

## Minutes of the Thirty-Seventh Meeting

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

Friday 26 May 2017  
10.00 – 1.00 pm

#### Present:

Dr Bernard Herdan Chair  
Caroline Coates Member  
Jane McCall Member

#### In attendance:

Nick Hawkins Chief Executive  
Kathryn Stone OBE Chief Legal Ombudsman  
Rob Powell Director of Corporate Services  
Marcus Passant Head of Human Resources  
Treena Moseley Operations Manager  
Chris Wade Staff Council observer

#### Apologies:

Simon Tunnicliffe Director of Operations

#### Board Secretary:

Helen White Board Secretary

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

1. The Chair welcomed Chris Wade to the meeting as Staff Council observers. He noted that Treena Moseley was representing the Director of Operations.
2. It was noted that there was a general declaration of interest from staff for agenda items 4 and 8.
3. The quorum requirements for the committee meeting were met.

#### Item 2 – HR Update

4. Turnover: The Head of HR presented the Balanced Scorecard. He noted that there had been a positive drop in the turnover rate to 10.8%. He stated that the team had been monitoring turnover rates to see whether the staff benefits lock-in period, which ended at the end of March, affected the figures. He reported that it was clear that this had not affected the figures.
5. The Head of HR reported that other similar organisations in the area were also recruiting but to date, this had not resulted in many resignations.



picture. He stated that this information had to be reported to the MoJ on the health and safety returns. Caroline Coates stated that she thought that collecting the information this was could be problematic.

15. It was agreed that Caroline Coates would discuss this offline with the Head of HR.

**ACTION: The Head of HR to discuss the self-certification form with Caroline Coates outside committee.**

16. The RemCo Chair requested that the Head of HR include a list of definitions in future balanced scorecard reports.

**ACTION: The Head of HR to include a list of definitions in future balanced scorecard reports.**

17. Discussion took place on the 'effective leadership' area of the balanced scorecard. The Head of HR stated that this currently contained data from the recent Pulse Survey and the Equality and Diversity score from the Civil Service Survey. He did note that a more robust metric was needed for embedding the values and customer service principles.

18. It was agreed that the Head of HR would include the key trends in chart form.

**ACTION: The Head of HR to include key trends in chart form in future reports.**

19. Survey Results: The Head of HR presented the temperature check survey results. He noted that the survey had been run during an uncertain time for staff due to the delaying the announcements about the new staffing model.
20. He stated that the team were pleased with the overall response rates and that the two improved results were relating to opportunities to contribute views before change and learning and development opportunities.
21. The Head of HR reported that the two most significant reductions were concerning feedback and clarity over job role. He noted that the concern raised about regular feedback could be due to the activity taking place on the Modernising LeO programme.
22. Treena Moseley stated that the team had worked hard on communications and hoped that this would be reflected in the scores and comments in the next survey.
23. The RemCo Chair noted that there may be problems with the scores in the next survey as there had been so much change within the organisation. He also noted that many verbatim comments were about work pressures and workload, and commented that it would be better if people felt free to raise such matters directly with their own line managers. It was agreed that the next

survey would contain a question about whether staff felt free to do this and whether they received a fair hearing.

**ACTION: The Head of HR to include a question in the next staff survey about whether staff felt free to raise matters relating to work pressures and workload directly with their line managers and whether they received a fair hearing.**

24. Caroline Coates questioned whether the 121 responses represented a spread across the organisation. The Head of HR reported that this was approximately an 80/20 split across Operations and Corporate staff. The Head of HR was requested to break the figures down further to show the split for the Resolution Centre team.

**ACTION: The Head of HR to break the Survey results figures down further to show the split for the Resolution Centre.**

25. Discussion took place on the workload across the organisation and impact stretch was having on staff.
26. Treena Moseley reported that the IT had improved immensely although there were small issues with the rollout out of the laptop pool. The DCS reported that there had been virtually no downtime over the last six months.
27. Apprenticeships: The Head of HR presented an update on the apprenticeship scheme being run within the organisation. He noted that the new scheme was only applicable to apprentices employed after 1 April 2017. He reported that a level 4 apprentice was being recruited to work with the Legal team.
28. It was agreed that an annual update on the apprenticeship scheme would be reported to RemCo. The RemCo Chair asked the executive to consider whether one of the apprentices would like to attend either RemCo or the OLC Board.

**ACTION: The Head of HR to present an annual update on the apprenticeship scheme.  
The executive to consider whether one of the apprentices would like to attend either RemCo or the OLC Board.**

29. The Head of HR presented an update on the evaluation of the leadership training. He reported that the report highlighted where staff who attended leadership training had subsequently been promoted or taken on additional duties.
30. Members agreed the update was a good foundation but requested more work be done as part of the workforce planning project. This would include setting out what was expected of staff in terms of a competency framework.

### Item 3 – Modernising LeO Update

31. The DCS presented an update on the Modernising LeO programme. He reported that there were a number of areas contained within the Business Plan which would influence the culture of the organisation. One area highlighted was the importance of leadership. He noted that work would commence to develop a leadership model with focus groups being run through the summer.
32. The CEO reported that as part of the move to the new staffing model, sessions were run for staff to learn and hear what about the role of an ombudsman. These sessions were designed to help staff decide whether to apply for the new ombudsman roles.
33. The DCS reported that one of the initiatives of case ownership within the assessment centre. Whilst successful, the increase of cases into the Resolution Centre had resulted in increased cases awaiting allocation. He noted that the executive were therefore proposing moving the assessors into investigator roles earlier and running with fewer staff within the Assessment Centre.
34. Treena Moseley reported that as well as moving the assessors earlier, plans were also being finalised to create a ‘super team’ comprising two team leaders and two ombudsmen as well as mobilising corporate staff to help cover the telephones in the Assessment Centre.

### Item 4 – Pay Remit

35. The CEO provided an overview of the pay remit for 2017/18. He reported that the pay remit for public sector bodies such as the Legal Ombudsman, allows for the overall pay bill to increase by 1%. He noted that further guidance had been issued by the Ministry of Justice.
36. He reported that the proposed approach had been canvassed with Staff Council and the Senior Management Team.
37. Discussion took place on the number of staff who remained on the legacy payscales. It was agreed that analysis of the numbers of staff on the legacy payscales would be reviewed by RemCo annually so a decision could be taken as to whether to address the pay differential. Questions about legacy payscales would also need to be considered in the workforce plan.

**ACTION: The Head of HR to present analysis on the numbers of staff on the legacy payscales annually. This would be scheduled on the forward plan for the February meeting 2018.**

38. Members supported the executive’s recommendation for a 1% revalorisation of all payscales for all grades of staff. It was noted that this proposal needed to now go to Ministers for approval. It was agreed that until the pay remit proposal was formally approved, no communication would be issued to staff.

**ACTION: The CEO to send the pay remit proposal to Ministers for final approval.**

39. It was agreed that Staff Council representatives could informally update staff on the progress made on the pay remit.

#### **Item 5 – Time Recording Feasibility**

40. The DCS presented an update on the feasibility of introducing time recording within the organisation. He reported that the new case management system would not include a time recording tool. He stated that the information provided from such a system, could be obtained elsewhere. He reported that the development of the new IT strategy would start in October and at this point, time recording requirements could be considered.
41. Caroline Coates stated that time recording was an important tool for performance management as it enabled managers to understand how long tasks take and to manage resources in the best way. She understood that the current financial constraints meant this could not be considered at the moment, but she thought the executive should consider the benefits of time recording in the wider context of the IT strategy.
42. Discussion took place on the management information currently captured regarding cases.
43. Members agreed that a time recording facility might be worthwhile but it would not be considered until later in the year. It was noted that this would inform the development of the IT strategy which is currently scheduled to come to the full OLC Board in 2018

**ACTION: The DCS to ensure the new IT strategy includes consideration of time recording before it is presented to the OLC Board in 2018.**

44. It was agreed that in the interim the executive would investigate whether there was a manual process of collecting the data.

**ACTION: The DCS to investigate whether there was a manual process for the collection of time recording data.**

#### **Item 6 – RemCo Terms of Reference**

45. Members approved the revised RemCo Terms of Reference. It was noted that these would be tabled for final approval at the OLC Board on 19 June 2017.

**ACTION: The Board Secretary to table the RemCo Terms of Reference for approval by the OLC Board on 19 June 2017.**

### **Item 7 – Review of Policies**

46. The DCS presented two revised policies for approval; Expenses and Gifts and Hospitality. He reported that both had been reviewed by ARAC members. He stated that the Expenses policy was consistent with the MoJ rates.
47. Members approved both policies.

**ACTION: The DCS to publish the updated policies.**

### **Item 8 – High Performing Reward Proposal**

48. The CEO reported that at the April Board meeting RemCo were unable to authorise the payment of cash bonuses for high performing staff for 2016/17 and had directed the executive to consider alternative options to reward high performing staff.
49. He reported that the one proposal considered the most appropriate was an additional day's leave in lieu of a cash bonus scheme. Jane McCall reported that she had attended the last Staff Council meeting and this suggestion had been well received. She stated that the executive should not underestimate the importance to staff of informal recognition.
50. Discussion took place as to whether this proposal would set a precedent. The CEO assured members that this would not be the case as each year RemCo consider whether a bonus scheme was appropriate and if so, what form it should take.
51. The RemCo Chair questioned whether rewarding additional leave for some staff would adversely affect the unallocated caseload within the organisation. It was agreed that the impact would be minimal as the recipients would be high performers who by their nature, would not want to affect the performance of the organisation.
52. Members gave thought to the fact that this scheme could affect performance but agreed it was important to recognise the high performing staff and send a positive message to staff.
53. RemCo approved the proposal to reward an additional day's leave (on or near their birthday) to the 2016/17 high performers. This would be communicated to staff at the end of June.

### **Item 9 – Organisational Strategy**

- 54.** Jane McCall reported that at the February RemCo meeting it had been agreed that time would be scheduled at the May meeting to review the role that RemCo could provide to support the organisation's strategy going forward. She stated that RemCo could be more effective if they were able to start to focus on more strategic areas. It was agreed that RemCo would continue to look at core areas like policies, pay and reward.
- 55.** Discussion took place on the organisation's business plan and the areas which RemCo could focus on to assist the successful delivery of the plan. It was agreed that RemCo should focus their activity on the implementation and embedding of the new business processes and staffing model.
- 56.** It was agreed that RemCo should focus on recruitment, retention and engagement of the right staff. This would fit around the work being done by the executive on Work Force planning and would fit with discussions already being held on apprentices and graduates. Members agreed that succession planning and staff wellbeing would also fit with this.
- 57.** Discussion took place on proposals to develop the employee value proposition. The DCS reported that this would articulate the 'deal' the organisation offered staff and what was expected in return from staff. He noted that this would link to leadership behaviours. He stated that the key areas for RemCo focus within the employee value proposition would be the flexible working policy, pay and reward. The RemCo Chair stated that he would be interested in further discussion about the flexible working policy and whether it was right for all functions. He stated that RemCo had previously discussed evening shifts and whether the staff modelling was right. Jane McCall agreed that this was an important area for RemCo.
- 58.** Caroline Coates queried whether staff engagement should be reviewed by RemCo, especially as the recent staff survey results had illustrated how important the messaging was to staff. The DCS responded that there was a strong focus on communications and engagement within the Modernising LeO programme. It was agreed that the DCS would review how best to keep RemCo updated and reassured on the progression of the Modernising LeO programme.
- 59.** Discussion took place on the areas of effective leadership and culture. Jane McCall stated that it was important that staff had clarity about what was expected of them and the behaviours. The RemCo Chair stated he would like RemCo to explore the coaching culture further.
- 60.** The RemCo Chair reported that RemCo had never discussed the appraisal system and how successful the current system was. Jane McCall agreed that this would link to the values of the organisation and the customer service principles.



61. It was agreed that the executive would develop a workplan for presentation at the next RemCo meeting, based on the timeframes, principles, topics and priorities discussed.

**ACTION: The DCS to develop a draft workplan for circulation to RemCo members out of committee.**

#### **Item 10 – Minutes of the previous meeting**

62. The minutes of the meeting held on 16 February 2017 were approved.

#### **Item 11 – Matters arising and outstanding action points**

63. The RemCo Chair requested the CEO and Head of HR look for suitable training opportunities for RemCo members, such as networking with RemCo members within other ALB organisations.

**ACTION: The CEO / Head of HR to look for suitable training opportunities for RemCO members, such as networking with RemCo members within other ALB organisations.**

64. It was noted that an update on the alternative hours pilot would be provided at the end of June.

**ACTION: The Director of Operations to provide an update on the alternative hour's pilot at the end of June.**

#### **Item 10 – Any Other Business**

65. Discussion took place on whether a RemCo meeting was required in June 2017. It was agreed that a tentative date would be held for a RemCo meeting via conference call at the end of July.

**ACTION: It was agreed the June RemCo would be cancelled and the Board Secretary to schedule a tentative date for a RemCo meeting via conference call in July.**

#### **Next meeting**

The next RemCo meeting would be held via conference call in July 2017, date tbc.