

Minutes of the 59th Meeting of the Office for Legal Complaints

Remuneration and Nomination Committee

8 February 2022

Present:

Dr Jane Martin, Chair

Alison Sansome

Elisabeth Bellamy

In attendance:

Elisabeth Davies, OLC Chair (observing)

Paul McFadden, Chief Ombudsman

Sandra Strinati, Chief Operating Officer

Debra Wright, Head of People Strategy and Services

Board Secretary:

Kay Kershaw

Item 1 – Welcome, Apologies, Conflict of Interest and Matters Arising

1. The Chair welcomed those present to the meeting.
2. There were no apologies.
3. There were no conflicts of interest reported.
4. Reflecting on the RemCo / Staff Council meeting that had preceded the February RemCo meeting, the following points were made:
 - The meeting had been valuable and insightful. The timing of the meeting and the tone and balance of the discussions had been right.
 - Staff Council was one of many different staff engagement forums and communications channels. Some points made by Staff Council had been inconsistent with points made by staff in other forums; considering this, it was important to note that Staff Council's views may not always be representative of the wider staff.
 - The Staff Council's Terms of Reference was to be reviewed to ensure that the group was more representative of the wider staff and to ensure that the group had adequate levels of engagement with the Executive to discuss key matters.
 - The Executive would be reflecting on the helpful feedback and insight Staff Council had provided on staff communications and would consider what could be done to promote and encourage better attendance at some of the alternative staff communication forums, such as drop-in sessions; what

could be done to direct staff briefings at a more targeted audience, and what could be done to improve communications through the lifecycle of projects.

- Reflecting on the feedback provided by Staff Council on the Celebrating Success Scheme, the COO clarified that the Scheme was being well used; there was no issue with the associated budget, and training had been provided to operational Team Leaders to help support and encourage them to put forward nominations for awards. An average of nineteen nominations from across the organisation were submitted each month and reviewed by a moderation panel.
 - The COO and Head of People Strategy and Services would be following up on the points made by Staff Council about rewarding and acknowledging staff with long service, this would include finding out whether the HR system had the capability of identifying staff approaching key work anniversaries.
 - In response to points raised by Staff Council about some operational staff having to complete surveys and attend briefings in their own time, the COO clarified that the Operational Resource Model was based on 80% of Ombudsmen and Investigator's time being utilised for decision making / Investigations and 20% of their time being utilised for other activities, such as completing staff Surveys and attending staff briefings. There was no expectation on staff to complete surveys or attend meetings in their own time.
5. Following discussion, RemCo **agreed** that one joint meeting with Staff Council would take place each year in quarter four.

ACTION: The Board Secretary to schedule a joint meeting between RemCo and Staff Council for quarter four.

6. In response to a request by the RemCo Chair, the Board Secretary **agreed** to add a feedback session on the joint meeting with Staff Council to RemCo's forward plan for the quarter four meeting.

ACTION: The Board Secretary to update RemCo's forward plan to include a feedback session on the joint meeting with Staff Council following the quarter four meeting.

Item 2 – Previous Actions

7. RemCo **noted** the update on previous actions. The following key points were made:

- Action 3 paragraph 12 from the November 2021 meeting: To support RemCo's new business cycle, it was **agreed** that the meetings scheduled for June and November 2022 would be cancelled and replaced with a new meeting in September or October 2022 and the 2023 RemCo meetings would take place in February or March and November.

- Action 3 paragraph 14 from the November 2021 meeting: Further to the discussions that had taken place at the RemCo / Staff Council meeting on 8 February it was **agreed** that this action should now be closed.
- Action 2 paragraph 6 from the June 2021 meeting: Considering the resource constraints in the Executive Support Team, it was **agreed** that no further action would be required to redraft the minutes of the February 2021 RemCo/ Staff Council meeting in the style and tone of the Board Secretary and this action should be closed.

Item 3 – Recruitment update

8. The Head of People Strategy and Services provided an update on recruitment, drawing RemCo's attention to the following key points:
- Following the success of the national recruitment campaign, 44 Investigators had been appointed and would commence in role in March 2022. The new business year would start with a full complement of Investigators and with flexibility for anticipated attrition.
 - Appointments had been made for an Executive Support Assistant, a Risk Manager and a Legal Manager. The Quality Manager post remained vacant.
 - High level feedback on the Internal Audit of Recruitment aligned to the findings of an end-to-end review of recruitment undertaken in November 2021 by the HR Team. GIAA's final audit report was awaited.
 - Some progress had been made on developing EDI recruitment data and reporting and some reports could now be generated to track EDI through the various stages of recruitment.
9. In response to a question raised, the Head of People Strategy and Services explained that the recruitment partner had provided support to ensure that applicants submitted EDI data to LeO as part of the application process. This data would now be included in EDI data reporting.
10. RemCo had been pleased with the success of the national Investigator recruitment campaign and the progress that had been made on recruitment. Members noted the significant amount of work this had involved, and the work yet to be undertaken to induct, train and support the new Investigators through their probationary period and first year in role.
11. RemCo **noted** the update on recruitment.

Item 4 – Civil Service People Survey Results 2021

12. The Head of People Strategy and Services reported on the Civil Service People Survey results 2021, highlighting the following key points:
- The response rate to the survey had been lower in 2021 than in 2020. There were several reasons for this:

- HR had made a concerted effort in 2020 to encourage staff to complete the survey.
 - In 2021, staff had been asked to complete the Civil Service People Survey and an internal survey on returning to the office at the same time. HR had promoted both surveys, but staff may have felt a degree of survey fatigue which may have impacted the response rate to the Civil Service People Survey.
 - The PCS Union had asked its members not to complete the 2021 Civil Service People Survey.
- Arms Length Bodies had received a clear steer from the MoJ to compare the 2021 survey results to those of 2019. This was because the 2020 survey results had been exceptional and distorted by the pandemic.
 - The 2021 survey results highlighted improvements in the employee engagement index score, the Perma Index score, and the Stress Index score.
 - Improvement against the 2019 results had been seen across all main themes except learning and development. The most improved themes were Leadership and Managing Change, Inclusive and Fair Treatment and My Work.
 - An analysis of job families highlighted that some staff cohorts that were less engaged than others.
 - The survey results for BAME and disabled colleagues highlight areas for improvement. The EDI Manager was aware of this and taking this into account as part of the EDI Strategy.
 - Line Managers had access to the survey and could drill down into the results for their areas of the organisation.
 - The 2021 survey results would play a key part in informing the People Strategy and driving further improvements.
 - A series of engagement sessions were to be arranged by HR with Staff Council, Staff Networks, the EDI Team, Business Leads and People Managers to further analyse and discuss the survey results before they were rolled out more widely across the organisation.
 - The survey results would be presented to the Board in March for further discussion and communicated to the MoJ in due course.
13. An error in the RAG status for the Perma Index was reported. The Head of People Strategy and Services **confirmed** that the error would be corrected before the paper was shared with the Board in March.
- ACTION: The Head of People Strategy and Services to correct the RAG status for the Perma Index before the Civil Service People Survey results paper was shared with the Board in March.**
14. Members commented on the quality of the Civil Service People Survey results, stating that it had been easy to read, how well the key points from the survey had been distilled and the next steps had been set out. Members had found it helpful

to have had sight of the 2019, 2020 and 2021 survey results and noted that, broadly, the positivity seen in 2020 had been maintained.

15. The Committee had been pleased by the improved score for Leadership and Change and had been pleased by the areas listed in the top five organisational scores.
16. To stem the flow of attrition and ensure staff retention, RemCo stressed the need to address the underlying reasons for number of employees planning to leave the organisation in the next 12 months and the underlying reasons for the bottom five organisational scores.
17. In response to a question raised, the CO explained that the Executive had had a detailed discussion about the survey results and, overall, there had been no surprises. The results indicated that LeO was moving in the right direction, but there was a need for further improvement. The Executive had been pleased by the score for Leadership and Change and had anticipated a low score for Learning and Development; this was why Learning and Development was already a key area of focus in the People Plan. The Executive would be exploring in detail the underlying reasons for the scores on the number of people that had felt discriminated against and reflecting on the verbatim comments about staff engagement.
18. It was suggested that there may be value in capturing and analysing the learning from longer serving staff about what makes them stay at LeO with a view to using the information to address attrition and retention .
19. Following a detailed discussion, RemCo **noted** the Civil Service Survey Results.

Item 5 – HR Metrics

20. The Head of People Strategy and Services reported on HR metrics, drawing RemCo's attention to the following key points:
 - There had been no changes to the HR metrics since they were reported at the January Board meeting.
 - Resource from across the organisation was supporting the training and induction of the new starters; this may have an impact on productivity.
 - Following the appointment of a temporary HR Advisor, the volume of HR casework had reduced.
 - The new HR Policies would be used to address attrition.
21. A discrepancy between the figures reported on Investigator attrition in the Executive summary of HR metrics paper and a corresponding graph later in the paper was identified. The Head of People Strategy and Services **agreed** to check the information and correct any error in the reporting.

ACTION: The Head of People Strategy and Services to investigate a discrepancy between the figures reported on Investigator attrition in Executive Summary and a graph in the HR Metrics paper and correct any error in the reporting.

22. RemCo **noted** the paper on HR metrics, commenting that it had been a good paper that had clearly linked the HR data set and KPIs and had highlighted the good work being undertaken by the HR Team. Feedback was provided on the need for a more balanced Executive summary and for the inclusion of as much up to date data as possible in future papers.
23. The OLC Chair reported that the focus of the Board workshop in February would be performance reporting, and asked RemCo to consider what data should be included in future internal and external performance reporting .

Item 6 - New Developmental Performance Management Framework

24. The Head of People Strategy and Services presented the new Developmental Performance Management Framework and associated policies, drawing RemCo's attention to the following key points:
- The new, framework sets out LeO's approach to dealing with a range of performance management processes, including celebrating good performance and dealing with under-performance. The HR policies that underpinned the framework were fundamental to managing performance and addressing attrition.
 - The new policies were all compliant with employment legislation and reflected good HR practice and had been structured a way that would help managers to easily apply them in a fair, objective and consistent way and for staff to understand the approach being taken.
 - The new framework and associated policies had been shared with the Executive, the Management team, Staff Council and the EDI Manager for feedback.
 - Once approved, training would be provided to managers on the new framework, the application of the policies and on people management skills; the policies would also be rolled out to staff, and HR would finalise the supporting paperwork. This would be done with the aim of implementing the new framework and associated policies at the start of the new business year.
25. RemCo welcomed the new Developmental Performance Management Framework and the associated policies, commenting on the significant amount of work that had been involved in developing them and the amount of work yet to be done to roll them out and implement them.
26. Questions were raised about: whether the policies had been reviewed in the context of remote working; whether staff would have the right to request a face-to-face meeting, and whether there would be a requirement for staff to meet face-to-face if requested to do so; whether staff would receive a copy of the new Developmental Performance Management Framework and associated policies, or a copy of a Staff Handbook when they joined LeO, to set out what LeO's expectation was of them.
27. In response, the Head of People Strategy and Services stated that:

- Homeworking had been considered and the policies made reference to this.
- Consideration would be given to the points raised about requests for face-to-face meetings and whether reference to this should be made in the appropriate policies.
- On joining LeO, all staff were required to read organisational policies; there was a mechanism in place to track their compliance. When the new Developmental Performance Management Framework and associated policies are rolled out, all staff would be required to read them, HR would issue communications about this and would track compliance.

ACTION: The Head of People Strategy and Services to consider whether people would have a right to request a face-to-face meeting, and whether there would be a requirement for people to meet face-to-face if such a meeting were requested and whether reference to this should be included in the appropriate policies.

28. Feedback was provided on the structure of the new Developmental Performance Management Framework document in which it was suggested that consideration was given to moving the section on recognising and reinforcing good performance to earlier in the document.

ACTION: The Head of People Strategy and Services to consider moving the section on recognising and reinforcing good performance to earlier in the document.

29. RemCo welcomed the training that would be provided to managers on the application of the new framework and the associated policies and recommended that consideration was given to including training to managers on coaching as a management style; on providing feedback to staff, and encouraging staff to share examples of any matters being discussed at HR related meetings.

ACTION: The Head of People Strategy and Services to consider:

- **Including training to managers on coaching as a management style and on providing feedback to staff.**
- **Encouraging staff to share examples of any matters being discussed at HR related meetings.**

30. Questions were raised about whether the timescales for training managers and implementing the new policies would be achievable considering the amount of work that was involved, and whether it might be preferable to sequence the implementation of the policies throughout the year instead of implementing them all at the same time.

31. In response, RemCo was advised that, whilst the timing of the implementation was ambitious, the Executive considered it to be crucial for these policies to be implemented, and for a formal performance management process to be in place, for the start of the business year to mitigate the risks associated with attrition, retention, organisational performance and the delivery of the 2022/23 Business Plan.

32. In response to a point raised about the policy review cycle, RemCo was advised that all the new HR policies would be reviewed on an annual basis. The Head of People Strategy and Services was asked to ensure that the new framework and associated policies clearly state this.

ACTION: The Head of People Strategy and Services to ensure that the new Developmental Performance Management Framework and associated policies clearly stated that they would be reviewed on an annual basis.

33. In response to a point raised, RemCo was advised that HR resource would be available within the new HR structure to support managers with the implementation of the policies.

34. Reflecting on the escalation process set out in some of the policies and recognising that there were no staff more senior than the CO and COO to escalate matters to, the OLC Chair recommended that a further consideration was given to identifying a process for escalation to the OLC Chair or Board members should this ever be required.

ACTION: The Head of People Strategy and Services to identify a process for escalation to the OLC Chair or Board members.

35. The RemCo Chair asked that consideration was given to the feedback provided by Staff Council about targets and the way operational staff were managed in their first year after completing their probationary period.

ACTION: The Head of People Strategy and Services to take into consideration feedback provided by Staff Council about targets and the way operational staff were managed in their first year after completing their probationary period.

36. It was recommended that consideration was given to including information in the Developmental Performance Management Framework on the performance management reporting cycle and timeline.

ACTION: The Head of People Strategy and Services to consider including information in the Developmental Performance Management Framework on the performance management reporting cycle and timeline.

37. Following a detailed discussion, RemCo **endorsed** the new Developmental Performance Management Framework; **approved** the Probation Policy and Procedure; **approved** the Personal Development Review Policy and Procedure; **approved** the Performance Improvement and Support Policy and Procedure; **approved** the Sickness Absence Policy and Procedure; approved the Disciplinary Policy and Procedure, and **approved** the Grievance Policy, all subject to the correction of minor typographical errors and appropriate formatting.

Item 7 – Policy update

38. The Head of People Strategy and Services presented an overview of the HR policies that RemCo had oversight of, advising that some additional policies would be developed as work progressed on the People Strategy. All policies would be reviewed annually.

39. The Redundancy Policy was scheduled to be circulated out of committee in March 2022 for RemCo's approval. The RemCo Chair stated that a meeting of the Committee could be convened to review this policy, if required.
40. RemCo **noted** the policy update.

Item 8 – HR Structure

41. The Head of People Strategy and Services presented a paper setting out the rationale for the new HR structure.
42. RemCo was advised that formal consultations were now taking place with HR staff; there may be redundancies and new roles to recruit to and some of the current temporary HR staff may wish to submit applications for these new roles.
43. It was hoped that the new HR structure would be in place by the middle of 2022.
44. RemCo welcomed the new HR structure, commenting on how it would better serve the needs of the business and how it would take some time for the new structure to become established.
45. RemCo **noted** the update on the HR structure.

Item 9 – Gender Pay Gap report

46. The EDI Manager presented LeO's Gender Pay Gap report for 2020/21, which included information on LeO's Gender Bonus Pay Gap and LeO's future aims and actions to ensure gender balance. The deadline for submitting this retrospective report was 30 March 2022.
47. Questions were raised about the increase in the Gender Bonus Pay Gap. In response, RemCo was advised that the 2020/21 Gender Bonus Pay Gap was based on awards made under the previous Celebrating Success Scheme. There had been some inconsistency in the way awards had been made under this scheme and equality data had not been collected. Because of this, a new interim Celebrating Success Scheme was being piloted and equality data was being collected and monitored. A robust moderation process had also been introduced to ensure that nominations and awards were being made fairly, equally and consistently.
48. The RemCo Chair asked the EDI Manager to consider adding more in the narrative of the report to explain the Gender Bonus Pay Gap and the actions that had been taken to address it.
ACTION: The EDI Manager to consider adding more in the narrative of the Gender Pay Gap report to explain the Gender Bonus Pay Gap and the actions that had been taken to address it.
49. It was **noted** that the reference to the word 'bonus' in Gender Pay Gap Report was a replication of the wording set out in the Governments publishing requirements. The OLC Chair asked the EDI Manager to add a footnote to the report to explain that there was no provision within the Legal Ombudsman

Scheme to pay staff bonuses and that staff were rewarded by celebrating and recognising success.

ACTION: The EDI Manager to add a footnote to the Gender Pay Gap Report to explain that there was no provision within the Legal Ombudsman Scheme to pay staff bonuses and that staff were rewarded by celebrating and recognising success.

50. Recognising that there was no requirement to report on the OLC Board in the Gender Pay Gap Report, the OLC Chair suggested that the EDI Manager considered including information on how the OLC Chair, when reviewing the composition of the OLC Board, would take into account gender balance.

ACTION: The EDI Manager to consider including information in the Gender Pay Gap Report on how the OLC Chair, when reviewing the composition of the OLC Board, would take into account gender balance.

51. The RemCo Chair asked the EDI Manager to correct a typographical error in the final sentence in the executive summary of the report to ensure that it referenced gender parity, not disparity.

ACTION: The EDI Manager to correct a typographical error in the final sentence in the executive summary of the Gender Pay Gap report to ensure that it referenced gender parity, not disparity.

52. The EDI Manager reported that a forward plan on Gender Pay Gap reporting would be shared with RemCo at its next meeting.

ACTION: The EDI Manager to share a forward plan on Gender Pay Gap reporting with RemCo at its next meeting.

ACTION: Board Secretary to update the RemCo forward plan to reflect that the EDI Manager would be sharing a forward plan on Gender Pay Gap reporting with RemCo at its next meeting.

53. RemCo **approved** the Gender pay Gap report for 2020/21, subject to the minor updates set out in the actions listed above.

Item 10 – Annual Health and Safety Compliance report

54. The Head of Programme Management and Assurance presented the Annual Health and Safety Compliance report along with the refreshed and approved Health and Safety Policy. The following key points were drawn to RemCo's attention:

- More rigorous monitoring and reporting of Health and Safety was now taking place following the appointment of the Health and Safety and Facilities Manager.
- The Health and Safety and Facilities Manager would be monitoring health and safety to ensure staff wellbeing whilst building work was taking place in the office to create additional meeting rooms.

- Plans to enhance the office cleaning contract to mitigate the risks associated with Covid were being progressed with the MoJ.
- The annual Health and Safety audit score was 97.8%, an increase of 3.2% on the 2019/20 score.
- The refreshed Health and Safety Policy took into account the inter-relationships with PEEPS and the ordering and distribution of specialist DSE equipment.
- The Head of Performance Management and Assurance was now responsible for the Lone Working Policy and the Covid Compliance Manual. The Lone Working Policy was due to be re-written. The Lone Working Policy and the Covid Compliance Manual would take Health and Safety into account and they would both be reviewed annually.

55. Reflecting on the points made by the Head of Programme Management and Assurance about the Health and Safety Compliance report and the Health and Safety Policy, RemCo made the following comments:

- The Committee had been pleased with the Health and Safety audit score.
- The Health and Safety Policy, and all related policies, should be updated to reflect the responsibilities of the employer and employee for lone working, home working and when working away from the office.
- The Health and Safety Policy, and all related policies, should be updated to explicitly reflect DSE requirements for permanent home workers and those working in line with the hybrid working model with a view to mitigating the risk of DSE related ill-health.
- Staff working away from the office should be given as much support as possible to ensure their Health and Safety and wellbeing with view to minimising the risk of attrition.
- Staff should receive regular reminders about the Health and Safety policy and their responsibilities and undertake regular Health and Safety training.
- The Committee's concerns about the safety of the office windows should be escalated with a view to expediting remedial action.

56. In response to RemCo's comments, the Head of Performance Management and Assurance:

- **Agreed** to update the Health and Safety Policy and all related policies and guidance to include reference to the Health and Safety responsibilities of the employer and employee for lone working, home working and working away from the office.
- **Agreed** to update the Health and Safety Policy and all related policies and guidance to explicitly reflect DSE requirements for permanent home workers and those working in line with the hybrid working model with a view to mitigating the risk of DSE related ill-health
- **Agreed** to escalate RemCo's concerns about the safety of the office windows.

57. RemCo was advised that Health and Safety training formed part of the induction programme for new staff. A communications plan was being developed and would include reminders about Health and Safety. Consideration was being given to inter-active ways of delivering annual Health and Safety refresher training.

58. Following a detailed discussion, the RemCo Chair asked for the Health and Safety policy to be updated in line with RemCo's feedback and then circulated out of committee for approval.

ACTION: The Head of Performance Management and Assurance to update the Health and Safety policy in line with RemCo's comments and circulate it out of committee for RemCo's approval.

Item 11 – Any other business

59. There was no other business.