

## Minutes of the Thirty-Sixth Meeting

### Office for Legal Complaints (OLC) Remuneration and Nomination Committee

Tuesday 15 November 2016  
1.00 – 3.00 pm

#### Present:

Dr Bernard Herdan Chair  
Caroline Coates Member  
Jane McCall Member (via conference call)

#### In attendance:

Nick Hawkins Chief Executive  
Rob Powell Director of Corporate Services  
Simon Tunncliffe Head of Service  
Marcus Passant Head of Human Resources  
Caroline Taylor Staff Council observer  
Richard Padley Staff Council observer

#### Board Secretary:

Helen White Board Secretary

#### Item 1 – Welcome, apologies and conflict of interest

1. The Chair welcomed Caroline Taylor and Richard Padley to the meeting as Staff Council observers.
2. Staff attendees made a general declaration of interest related to Item 3.
3. The quorum requirements for the committee meeting were met.

#### Item 2 – HR Update

4. HR Balanced Scorecard: Marcus Passant, Head of HR, presented his annual review of the balanced scorecard. It was noted that the strategic alignment and employee engagement sections had been removed as the data had not yet been refreshed.
5. Turnover: Discussion took place on the analysis of annual turnover which detailed the leavers over the previous twelve months. The Head of HR reported that there was no pattern emerging and stated that this data would be collected on a quarterly basis and reported annually to RemCo.

**ACTION: The Head of HR to present the analysis of annual turnover annually in November.**

6. It was noted that turnover had risen and was now at 16.5%. It was noted that the increase in roles being offered for internal promotion had not reduced the turnover rates.
7. The Head of HR reported that the main reason quoted during exit interviews for leaving the organisation was career development. He reported that exit interviews had also picked up an increase in comments about the change of style within the organisation and the focus on targets and challenge.
8. Sickness: It was noted that the long term sickness rate had increased from 2.9% to 3.9% and was now above the CIPD average. Jane McCall stated that she thought the number of long term sick cases was concerning and that RemCo should keep a watching brief on this over the coming months.
9. The Head of HR reported that there appeared to be no specific trend in the sickness levels. He stated that each case was being appropriately and proactively monitored and each had an individual plan in place.
10. It was noted that the HR team were evaluating whether to introduce a trigger mechanism for long term absence.
11. It was noted that the external occupational health provider was active with all the long term sickness cases offering both distant support and face to face meetings. The Head of HR reported that regular home visits were conducted by team leaders, accompanied by HR, and the intention was to move the management of occupational support from the HR team to line managers.
12. It was agreed that there would be further discussion on long term sick at the February RemCo meeting. It was agreed that the occupational health provider would supply an overview of comparative data against other organisations to be tabled at the February RemCo meeting.

**ACTION: The Head of HR to table an update from the occupational health provider at the February RemCo Board.**

13. Jane McCall reported that the scorecard was still too transactional and focussed on the inputs of the organisation rather than outputs. The Director of Corporate Services reported that he would work with the Head of HR to address this. He thought it would be possible to provide this data as the strategy was about to be refreshed and the vision for the modernisation of LeO was imminent.

**ACTION: The DCS and Head of HR to review the scorecard data in advance of the February RemCo meeting.**

14. The Head of HR reported that he planned to review the structure and design of the attendance management scheme.

15. Staff Survey Results: It was noted that the staff survey results would be available shortly. It was agreed that the detailed results would be circulated to RemCo members outside Committee and that RemCo members would meet separately at the December OLC Board meeting to discuss the results further.

**ACTION: The Head of HR to circulate the staff survey results to RemCo members who would then meet on the day of the December OLC Board meeting to discuss further.**

16. Discussion took place on whether the Executive planned to continue with the internal 'Pulse' surveys. It was noted that as the Civil Service Survey had only closed at the end of October it would be too soon to run another internal survey before the end of the year. It was agreed that the Head of HR would provide an update on the survey plans for 2017 at the next RemCo meeting.

**ACTION: The Head of HR to provide an update on the survey plans for 2017 at the next RemCo meeting.**

17. Operational Recruitment: The Head of HR outlined changes being made in the way recruitment was undertaken in order to meet the organisation's ongoing resourcing requirements. It was noted that a rolling recruitment cycle had now been introduced with intakes on a quarterly basis. The Head of HR reported that the downside to a rolling programme was that the number of applicants was lower than previous campaigns.
18. Caroline Coates suggested the Executive consider whether to introduce a student ambassador based at local universities as a way to attract more candidates.
19. The Head of HR reported that the only other approach available would be to use agency staff for investigator recruitment as the organisation was part of Capita's government framework.
20. It was agreed that RemCo would keep a watching brief on operational recruitment and requested the Executive keep them updated on progress.
21. Training Schedule: The Head of HR presented the proposed training schedule for 2016/17. Caroline Coates suggested that an objective should be added to the report to ensure staff were aligned with the organisation's strategic and organisational goals.
22. Caroline Coates queried the omission of Equality and Diversity training from the report. The Head of HR stated that mandatory E&D training was shortly due to be rolled out to all staff across the organisation.
23. Discussion took place on how the induction training would be managed if there were only a few new starters each month. The Head of HR noted that the induction training had been redesigned and was now more modular.

### **Item 3 – Criteria for 2016/17 Bonus Scheme**

24. The Chief Executive reported there was universal agreement amongst the Senior Management team on the proposal for the bonus scheme. He noted that a clear message had been received from staff at LeO Live that they would like more information on the proposed scheme.
25. He reported that the aim of his paper was to agree the criteria that RemCo would require the organisation to meet before authorising the payment of any bonus, the mechanics for the scheme and the process to identify the staff who would receive a bonus.
26. It was noted that the proposed scheme had been discussed with Staff Council who were clear that it should not be a universal scheme and needed to be one which looked at areas such as quality, customer service principles and living the organisation's values.
27. Discussion took place on the potential reputational risk of any bonus payment. It was agreed any communications would need to be handled very carefully.
28. Discussion took place on the proposed moderation process. It was noted there was no appeals process.
29. It was agreed that RemCo members would meet in the margins of the 25 April OLC Board meeting to agree whether the criteria for the payment of the bonus had been met. The Executive would prepare a briefing paper on performance in advance of that meeting. The Executive would then work on the identification of participants.
30. If the payment of the bonus was approved by RemCo in April, the Chief Executive would provide an update at the June RemCo meeting on how it went and the amount paid.

### **Item 4 – RemCo Self-Assessment**

31. The RemCo Chair reported that following the completion of the self-assessment process a summary would be compiled of the various comments and achievable actions. The aim would be to share this with the OLC Board at the January 2017 meeting.
32. It was agreed the Board Secretary would prepare the first draft to share with the RemCo Chair.

**ACTION: The Board Secretary to compile a summary of the various comments and achievable actions to share with the RemCo Chair.**

## Item 5 – Proposals to consider an Evening Shift

33. The RemCo Chair reported that this item had been tabled as a proposal to open up a different workforce. He acknowledged there were implications to working antisocial hours but an evening shift could potentially open up a different employment market, which would meet the organisation's recruitment needs.
34. The Head of HR reported he was interested in looking at this in more detail and would need to understand how this would work with the current processes. He noted there could be difficulty as a key part of the investigator role was to speak to both parties, which he thought may prove difficult for service providers if working evening shifts.
35. The Head of Service reported that one option could be to segregate part of the workflow process for evening workers, but he had concerns about how productive this would be. He reported that further planning would be needed before moving to a pilot stage.
36. The RemCo Chair suggested that to avoid destroying the concept of case ownership, that the evening shift could potentially be 4-8 pm.
37. Jane McCall reported that the concept of an evening shift had merit and she welcomed further exploration.
38. The Head of Service reported that a three month trial would be undertaken for a twilight shift (12-8) starting in December. An interim update would be provided at the February RemCo meeting.

**ACTION: The Head of Service to proceed with the three month trial for a twilight shift, starting in December with an interim update to be provided at the February RemCo meeting.**

39. It was agreed the Head of HR would investigate offering more flexible working hours for part time workers to see if this enabled them to take on more shifts.

**ACTION: The Head of HR to investigate offering more flexible working hours to part time workers to see if this enabled them to take on more shifts.**

40. It was agreed that the Head of HR would investigate whether offering an evening shift would potentially generate more candidates.

**ACTION: The Head of HR to investigate whether offering an evening shift would potentially generate more candidates.**

## Item 6 – CMC Jurisdiction

41. The Chief Executive updated RemCo members on the handling of the announcement to staff regarding the transfer of CMC regulation to the FCA. He noted how professionally the staff received the message.
42. He reported that the Executive were balancing the need to recruit whilst ensuring there were roles available for CMC staff once the transfer of work takes place. It was noted that external recruitment was continuing as was the internal movement of staff to permanent CMC roles. This would continue until the period of twelve months before the loss of work at which point fixed term contracts and temporary staff would be employed.
43. The Chief Executive reported that the Executive were continuing to keep staff informed as the process continued.
44. RemCo members were pleased with the way the messaging was being handled but raised concern about the ability to recruit to fixed term contracts as it was currently proving difficult to recruit to permanent positions.
45. The Chief Executive reported that one other option to be considered would be the transfer of work in advance of the vesting date and also the potential for some staff to work from FOS before the vesting date.
46. It was agreed that RemCo would keep a watching brief over coming months.

#### **Item 7 – Review of Policies**

47. The Head of HR reported that as part of the normal cyclical review, the next group of policies were being presented for RemCo approval. It was noted that key summary sheets were tabled for the policies. RemCo members requested the Head of HR circulate the full Sickness Absence Policy for information.

**ACTION: The Head of HR to circulate the sickness absence policy to RemCo members for information.**

48. Caroline Coates requested that the Head of HR make it more explicit within the Grievance Procedure that completion of the form was not mandatory.

**ACTION: The Head of HR to make it more explicit within the Grievance Procedure that completion of the form was not mandatory.**

49. The Director of Corporate Services requested the Conflicts of Interests policy be withdrawn as he wished to make further amendments. This policy would then be circulated to RemCo members out of committee for approval.

**ACTION: The Director of Corporate Services to amend the Conflicts of Interest Policy and circulate to RemCo members out of committee for approval.**

### **Item 8 – Minutes of the previous meeting**

50. The minutes of the meeting held on 28 June 2016 were approved.

### **Item 9 – Matters arising and outstanding action points**

51. Members noted those items where actions had been completed and those that were included as agenda items.
52. The Board Secretary was requested to circulate the analysis from the previous staff survey to RemCo members out of committee.

**ACTION: The Board Secretary to circulate the analysis from the previous staff survey to RemCo members out of committee.**

### **Item 10 – Any Other Business**

53. Caroline Coates queried whether the Executive had any plans to introduce time recording to understand more about how time was being spent in the operational teams. The Head of Service stated that in the short term a pilot could be introduced but this would mean a manual data capture, which would in itself take time.
54. The Chief Executive stated that this would be something which could be incorporated in the new system requirements and would fit within the Modernising LeO programme as it was an important part of increasing productivity and consistency.
55. It was agreed that a feasibility paper on next steps would be tabled to RemCo in May 2017.

**ACTION: The Director of Corporate Services to table a feasibility paper to RemCo in May 2017.**

56. It was agreed that this item would be discussed at Staff Council.

**ACTION: The Executive to raise this matter at Staff Council.**

### **Next meeting**

The next RemCo meeting would be held on 16 February 2017 in Birmingham.