

Minutes of the Twenty-Third Meeting

Office for Legal Complaints (OLC) Remuneration and Nomination Committee

Thursday 14 November 2013
10:30 – 13:00

Present:

Rosemary Carter Chair
Maureen Vevers Member
Margaret Doyle Member

In attendance:

Rob Hezel Chief Operating Officer
Marcus Passant HR Manager

Apologies:

Adam Sampson Chief Ombudsman

Secretary:

Narinder Ubhi Assistant to the Chair and Chief Legal Ombudsman

Item 1 - Welcome and conflict of interest

1. The Chair welcomed and thanked those in attendance.
2. There was one conflict of interest: Item 12 – Ombudsman & Senior staff pay – Rob Hezel.

Item 2 - Minutes of the previous meeting

3. The Minutes of the meeting held on 10 September 2013 were approved for publication and distribution to the OLC members.

ACTION: Narinder to ensure that the Minutes of the meeting held on 27 June were published.

Item 3 - Matters arising and action points

4. The Chair asked that the meeting dates for 2014 be noted in the OLC diary. Agreed dates were: Wednesday 5 March; Wednesday 2 July and Tuesday 11 November.

Item 4 - Chair's update

5. The Chair informed the meeting that she had spoken with the CEO/Chief Ombudsman about the policy and communications team and she had

discussed the matter privately with the members of the Committee prior to the meeting.

6. The Chair expressed concern that the hard copy of meeting papers had been delayed again. The Chief Operating Officer responded by explaining that the problem lay with the external printers for Board papers and the issue was being addressed.

ACTION: Narinder to ensure future meeting papers are set to realistic targets for the printers.

7. The Chair invited the Chief Operating Officer to provide an update on the organisational changes. He reported that good progress was being made post the summer re-structuring.
8. The Equality and Diversity Manager's planned start date in Carol Brady's team is 1 January 2014. The HR Manager emphasised that E&D related HR matters will still be dealt with by the HR team.
9. The Chief Operating Officer informed members that the Board Secretary's role was currently being discussed.

Item 5 - Annual RemCo performance self assessment & review of committee terms of reference

10. Self-assessment: It was agreed a self-assessment tool would be useful and it was noted it had been difficult to find a suitable model however OLC/LeO should look to develop one internally.

ACTION: RH to compile a self-assessment tool for discussion with the Chair.

11. Terms of reference: to be circulated for review.

ACTION: Narinder to circulate RemCo TOR

Item 6 - Recruitment update

12. The Chief Operating Officer reported that as part of the cost review a recruitment freeze had been agreed for the remainder of the year. There were two vacancies minuted as approved for recruitment; however there were a number of additional vacancies that now require formal RemCo approval.
13. There were two posts vacant in HR: HR Coordinator – cover for maternity leave and a Learning & Development Partner to replace the Organisational Development Manager.

14. The HR Manager reported on the number of vacancies within Policy and Communications:
- Policy and Research Officer (maternity cover fixed term)
 - External Affairs Manager – replacement post for communications manager at a lower cost following voluntary redundancy
 - Maternity cover for policy associate back filling at a junior level
15. It was reported that Aman Shukla had resigned from the policy and research officer fixed term role and the proposal was to replace her with Laura Wigan (current research officer) as an internal development opportunity.
16. There was further discussion about the approvals process for vacancies during this recruitment freeze and it was agreed that any maternity related cover would not require RemCo approval but that any 'new' posts would need approval up to at least the end of 2013.

Item 7 - KPMG reports

17. The Chief Operating Officer reported that internal audit had reviewed HR activity in relation to the payroll and learning and development. The Committee expressed concern about the management responses around segregation of duties, concerns on the payroll review and the Chair will raise these with the Chair of the ARC. The Chair will also express concern that RemCo were not advised of the reports before they were signed off by the Audit & risk Committee.
18. The HR Manager reported that the feedback on Training and Development was extremely positive and that KPMG had noted that the HR Strategy and business plan had driven positive change.
19. A Committee member pointed out with regard to the KPMG documents; that it was necessary to distinguish between LeO/OLC as the terminology was confusing.

ACTIONS: 1. MP to review HR controls management responses and consider whether they can be made more robust.
2. The Chair to write to the Chair of the Audit Committee raising RemCo's concerns

Item 8 - Implications of restructure

20. The Chief Operating Officer reported on managerial, operational capacity and overall performance following the summer re-structure.
21. The Chief Operating Officer also reported that the staff survey had been sent on Monday 11 November and initial feedback from that showed that results gave cause for optimism. A full report will follow in January.

Item 9 - HR update

22. The HR Manager introduced a paper dealing with a range of issues. These included staff retention and recruitment, performance appraisal, behavioural framework, equal pay audit, the HR team and an update on tribunal claims.
23. The HR Manager provided data on LeO's turnover rate of 5.63% but commented that 9% was a more realistic longer term level. He informed members that LeO may lose a small number of investigators and a possible team leader to the SRA in the next six months. He noted no immediate challenges to LeOs employment offer in the local market.
24. It was noted that a positive response was received following the first round of the new performance review framework (appraisal) from both the line managers and employees.

ACTION: MP to review impact of new appraisal framework by April 2014

25. The HR Manager informed the Committee that a behavioural framework had been launched to replace the competency framework. All roles were given an initial profile by the HR team. The framework contains five core themes: Outcome Focus; Communication and influencing, continuous improvement, leadership and audience focus. It defines expectations in terms of leadership and performance levels and it provides a toolkit to inform recruitment and enable line managers and individual staff to identify strengths/weaknesses and ensure personal development was in line with the work done at LeO.
26. The members felt that the word 'Behavioural' was not appropriate because it was misleading to suggest that it was referring to a person's attitude as opposed to performance. The HR Manager invited the members of the Committee to review the framework and provide him with their views.

ACTION: HR Manager to send copy of the full document to Committee

27. The HR Manager reported that an internal equal pay analysis conducted in March this year showed some evidence of a difference between the male/female salaries when viewed across all staff. The figures were however skewed by certain groups. It was agreed to monitor this on a yearly basis going forward.
28. The HR Manager informed the group that an offer had been made for maternity cover for the HR Assistant role with the new starter joining next week.
29. The HR Manager reported that there was one outstanding tribunal claim from the first wave of redundancies; unfair dismissal based on trade union activity which would be vigorously defended.

Item 10 - Policies for review:

30. Sickness/ Paternity/Maternity/Attendance Management

The HR Manager reported that the Employee handbook had been uploaded on the intranet, outlining the process for reporting sickness and applying for maternity/paternity leave. Under the Paternity policy an amendment to include IVF policy was added. The Committee agreed that the small number of changes proposed under Attendance Management, Sickness, Maternity and Paternity be approved on the basis of the description provided by the HR Manager.

31. It was agreed that in future all new policies and substantial changes to policies would be equality impact assessed before they come to the Committee.

Item 11 - Flexible working and exit analysis

32. A discussion took place on flexible working. The HR Manager reported that there were a higher number of women requesting flexible working. There were a proportionately higher number of applications from people with a Black background in comparison with smaller numbers from Asian background.

The HR Manager noted that the flexible working options were extremely popular and were a strong retention tool, however the organisation needs to ensure that employees realised that this method of working should be a two-way agreement and that this arrangement should work for both parties: employer and employee.

33. The HR Manager reported that there was a disappointing dip in leavers/voluntary leavers' participation in exit surveys during the last six months largely due to the circumstances around exit following the recent restructure. The HR Team will keep this under review.

Item 12 - Ombudsman and Senior staff pay

34. The Committee felt the paper tabled lacked the information and the clarity required for any decisions to be taken on this issue. The meeting did discuss some of the principles that may be applied and the background to the current situation and in particular, whether ombudsman pay should continue to be linked to the Judicial Pay Scales. The Committee asked that enquiries be made and that the HR Manager report as to whether other ombudsman organisations link ombudsman pay to the Scales.

35. It was agreed that the HR Manager would table a revised paper at the next meeting incorporating the principles and background discussions.

ACTION: RH/MP to table a revised paper at the next meeting on 5 March 2014.

Item 13. Succession Planning

36. The Chief Operating Officer explained that the proposed approach to succession planning was to create a developmental and supportive culture allowing for staff retention, development and a degree of internal promotion alongside an identification of and mitigation around high risk roles. It was argued and accepted that formal plans are likely to prove largely ineffective.

37. The Chair noted that two key roles, the Chief Ombudsman and COO should be included in the highest risk grouping with mitigating actions identified for them.

ACTION: HR Manager to amend high risk staff group list and add mitigating actions for COO and CEO and bring the paper back to the next meeting of the Committee

Item 14 - Any other business

Future meeting dates:

Wednesday 5 March 2014 – venue tbc

Wednesday 2 July 2014 – LSB Office, London

Tuesday 11 November – venue tbc