

Minutes of the Fifty Seventh Meeting of the Office for Legal Complaints
Remuneration and Nomination Committee

10 June 2021

Present:

Dr Jane Martin, Chair

Rod Bulmer

Elisabeth Bellamy

In attendance:

Elisabeth Davies, OLC Chair

Paul McFadden Chief Ombudsman

Sandra Strinati, Chief Operating Officer

Nicola Sinclair, Equality Diversity and Inclusion Manager

Lisa Brazier, HR Business Partner

David Peckham, Operations Manager (item 4)

Deb McIntyre, Operations Manager (item 10)

Debra Wright, Head of People Strategy and Services Designate – observing

Board Secretary:

Kay Kershaw

Item 1 – Welcome, apologies, conflict of interest and matters arising

1. The Chair welcomed those present to the meeting.
2. There were no apologies.
3. There were no conflicts of interest reported.

Item 2 – Previous minutes

4. The minutes of the previous meetings held on 11 February 2021 had been circulated to the Committee for review and comment prior to the meeting.
5. The Committee **approved** the minutes of the RemCo meeting held 11 February 2021 as an accurate record of the meeting.
6. RemCo reviewed the draft minutes of the joint RemCo/ Staff Council meeting held on 11 February 2021. Noting that the style and tone of the minutes were not consistent with formal Board and Committee minutes, RemCo asked for them to be redrafted and circulated out of committee approval at the earliest opportunity and for Staff Council to be updated on why this action had been requested.

ACTION: The joint Staff Council / RemCo minutes to be redrafted to ensure that the style and tone were consistent with other Board and Committee minutes and circulated out of committee for approval.

Item 3 – Outstanding actions from previous meetings and matters arising

7. Having considered the actions from previous meetings, it was **agreed** that:

- Action 7, paragraph 41 from the February meeting was to be closed and any new actions arising from discussion on the principles for the 2021/22 Celebrating Success: Reward and Recognition Scheme would be captured as new actions.
- Recognising that the ‘Shaping our Future Through Talent’ paper had been presented at the November meeting as a discussion paper aimed at informing the delivery of the People Plan, action 4 paragraph 15 from the November 2020 meeting was to be closed.

ACTION: Board Secretary to update the RemCo actions log as set out above.

8. RemCo **noted** the update on the actions arising from previous meetings.

Item 4 – People Performance and People Plan update

9. The Chief Operating Officer (COO) presented the People Performance report. This included a prototype dashboard which set out a range of HR data that had been developed in line with previous RemCo feedback and was linked to the business priorities for 2021/22 and measures provided as part of LeO’s agreed KPI data set on People, HR Process and Casework, Performance and Growth and Financial.

10. RemCo’s attention was drawn to the following key points:

- Attrition continued to reduce.
- Sickness absence was stable, but too high. The main reasons for sickness absence in April were Covid-19 and mental ill health.
- HR casework was reducing. A shift in culture was required to ensure that staff issues were addressed by Line Managers guided by HR policies in the first instance instead of being automatically escalated to HR. Learning and development would underpin this cultural shift.
- Monthly ‘you said, we did’ blogs update staff on the progress being made by the Executive on addressing the issues raised in the Civil Service Survey.
- Significant recruitment activity was underway in line with the business plan:
 - An Equality, Diversity and Inclusion (ED&I) Manager, a Risk Manager, and a Finance Manager had been successfully recruited and were now working in role.
 - 66 applications had been received for two new paralegal roles.

- Operational staff had supported recruitment activity for operational roles.
 - The new operational appointments equated to the use of 800 operational hours. The appointments included:
 - Four Call Handlers and 11 GET Advisors – all were now in role.
 - Four Team Leaders and 20 Investigators - all due to commence in role on 12 July.
 - Offers had been made to 4 Level 2 Ombudsman.
 - A job description for a new Junior Investigator role was in development. A project team has been assigned and a schedule to trial and introduce the role was in development.
 - financial forecasts for the workforce would require careful attention considering the shortfall of investigators in May and June, and that the new investigator cohort would not join LeO until July.
 - The COO reported on four meetings with Staff Council where discussions had included sick absence, flexible working, holiday carried forward and future ways of working. The next meeting with Staff Council was due to take place on 19 August.
11. A dip in performance and productivity that had been drawn to the Board's attention in a recent mid-Board performance report. The COO reported on the issues that underpinned this dip which included: performance variations amongst operational staff; the forecasting model accounted for three underperforming probationary staff being classed as 'established'; bank holidays reducing the number of working days in May, and how the operational recruitment drive had weakened productivity due to the involvement of operational managers who had been taken away from their substantive role of driving performance.
12. The COO explained how the Business Plan currently made no adjustments for operational staff who had taken on additional roles within LeO or who had reasonable adjustments and, as a consequence, these staff were expected to perform at the same level as other staff. Further consideration was to be given to addressing this imbalance.
13. Overall, RemCo had been pleased with the proposed HR dashboard and data set and confirmed that the information being reported was now moving in the right direction. In discussion, RemCo provided the following feedback and recommendations for further improvement:
- Considering that RemCo's role was not to scrutinise HR, but to consider how LeO was working with its people to maximise their performance and deliver organisational objectives, it was felt that the level of operational detail included in the HR data set was too high.
 - The data presented on KPIs was good and RemCo wished to see this information presented at future meetings.

- RemCo stated that the table setting out the progress being made on the People Plan projects linked to the Business Plan priorities had been very helpful and wished to see this information presented at future meetings
- More information was required on the progress being made against the People Plan delivery plan, its impact, what was going well and what wasn't, and how it tracked against forecast and assumptions. It was suggested that a RAG status was used.
- Information set out in the People and Performance KPI summary tables should cover a two-year period where this was available.

ACTION: The COO / Head of People Strategy and Service to update the HR data set in line with RemCo's feedback on further improvements to be made.

14. There was some concern that the data presented did not provide sufficient clarity on whether there were any organisational issues around mental ill health and annual staff appraisals. It was **agreed** that further consideration would be given to developing the HR data set to provide more clarity on these points.

ACTION: The COO / Head of People Strategy and Service to give further consideration to developing the HR data set to provide more clarity on mental ill health and annual staff appraisals.

15. RemCo considered a draft job description for a new Junior Investigator role which would offer career progression and bridge the gap between GET and the existing Investigator role. The role would include preliminary work such as evidence gathering, complaint scoping, jurisdiction checks and early resolution work which would ensure that Investigators were presented with investigation ready files.
16. The draft job description for this new role had been written by operational staff and had been reviewed by Staff Council. The role would to be trialled in due course and consideration would be given to ensuing an agile operational process flow and a cost benefit analysis. Salary benchmarking would be undertaken once the job description had been finalised.
17. Overall, RemCo had been content with the new investigator role, but stressed that it would be important for the role to be properly stress tested and for LeO to be clear about what it was looking to achieve from the role and the role holder.
18. RemCo **noted** the People Performance and People Plan update.

Item 5 – Equality Diversity and Inclusion Manager role

19. The new Equality Diversity and Inclusion (EDI) Manager introduced herself to RemCo and reported that her key priority over the next six months was to develop the framework and strategy for the EDI agenda that would underpin the delivery of the business plan priorities. This work would include:
- Developing consultation and implementing the EDI strategy.
 - Developing an EDI policy, an EQIA policy and procedure and re-establishing the EDI steering group.

- Engaging with internal networks and Executive Sponsor and developing action plans aligned to the business priorities.
 - Developing a Diversity and Inclusion calendar.
 - Undertaking external engagement with other ombudsman and linking to other third-party organisations to share good practice, learn from them and to become part of the wider EDI network in the UK.
 - Reviewing existing training and development programmes and identifying improvements, including updating the induction programme. Researching additional training and resources and creating interactive EDI sections on the intranet and website.
20. The EDI Manager confirmed that they had sought the MoJ's views, and those of other ombudsman schemes, on EDI accreditation schemes.
21. The OLC Chair reported that the agenda for the July Board meeting would include an annual EDI report.
22. RemCo **noted** the update from the Equality Diversity and Inclusion Manager.

Item 6 – Celebrating Success: Reward and Recognition Scheme 2021/22

23. RemCo reviewed and commented on a paper setting out a revised approach to the 2021/22 Celebrating Success: Reward and Recognition Scheme, based on five principles: alignment with business priorities; performance related; timely; transparent, fair and consistent, and devolved.
24. The COO reported that the Delivery Group, led by the incoming Head of People Strategy and Services, would further develop the 2021/22 Celebrating Success: Reward and Recognition Scheme which would be linked to the Business Plan priorities and take into account RemCo's feedback. A finalised strategy for the 2021/22 Celebrating Success: Reward and Recognition Scheme would then be circulated to RemCo out of committee for approval.
25. Having considered the paper, RemCo made the following comments:
- Celebrating Success: Reward and Recognition should not just be for rewarding performance, the scheme should also include awards for good behaviours.
 - RemCo was keen to ensure that staff with long service were valued but sought clarity on the proposed long service award, asking for further thought be given to ways of rewarding long service linked to sustained good performance.
 - The principles set out in the paper were broad and therefore the detail underpinning them would be important.
 - There was some surprise that a collective award had not been proposed that would focus all staff on a shared goal.
 - Recognising that the Celebrating Success: Reward and Recognition Scheme had an external focus; careful consideration would need to be

given to external communications about the 2021/22 scheme to ensure that there was no misunderstanding or misrepresentation.

ACTION: The Head of People Strategy and Services to further develop the 2021/22 Celebrating Success: Reward and Recognition Scheme taking into account RemCo's feedback and circulate the finalised strategy for the 2021/22 Celebrating Success: Reward and Recognition Scheme to RemCo for approval out of committee.

26. The COO reported that nominations were currently being sought under the 2020/21 Celebrating Success: Reward and Recognition Scheme. The nomination period for quarterly awards had closed; 48 nominations had been received. The nomination period for year-end awards had not yet closed. A full breakdown of all award nominations would be presented to RemCo once the process had concluded.
27. RemCo had been concerned to note that demographic analysis of awards made under previous Celebrating Success: Reward and Recognition Schemes had shown evidence of inequity to BAME and female colleagues as this had been contrary to assurance provided on the fairness of previous Celebrating Success: Reward and Recognition Schemes.
28. The EDI Manager advised that they would be holding follow up conversations on concerns about the inequality of awards with the Head of People Strategy and Services.
29. RemCo **noted** the update on the Celebrating Success: Reward and Recognition Scheme 2021/22.

Item 7 – Annual Exit Report: April 2020 to March 2021

30. The COO presented the Annual Exit Report covering the period April 2020 to March 2021 setting out the feedback provided by 16 out of 29 voluntary leavers; 13 voluntary leavers had opted not to take part in a voluntary exit interview. The key points made were:
 - Overall, there had been a decrease in the attrition rate to below national average and the number of BAME leavers had also decreased.
 - The main reasons for leaving had been cited as career progression, dissatisfaction with the job content and workload.
 - Positive feedback had been provided on relationships with managers and peers and on communications during the pandemic.
 - All reasons cited for leaving were being addressed as part of the People Plan and through wider leadership activity.
31. RemCo urged the Executive not to be complacent regarding the decrease in attrition, noting that local competitors had recently launched a recruitment campaign.
32. RemCo **noted** the Annual Exit Report.

Item 8 – Annual Gender Pay Gap Report: 5 April 2020

33. The COO presented the Annual Gender Pay Gap report covering the period 1 April 2019 to 31 March 2020, setting out a snapshot of LeO's gender pay gap as of 31 March 2020. Due to the pandemic, the Equality and Human Rights Commission had extended the deadline for submitting this gender pay gap information to 5 October 2021.
34. RemCo was advised that the next gender pay gap report, covering the period 1 April 2020 to 31 March 2021, could be submitted any time from now until 31 March 2022 and a discussion took place about the feasibility of submitting both the 2019/20 and 2020/21 reports at the same time.
35. In response, the EDI Manager advised that consideration would be given to setting up a working group over the summer with a view to submitting both reports to RemCo out of committee in October for approval. Additionally, a clear strategy would be identified for more regular and timely gender pay gap reporting in the future.
36. The RemCo Chair welcomed this approach advising that the Committee would like to see the data on the gender pay gap within six-months of year end in the future.

ACTION: The EDI Manager to ensure that future gender pay gap reports were submitted to RemCo within 6-months of year end.

37. Recognising that 70% of LeO's population was female, there was some concern regarding the 9% mean pay gap in favour of males. RemCo reflected on the implications of this for the organisation and why roles at the lower end of the pay scale might be less attractive to males.
38. The EDI Manager reported that in smaller organisations like LeO, the mean gender pay gap was easily skewed and it was accepted that that this figure would fluctuate. The Government's focus would be on the median gender pay gap, which was reported as 2% in favour of males, reflecting a slight increase on the previous year.
39. Following discussion, RemCo noted that the 2019/20 pay gap report would to be further developed then reviewed by the Executive before being circulated to RemCo out of committee for approval in October, along with the 2020/21 gender pay gap report.

ACTION: The EDI Manager to submit the Gender Pay Gap reports for 2019/20 and 2020/21 to RemCo, out of committee, in October for approval.

Item 9 – Annual Pay Remit Report

40. The COO reported on the position regarding the Pay Remit for 2021/22, advising that, following the Chancellor's announcement as part of the Spending Review 2020, a temporary pause on pay rises for most public sector workforces was in place. Tailored guidance in relation to how this would be applied to Arms' Length

Bodies was awaited from the MoJ. The COO would ensure that RemCo was kept updated on this.

41. RemCo sought to understand the impact of this decision on staff morale and advised the Executive to keep this under review and remain open and alert to submitting a business case to the MoJ for a pay increases, if applicable.
42. RemCo **noted** the update on the annual pay remit.

Item 10 – AoB

43. A discussion took place about the frequency of RemCo meetings. There was some about the length of time until the next RemCo meeting in November which would result in the Committee being asked to make some decisions out of committee. The Chair reminded the Committee that a review of RemCo would be taking place in September and this would include the frequency of meetings. In the meantime, the COO and Head of People Strategy and Services were asked to consider whether the November meeting should be brought forward.

ACTION: The COO and Head of People Strategy and Services to consider whether the November RemCo meeting should be brought forward.

44. An Operations Manager joined the meeting to report on the recent robust recruitment process that had been followed for Level 2 Ombudsman roles, which had included written and role play exercises and formal interviews. The EDI Manager confirmed that the process had been fair.
45. The CO updated RemCo on an Employment Tribunal matter. It was agreed that a further update on lessons learned would be presented to the Board at its meeting in July.

ACTION: The CO to report on the lessons learned from the Employment Tribunal at the July Board meeting.

46. Recognising that this would be the last RemCo meeting attended by Rod Bulmer, the RemCo Chair thanked him for this commitment, vigilance, engagement and hard work and wished him well in his future endeavours.