

## Minutes of the Thirty-Seventh Meeting

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

Thursday 16 February 2017  
10.00 – 12.00 pm

#### Present:

Dr Bernard Herdan Chair (via conference call)  
Caroline Coates Member (via conference call)  
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  
Richard Cooper Team Leader (item 2 only)  
Tracey Bourne Staff Council observer  
Krystal Powell Staff Council observer

#### Board Secretary:

Helen White Board Secretary

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

1. The Chair welcomed Tracey Bourne and Krystal Powell to the meeting as Staff Council observers.
2. There were no declarations of interest.
3. The quorum requirements for the committee meeting were met.

#### Item 2 – HR Update

4. Modified Hours Pilot: Richard Cooper joined the meeting to update members on the modified hours initiative running within the Resolution Centre. He reported that the initiative which started in January involved five investigators, working alternative hours, including evening working.
5. He reported that since the start of the initiative, 43 cases had been accepted, of which 33 were deemed suitable for telephone contact. He stated that calls were then made in the evening on an appointment basis.
6. It was noted that initial feedback had been very positive about the pilot; not only did the initiative reflect the organisation's customer service principles but it

also assisted those claimants who were not contactable during normal business hours.

7. Discussion took place on the potential impact the modified hours pilot may have on performance. Richard Cooper reported that this would be difficult to quantify as the pilot was in its early stages and there were also a number of other initiatives in place which could impact performance; such as the telephony toolkit.
8. Richard Cooper reported that whilst the pilot was initially going to run for three months, this would now be extended to six months.
9. Discussion took place on the support mechanics in place for the pilot. Richard Cooper stated that a team leader and ombudsman were available during the extended hours. He stated that there was no additional IT support, beyond normal business hours.
10. Caroline Coates suggested the Executive obtain feedback from staff on the potential impact of working alternative hours. Richard Cooper stated that the staff currently on the pilot had volunteered as the extended working hours suited around their personal circumstances.
11. Discussion took place on whether the pilot could be widened to include the Assessment Centre. Jane McCall stated that this would be fall within the remit of the Modernising LeO programme. It was noted that the pilot would not provide information on whether the Executive could access other pools of applicants by advertising for evening shift staff to work four hours each evening. The RemCo Chair requested this be pursued in due course.
12. HR Balanced Scorecard: Marcus Passant, Head of HR, presented the HR balanced scorecard. He reported that the number of leavers had increased slightly, although there was no apparent trend in the numbers.
13. The Head of HR reported that following discussion at the November RemCo meeting, his team were starting to gather data on whether candidates were interested in more flexible working patterns.
14. Discussion took place on the proposals for the balanced scorecard for 2017/18. Caroline Coates requested that the Executive include equality and diversity measures in the 'key people deliverables and critical success factors' section.

**ACTION: The Head of HR to include an E&D measure within the key people deliverables on the proposed 2017/18 balanced scorecard.**

15. Exit Report: The Head of HR presented the annual exit report, which it was noted contained 15 months' worth of data. He reported that the feedback had generally been very positive with a strong positive theme around communication.

16. Discussion took place on the demographic of leavers' across the organisation. It was noted that whilst there were no trends, statistically one demographic appeared quite high across the operational area. It was agreed that the Head of HR would review this over the coming months.

**ACTION: The Head of HR to monitor the demographic of leavers across the organisation to ensure there were no emerging trends.**

17. Discussion took place on morale in the Resolution Centre. It was agreed the Head of HR would review the summary to ensure it better reflected feedback from the Resolution Centre.

**ACTION: The Head of HR to review the exit survey summary to ensure it better reflected feedback from the Resolution Centre.**

18. Discussion took place on the next steps proposed to address the feedback from the annual People Survey. It was agreed the Head of HR would review these to ensure they would accurately articulate progress being made.

**ACTION: The Head of HR to review the actions to address feedback from the annual People Survey to ensure they would accurately articulate progress being made.**

19. Long Term Sickness: The Head of HR presented the report on long term sickness absence during 2016. Members reported that the report from the occupational health provider was transactional and did not provide qualitative data or comparisons with other organisations. The Head of HR reported that the incumbent provider had not been able to provide this data.

20. [REDACTED] FOIA Exempt: s42.

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**ACTION:** [REDACTED] FOIA Exempt: s42.

22. Members agreed that they would keep a watching brief on long term sickness as the report highlighted that there were potentially some issues. It was agreed that it was incumbent on RemCo to monitor anonymised data to ensure mental health and issues related to work place stress were correctly addressed.

23. The Head of HR reported that line managers were encouraged to talk to their staff and where needed could speak to HR about engaging with the occupational health provider. He acknowledged that there was a weakness in terms of training and support for line managers and that the introduction of a wellbeing project in the 2017/18 business plan would address this.

### **Item 3 – Restructure of the Operational Insight and Engagement Team**

24. The Chief Executive updated Members on work being undertaken to restructure the Operational Insight and Engagement team to ensure the best possible structure and staffing model to deliver on the organisation's 2017-20 Strategy.
25. He reported that the restructure of this team was being undertaken as part of wider the Modernising LeO programme. He stated that progress was on track to make the necessary changes by 1/4/17.
26. Discussion took place on the rationale for the proposed changes and the business need for the introduction of an Office of the Chief Legal Ombudsman to focus on external facing work and feeding back to the profession.
27. The Chief Executive reported that the proposed changes had been shared with the staff involved and Staff Council representatives. He stated that, unless RemCo disagreed, he proposed to share the presentation with the wider organisation.
28. Board Members noted and agreed with the rationale for the proposed changes and agreed that the structural detail was a matter for the Executive.
29. The Chief Legal Ombudsman reported that a second senior ombudsman role had been advertised internally, which would provide the link between the operations managers and the Insight side of the organisation.

### **Item 4 – RemCo Self-Assessment Draft Action Plan**

30. The RemCo Chair reported that following the November 2016 RemCo meeting, a draft action plan was drafted based on the feedback from the self-assessment process. He noted that there would be areas identified in the action plan which would feed into the revisions to the RemCo Terms of Reference.
31. Discussion took place on operational representation at RemCo. It was agreed that the Terms of Reference would be amended to include attendance by either the Chief Legal Ombudsman or Head of Service. The Director of Corporate Services would also be added as an attendee. It was also agreed that Staff Council representatives be included as observers within the Terms of Reference.

**ACTION: The Board Secretary to amend the attendance section within the redrafted RemCo Terms of Reference.**

32. The RemCo Chair noted that the change of Staff Council membership had made continuity with Staff Council observers difficult. The Chief Executive agreed to discuss Staff Council attendance at RemCo with Staff Council representatives to ensure they understood their role. He would also ensure they knew that at the end of each business year, the collective view of Staff Council feedback on RemCo would be requested.

**ACTION: The Chief Executive to discuss with Staff Council representatives their observer status at RemCo and also the requirement for collective Staff Council feedback at the end of the business year.**

33. Discussion took place on whether specialised training was required for RemCo members. Jane McCall reported that there may be specific topics or areas where training may be required in the future. Caroline Coates agreed that there may be training about changes that have an impact on RemCo as an Arms' Length Body. The Chief Executive stated that between himself, the Head of HR, MoJ and ALB Governance it should be possible to source suitable training. The RemCo Chair suggested one option may be a dialogue with other similar MoJ ALB functions or RemCo committees.

**ACTION: The Chief Executive and Head of HR to look for suitable training opportunities for RemCo members.**

34. It was agreed that at the May RemCo meeting, an hour would be scheduled for a review of the role that RemCo can provide to support the organisation's strategy going forward. Jane McCall would lead this session and there will no paper in advance.

**ACTION: The Board Secretary to schedule an hour at the May 2017 RemCo meeting for a discussion on the role that RemCo can play to support the organisation's strategy going forward. Jane McCall to lead the item.**

## **Item 5 – RemCo Terms of Reference**

35. Discussion took place on the current RemCo Terms of Reference. The Director of Corporate Services reported that the RemCo Terms of Reference did not fully align to the updated Operating Framework. In particular he stated that more emphasis was needed within the RemCo Terms of Reference around the strategic role that RemCo play in areas such as workforce planning, succession planning and talent management.
36. It was agreed that the Director of Corporate Services would revise the RemCo Terms of Reference and circulate to RemCo members for approval out of

committee. The updated RemCo Terms of Reference would then be tabled to the OLC Board for approval.

**ACTION: The Director of Corporate Services to revise the RemCo Terms of Reference for approval via email.  
The revised RemCo Terms of Reference to then be tabled at a future OLC Board for approval.**

#### **Item 6 – RemCo Workplan**

37. Discussion took place on the RemCo Workplan. It was noted that the discussion to be held at the May RemCo regarding the role of RemCo in supporting the strategy, would influence the strategic areas to be included.
38. The Chief Legal Ombudsman reported that there were areas from the E&D working group which needed to be included such as reasonable adjustment and equal pay audit.
39. It was agreed that the Board Secretary would work with the Chief Executive and Head of HR to ensure the workplan for the year ahead included the correct areas.
40. It was agreed the revised Workplan would be tabled as an 'Information' item at each meeting. At the May meeting it would help to have reminder about key priorities and themes from the corporate plan. RP to produce – one page.

#### **Item 8 – Minutes of the previous meeting**

41. The minutes of the meeting held on 15 November 2016 were approved.

#### **Item 9 – Matters arising and outstanding action points**

42. Members noted those items where actions had been completed and those that were included as agenda items.
43. The Head of HR reported that a number of quotations had been received for the Income Protection Policy. He stated that these would be reviewed as part of the employee value proposition in 2018. It was agreed that the employee value proposition item would be added to the Forward Plan.

**ACTION: The Board Secretary to add the Employee Value Proposition to the 2017/18 Forward Plan.**

44. It was noted that the Chief Executive would present a paper to RemCo members in advance of the 25 April OLC Board meeting regarding the bonus

proposal. An additional RemCo meeting would be held at some point on 25 April to enable RemCo members to consider the Executive's proposal.

**ACTION: The Board Secretary to schedule an additional RemCo meeting on 25 April 2017 to consider the Executive's staff bonus proposal.**

#### **Item 10 – Any Other Business**

45. CMC Update: The Chief Executive updated members on the transfer of CMC regulation to the Financial Ombudsman Service. He reported that as any move of regulation required legislation, it was unlikely to take place before April 2019.
46. Discussion took place on the impact this change of date would have on the Modernising LeO programme as the CMC jurisdiction had been out of scope. The Chief Executive reported that decisions would be needed as to whether CMCs would now be considered within scope.
47. It was also noted that any change in the date for the transfer of CMC regulation would also have an impact on the people workstream within the Modernising LeO programme.

#### **Next meeting**

The next RemCo meeting would be held on Friday 26 May 2017 in Birmingham.