

Minutes of the Forty-Seventh Meeting of the Office for Legal Complaints

Remuneration and Nomination Committee

4 September 2019

Present:

Dr Jane Martin, Chair
Rod Bulmer
Elisabeth Bellamy

In attendance:

Brendan Arnold, Director of Corporate Services (DCS)
Marcus Passant, Head of Human Resources

Apologies:

Rebecca Marsh, Chief Ombudsman

Board Secretary:

Kay Kershaw

Item 1 – Welcome, apologies and conflict of interest

1. The Chair welcomed those present and in attendance.
2. Apologies were **noted**.
3. There were no conflicts of interest reported.

Item 2 – Previous minutes

4. The previous minutes had been circulated to the Committee for review and comment prior to the meeting.
5. Having reviewed the minutes of the previous meeting held on 9 May 2019, the Committee **approved** them as an accurate record of the meeting.

Item 3 – Outstanding actions from previous meetings

6. Papers relating to an outstanding action about the new appraisal process had been circulated to the Committee prior to the meeting.
7. The Head of HR reported that the new appraisal process hadn't yet been fully implemented across the organisation. Anecdotal feedback from those Line Managers implementing the new process had been positive. The Executive were asked to invite staff to provide their feedback on the new appraisal process at a future RemCo meeting.

ACTION: The Executive to invite staff to provide their feedback on the new appraisal process at a future RemCo meeting.

8. Following discussion it was **agreed** that a mid-year monitoring report would be tabled in order to provide the Committee with assurance that the new appraisal

process had been fully implemented across the organisation and was working effectively.

ACTION: Head of HR to table a mid-year monitoring report on new appraisal process.

ACTION: Board Secretary to add this to the RemCo forward plan.

9. It was suggested that consideration should be given to inviting staff to provide their feedback on the new appraisal process at a future RemCo meeting.
10. Committee **noted** the update on actions arising from previous meetings.

Item 4 –Terms of Reference

11. Further to a review of the RemCo Terms of Reference (ToRs) during the summer of 2019, the DCS presented a draft of the revised ToRs.
12. He advised that further minor amendment would be required because the revised ToRs incorrectly stated that the quorum for RemCo meetings would be a minimum of two Members. This amendment would align the RemCo ToRs with the OLC's Rules of Procedure, which take precedence over Committee and Sub-Committees, and state that 'The quorum of a committee or sub-committee must not be less than three Members'.
13. Subject to this amendment, the Committee **approved** the draft terms of reference for presentation to the OLC Board for formal approval at its meeting on 26 September 2019.

ACTION: Board Secretary to add approval of the RemCo ToRs to the OLC Board forward plan for the September meeting.

14. Following discussion, the Chair reported that she would explore the subject of quorum of Committee meetings with the OLC Chair further.

Item 5 – Managing Performance: HR Interventions

15. The Head of HR presented a paper providing an overview of the HR interventions that had taken place since Q1 of 2019/20 in regard to managing performance.
16. The Committee was advised that progress continued to be achieved across the organisation in relation to performance, attendance, conduct and improving skills of management through HR business partnering. Whilst these interventions were not the sole driver to improving performance, they were contributing and having a positive impact.
17. The Committee acknowledged the volume of work being undertaken by the HR Team.
18. Overall the Committee found the format of this report helpful and made recommendations for further improvement, including:
 - A more focussed executive summary with better analysis. This should set out what the organisation is aiming to achieve and should highlight

the interventions that are having a positive impact and the areas that cause concern.

- More clarity in regard to the reporting of sickness absence for corporate staff.
19. The Committee expressed concern about the number of underperforming staff with contractual home working arrangements and were assured that the organisation was using all appropriate performance management interventions to address this issue.
 20. The Committee was advised that as a temporary measure all non-contractual home working had been withdrawn for those not achieving their closure targets and those who were part of the Wider Leadership Team, apart from those with Occupational Health adjustments.
 21. It was acknowledged that it would be necessary to understand the root cause of the organisation's performance issues in order to mitigate any future risks.
 22. The Committee **noted** the update on HR interventions in managing performance.

Item 6 – People Plan

23. The Committee was invited to provide feedback on a draft of the 2019/20 People Plan; their comments would assist with the development of the Plan over the next few months before it is integrated with the revision of the Strategy, Business Plan and Budget for 2020/21.
24. A detailed discussion took place.
25. The use of the schematic on page two was well received, but some of the wording related to areas considered to be business as usual; the Executive might consider removing this.
26. The diagnostic was also well received. It was suggested that the section on management skills could be expanded to reflect all levels of management.
27. The following suggestions were put forward to assist with the development of this plan:
 - Consider introducing a strong mission statement such as: Putting people at the centre of what we do.
 - Consider focussing on three key outputs (aligned to corporate objectives and KPIs) to improve the business over the period of the plan: turnover, productivity, colleague satisfaction.
 - Consider focussing on three priority areas to achieve improved outputs: employee proposition and culture, leadership capability and performance management. A clear statement for each of these should address 'what, why, when' and the impact / measures to indicate success.
 - Consider quarterly schedule for delivery.
 - Consider providing more clarity on recruitment issues with clearer analysis and diagnosis or root causes of key problems i.e. right staff with

right skills, including clarity about internal / external balance and whether it is always best to 'grow your own'.

28. The Committee welcomes a workshop approach to further discussion at meetings.
29. The Committee cautioned the Executive not to over commit on deliverables, recommending that it would be preferable to focus on a smaller number and do them well, rather than be over stretched.
30. The DCS thanked the Committee for their comments and advised that the People Plan would be redrafted accordingly. A further meeting, either by telephone or face to face, would be convened for the Committee to consider the redrafted People Plan.
ACTION: DCS to notify the Board Secretary when a further meeting of the Committee is to be convened.
31. The Committee **noted** the draft People Plan and advised that they would be happy to work with the Executive to further develop it as required.

Item 7 – Celebrating Success: reward and Recognition

32. The Head of HR presented a paper setting out the proposal for LeO's Celebrating Success; reward and recognition framework for 2019/20. The paper included thoughts on how the scheme might be enhanced in future years.
33. The Committee was reminded that the budget for the 2019/20 scheme had already been approved.
34. The proposal for the 2019/20 scheme is in line with the 2018/19 scheme, but with the following changes:
 - Removal of the KPI element.
 - Eligibility to be all staff below Head of Service and Head Ombudsman.
35. The Head of HR explained that because the organisation had not met the criteria to pay the KPI bonus to staff in the past, it had been decided that this aspect of the scheme would be removed. In doing so, this would release £35K from the budget.
36. The Committee asked whether there was any likelihood of the organisation meeting the KPI in 2019/20, and if so, to give this some further consideration before removing the KPI element from the scheme.
37. A discussion took place about whether the £35K could be redeployed. The Committee asked the Executive to give further consideration to what could be done with this money within the parameters of the scheme. It was **agreed** that the Executive would put forward some proposals after Christmas 2019.
ACTION: Executive to put forward proposals on how the £35K could be redeployed within the scheme after Christmas 2019.

38. Following discussion, the Head of HR agreed to remove reference to the quarterly team recognition award being used for a learning and development event; this statement had been intended for guidance only in the original documentation.

ACTION: Head of HR to remove reference to the quarterly team recognition award being used for a learning and development event

39. Having considered the proposal for the 2019/20 Celebrating Success; reward and recognition scheme and **noted** the proposed changes to the payment of the KPI element and changes to eligibility, the Committee **endorsed** the proposed 2019/20 Celebrating Success; reward and recognition scheme.

Item 8 – Update on Pay Remit

40. The Head of HR advised the Committee that he had been instructed by the MoJ to put forward the 2019 pay remit, based on 1% of the budget, going up to 2% if the organisation could evidence that it linked into performance and was affordable.

41. He reported that LeO's pay remit was likely to propose a 1.5% pay increase, but a final decision would not be made until after a planned visit by the MoJ on 13 September.

42. The pay remit would be submitted mid to late September for MoJ approval and would then be passed to the Treasury for approval. The Head of HR advised that he would keep the Committee updated on progress relating to this matter.

43. The Committee **noted** the update on the 2019 pay remit.

Item 9 – AoB

44. The Board Secretary confirmed that the annual joint meeting between RemCo and Staff Council would take early in 2020. The date of the meeting would be confirmed as soon as the 2020 RemCo meeting dates were agreed.

45. It was **agreed** that three RemCo meetings would be scheduled for 2020. The Board Secretary would arrange meetings in March, early to mid-July and end of November.

ACTION: Board Secretary to schedule RemCo meetings for 2020.

46. It was agreed that the Board Secretary would reschedule the November 2019 RemCo meeting for early December 2019.

ACTION: Board Secretary to reschedule the November 2019 RemCo meeting for early December 2019.