

Annex D: Terms of reference of the People Committee

1. The Board has established a People Committee to oversee the implementation of the People Strategy and to specifically address pay and conditions of employment of Senior Civil Service (SCS) employees.

Membership

2. The Members of the People Committee will comprise two non-executive Board Members and the Board Chair.
3. A non-executive Board Member will chair the People Committee. In the absence of the Committee's non-executive Board Member who normally chairs the Committee, one of other non-executive Board Members will chair the meeting.

Meetings

4. The People Committee will normally meet three times a year. The chair of the People Committee may convene additional meetings as they deem necessary.
5. A meeting of the People Committee will be deemed quorate if two Committee Members are present.
6. The Chief Executive, Senior Director, Business Improvement and Director, People will normally attend People Committee meetings except where it is discussing matters directly affecting their personal remuneration.
7. The Chair or Chief Executive may ask the People Committee to convene further meetings to discuss particular issues where the Committee's advice is wanted.

Reporting

8. Minutes will be taken at each meeting of the People Committee. The chair of the People Committee will report on its work to the Board following each

meeting and minutes of People Committee meetings will be shared with the Board.

9. The People Committee will review its terms of reference at least every three years, seeking feedback from members and attendees, and recommend any changes it considers necessary to the Board for approval.

Responsibilities

10. The responsibilities of the People Committee are to:
 - oversee the implementation of the People Strategy, providing strategic direction and advice;
 - monitor progress against the People Strategy's identified success criteria and milestones;
 - advise the Chief Executive on organisational structure, change or transition and culture as required, including by objectively and periodically reviewing Ofwat's culture, adherence to its values and advising on the evolution of Ofwat's approach;
 - consider the outcome of any surveys or other tools used to gain feedback from staff and Executive plans for addressing any issues or celebrating successes;
 - annually meet with a representative group of Ofwat employees to understand how the People Strategy is achieving its aim of making Ofwat a great place to work following the guidance on pay and related matters issued by HM Treasury and the Cabinet Office;
 - advise on the approach to the annual pay award for non-SCS employees;
 - review the Executive SCS performance management arrangements, including objectives, overview of performance and end of year performance rating;
 - decide on the implementation of the annual pay award for members of the SCS taking account of recommendations from the Chief Executive and the Chair;
 - decide on the payment of any end of year or in-year performance related payments for members of the SCS; and
 - consider any other issues relating to SCS pay terms and conditions of employment.