

## **Minutes of the seventeenth meeting**

### **Office for Legal Complaints (OLC) Remuneration & Nomination Committee**

**Wednesday 13 June 2012 10.30am – 12.30pm**

#### **Present:**

Rosemary Carter (Chair)  
Tony Foster (Member)  
Margaret Doyle (Member)

#### **In attendance:**

Rob Hezel – Director of Finance and Business Services  
Lesley Hancock – Head of Human Resources

#### **Committee Secretary**

Gurmit Sangha

The quorum requirements for the meeting were met.

#### **Item 1 – Welcome, apologies and conflicts of interest**

1. The Chair welcomed those in attendance.
2. Apologies were received from the Chief Ombudsman.
3. The Director of Finance and Business Services declared a potential conflict of interest with Item 9 on the agenda, discussion/approval of the executive pay policy. It was noted that unless the remuneration of individual members of the executive are being discussed those in attendance will remain present.

#### **Item 2 – Minutes of the previous meeting**

4. The minutes of the meeting held of 13 March 2012 were approved for publication and for submission to OLC Members.

#### **Item 3 – Matters arising & action points**

5. The chair requested a hard copy of the Staff Handbook.
6. Members further requested a copy of the “Guidance for managers when dealing with a flexible working request” document, and the modified HR Strategy.
7. The Head of Human Resources outlined the current status of draft HR policies; the Absence Management Procedure, Social Media Policy, and Mediation Policy are currently with the Policy and Communications team. A decision has been taken not to continue with a Trade Union Policy at this stage. There has been a low uptake in trade union membership, therefore it is deemed not necessary at present.
8. The Head of Human Resources updated members on the details of the four declined requests for flexible working; of these two had now been approved, and one had been withdrawn. The remaining request was declined on grounds that the business could not support it. This was a request to move from part time contractual hours to full time hours.
9. The Director of Finance and Business Services updated members on developments in the reduction of corporate staff numbers. It had been proposed to reduce the number of employees working in corporate roles by eight. It is anticipated that this will be achieved by the end of September 2012 through a natural reduction in numbers, six members of staff already having left to pursue careers elsewhere.
10. The Director of Finance and Business Services presented to members the amended Executive Pay Policy. Under the heading “Non re-valorisation pay increases” clarification is now provided on the role of the Remuneration and Nomination Committee, and the process for considering any financial implications of personal development reviews of executive grade staff.
11. The chair advised that the Executive Pay Policy should be kept under review once it is put into practice.

**Action:**

- The Head of Human Resources to forward to Members the Staff Handbook.
- The Head of Human Resources to forward to Members the “Guidance for managers when dealing with a flexible working request” document, and modified HR Strategy.
- The Head of Human Resources to update members on the current outstanding policies by the end of June 2012

#### **Item 4 - Chair's update**

12. There were no items to report since the last meeting.

#### **Item 5 –Remuneration and Nomination Committee annual report 2011/12**

13. Members approved the Remuneration and Nomination Committee annual report 2011/12.

#### **Item 6 – Facilities/HR/DSE update**

14. The Director of Finance and Business Services updated members with a recent change in the Facilities Team, who will now report to the Head of Human Resources. Bringing the Facilities Team within the Human Resources umbrella will aid the management of responsibilities assigned to the Facilities Team, with the larger staffing resources now available. This will particularly aid the administration of Health and Safety assessments such as Workstation Safety, and Display Screen Equipment assessments

#### **Item 7 – Exit Report**

15. The Head of Human Resources presented the Exit Report paper detailing the numbers of employees leaving the Legal Ombudsman between October 2011 and March 2012, reasons provided for leaving, and equalities monitoring data collected from those leaving

- Members were informed that completing an exit interview had been voluntary, and arranged through the leavers' line management. This had resulted in a low participation rate, with 37% of leavers partaking in an interview.
- Therefore steps have now been taken to improve participation with the HR Team taking responsibility for booking and conducting an exit interview for all staff tendering their resignation.
- One major reason given for leaving was "personal betterment." To address this, work is taking place around succession planning, and secondment opportunities. A paper on succession planning will be before EMT by the end of June.
- A further reason given for leaving was dissatisfaction with job content. A relevant factor here was that at setup the Legal Ombudsman did not have the benefit of witnessing the roles in operation. Every job description has now been revisited in light of its development since setup, resulting in job descriptions more closely aligned with the working roles.

- Good feedback had been obtained on training and development. Comments on induction training had been taken on board with more emphasis now placed on delivery of training by those who already carry out the roles, on the job training, and a more tailored programme to meet the needs of staff.
16. Questions were invited and members asked if further information was available as to why those in the older age brackets were choosing to leave. The Head of Human Resources explained such a breakdown was not available, but with the HR Team now taking responsibility for all exit interviews, there will be greater scope for identifying any trends or issues arising.
17. Members endorsed the more pro-active approach to completing exit interviews, stressing that it should be a positive action. Unless an individual was adamant one should not take place and indicated this formally, the onus should be on the Legal Ombudsman to ensure an exit interview is arranged and conducted.
18. The Chair requested that future updates include a next steps learning section, detailing any areas of learning and actions going forward.

**Action:**

- The Head of Human Resources to report back to the Committee in November 2012 with an annual update on employees leaving the Legal Ombudsman.

**Item 8 – Flexi time update**

19. The Head of Human Resources presented a report on the uptake in flexi time from introduction on 6 February 2012.
- This is a voluntary scheme requiring the completion of a time sheet. 61% of staff are currently partaking.
  - Employees who build up flexi time are able to use those hours as leave up to a limit of 1.5 days per month with their line managers approval. Guidance has been provided by the HR Team on the practicalities of this process.

**Item 9 – Pay Remit.**

20. The Director of Finance and Business Services updated members on the pay remit.
- Discussions with the Ministry of Justice (MOJ) have been positive with good feedback on the work carried out by the Legal Ombudsman in this area. As a result of which it is felt that the Legal Ombudsman is in line with the MOJ's thinking in their wider strategic pay remit review across all their sponsor bodies.

- Under the guidance provided by the MOJ, 1% can be put on top of pay costs in the first two years out of the pay freeze. (The pay freeze comes to an end on 30 June 2012). This has to cover both inflation and progression costs. It has also been made clear that recyclables, where savings are made at the higher end of the pay scales, cannot be used elsewhere in the pay costs. For example to cover progression within the lower pay scales.
- The Legal Ombudsman remains committed to progression based on performance, but also recognises the constraints of the current financial climate. There is available a non-consolidated pot of funds which it may be possible to use for progression costs. These funds would be sufficient to cover one year and would not be available for proceeding years. Work is ongoing in pursuing the feasibility of using these funds for progression costs.

21. Both members and those in attendance agreed on the importance of updating staff once a definitive position has been established and the need for clear communication.

**Action:**

- The Director of Finance and Business Services to provide members with updates as discussions continue with MOJ.
- The Director of Finance and Business Services to provide members with a mathematical breakdown of the costs involved.
- Pay remit to return to the Committee agenda at the eighteenth meeting of the Remuneration & Nomination Committee to be held on 14 November 2012

**Item 10 Salary Benchmarking Project**

22. The Director of Finance and Business Services provided an update on the salary benchmarking project.

- A report has been received by EMT from the consultants instructed to carry out a salary benchmarking project.
- 65 different job roles have been considered and all with the exception of one have been externally benchmarked. Focus was placed on the acquired point and upper quarter of the pay scale of each role.
- Consideration was given to whether salaries fell within a 10% margin of those externally benchmarked against. Six roles diverged more than the 10%. With two roles above and four below the 10% margin.
- Of the four falling below the margin a decision had been taken on three roles to review them at the next assessment point. The fourth role required further work to be undertaken to obtain a more detailed assessment.

- No action is to be taken with regards to roles falling above the margin, but a review will take place at the next appointment to those roles.

**ACTION:**

- The Director of Finance and Business Services to provide Members with a copy of the consultant's salary benchmarking report.
- The Director of Finance and Business Services to report back to members once the further more detailed assessment has been made on the one role falling below the 10% margin point.

**Item 11 Training Update**

23. The Head of Human Resources presented to members an update on training and development provided to staff.
- Training has been tailored to make it more relevant to the work of the Legal Ombudsman and its staff. Facilities have also been put in place to provide webcam delivery of training, with positive feedback.
  - Northumbria University are in the final 12 months of their contact as the principal training provider which will trigger a further review of how best to provide training going forward.
  - An external audit of training and development will take place this year.
  - Members were provided with an outline of plans and proposals for staff development in the coming six to nine months.

**Item 12 MOJ HR Shared Services**

24. The Director of Finance and Business Services updated members on a recent visit to the Ministry of Justice (MOJ) for a forum on HR shared services.
- The forum was attended by a wide range of organisations who currently operate with in- house and shared services,
  - The aim would appear to be an exploratory exercise as opposed to any formal agenda from the MOJ to seek mandatory shared services.
  - Frank views were expressed on the benefits of (and problems with) shared services and further meetings are to take place.

**Item 13 Staff Council**

25. The Head of Human Resources updated members on the staff council. The first meeting of the new council having taken place. Further meetings will take place bi-monthly.

**Action Points**

- The Head of Human Resources to provide the Chair with a list of Staff Council meeting dates and arrange a suitable date for the Chair to attend a meeting, as agreed at the last committee meeting.

#### **Item 14 Utilise HR strategy for quarterly reporting**

26. The Head of Human Resources advised members that a quarterly paper is now provided to the Director of Finance and Business Services detailing KPI's on HR Strategy and HR team plans. This framework will provide consistent reports on key objectives.

#### **Item 15 – Any other business**

27. The Director of Finance and Business Services presented members with a HR action paper on equality priorities and objectives.

- The paper is a consolidation of a positive action paper drafted by the Equality Manager and a draft HR plan for the year ahead.
- Previously it was felt that there was a lack of clarity for the HR team regarding expectations of what they were required to undertake. This paper seeks to rectify any ambiguity.
- EMT have approved the paper and made a commitment to taking ownership of equality.
- Equality priorities and objectives will be on the agenda of EMT on a quarterly basis. A member of the Remuneration & Nomination Committee will be invited to attend meetings of EMT when equality priorities and objectives are on the agenda.
- Members advised that the mechanics for publishing data needs to be in the paper as there is commitment to publish this information.

#### **ACTION:**

- The Director of Finance and Business Services to provide a HR action plan update at the eighteenth meeting of the Remuneration & Nomination Committee to be held on 14 November 2012
- The Director of Finance and Business Services to consider and include within the HR action plan details for publishing equalities data.

28. No additional matters were raised.

29. The next meeting will be held on 14 November 2012 at 11:30 am in Birmingham.

Gurmit Sangha - Committee Secretary  
18 June 2012