

Governors Council

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| Report of: | Hugh Sturzaker, Deputy Chairman |
| Title: | Non Executive Director Remuneration |
| Date: | 7 th March 2008 |
| Action: | For approval |

Summary

To consider the payments to Non-Executive Directors and the impact of the national pay award.

Recommendation

The Council is asked to formally approve:

1. Cessation of the performance related pay for non executive directors
2. The recurrent pay increase for non executive directors
3. The award of an additional £500 to bring Mr D S Edwards in line with the other non executive directors.

Non Executive Director Remuneration

The Governors Council Nomination & Remuneration Committee has proposed that performance related pay for non executives will cease and to link pay progression only to national pay increases.

HR advice is that the performance payment should be integrated into the base rate.

The national pay increases are reflected below. The integrated performance payment is also shown.

The additional payment for Mr K Gaylard and Mrs J Mason relates to their role as Chair of Audit Committee and Chair of Healthcare Governance Committee respectively.

| | At 31 st March 2007 | Performance Payment | 1.4.2007 1.5% Increase | 1.11.2007 Balance of 1% | At 1 st April 2008 |
|---------------|--------------------------------|---------------------|------------------------|-------------------------|-------------------------------|
| J. Hemming | £44,000 | £3,000 | £44,660 | £45,100 | £48,100 |
| D. S. Edwards | £12,000 | n/a | £12,180 | £12,300 | £12,300 |
| K. E. Gaylard | £15,000 | £1,000 | £15,225 | £15,375 | £16,375 |
| J. Mason | £15,000 | £1,000 | £15,225 | £15,375 | £16,375 |
| H. Roberts | £12,000 | £500 | £12,180 | £12,300 | £12,800 |
| A. Stannard | £12,000 | £500 | £12,180 | £12,300 | £12,800 |

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