take into account appropriate benchmarking and market-testing, while ensuring that increases are not made where trust or individual performance do not justify them; and
 - 4.4.4 are sensitive to pay and employment conditions elsewhere in the trust.
- 4.5 Oversee other related arrangements for non-executive directors.

5. MEMBERSHIP

- 5.1 The membership of the committee shall consist of:
- 5.1.1 The chair of the trust and
 - the following, appointed by the council of governors *for a maximum term of three years (subject to individuals maintaining governor status)*:
 - 5.1.2 two public governors
 - 5.1.3 one staff governor
 - 5.1.4 one appointed governor
 - 5.1.5 the lead governor
- 5.2 The committee will be chaired by the chair of the trust. Where the chair has a conflict of interest, for example when the committee is considering the chair's re-appointment, remuneration or performance, the committee will be chaired by the senior independent director (SID) or failing the SID the vice chair.
- 5.3 A quorum shall be three members. ~~two of whom must be public governors.~~

6. SECRETARY

- 6.1 The trust secretary shall be secretary to the committee.

7. ATTENDANCE

- 7.1 Only members of the committee have the right to attend committee meetings.
- 7.2 At the invitation of the committee, meetings shall normally be attended by the chief executive and director of human resources.
- 7.3 Other persons may be invited by the committee to attend a meeting so as to assist in deliberations.

8. FREQUENCY OF MEETINGS

8.1 Meetings shall be held as required, but at least once in each financial year.

9. MINUTES AND REPORTING

9.1 Formal minutes shall be taken of all committee meetings and once approved by the committee, circulated to all members of the council of governors unless a conflict of interest or matter of confidentiality exists.

9.2 The committee will report to the council of governors after each meeting.

10. PERFORMANCE EVALUATION

10.1 The committee shall review annually its collective performance.

11. REVIEW

~~11.1~~ The terms of reference of the committee shall be reviewed by the council of governors at least **every two years.** ~~annually.~~