



Minutes of a meeting of the Remuneration and Nomination Committee (RNC)

Date: 6 July 2017
Commencing: 09:00
Venue: LSB Offices, One Kemble Street, London WC2B 4AN

Present: (members)	Jemima Coleman	Interim Chair of the Committee
	Jeremy Mayhew	
	Marina Gibbs	(co-opted for this meeting)
In attendance:	Neil Buckley	Chief Executive (CEO)
	Sandra Jenner	External HR Adviser to RNC (<i>attending for Items 1 to 8</i>)
	Julie Myers	Corporate Director
	Edwin Josephs	Director of Finance and Services
	Toni Whitby	Corporate Governance Manager (<i>minutes</i>)

Item 1 – Welcome and apologies

1. The Chair welcomed those present to the meeting.

Item 2 – Declarations of interests relevant to the business of the Committee

2. There were no declarations of interest.

Items 3 and 4 – Minutes and reports of action points of the meeting of 8 February 2017

3. The minutes of the meeting held on 8 February 2017 were approved as an accurate record. The Committee noted that as part of the LSB Publication Scheme, the RNC's approved minutes would be published, subject to FoIA, on the LSB website.
4. The Committee considered the action tracker:
 - RNC Terms of Reference: Discussions on the future role and structure of the Committee would be considered by the RNC Interim Chair and the Corporate Director.
 - Colleague Survey: Questions had been drafted for an informal colleague survey, which would be sent to colleagues soon.

5. The action tracker was noted.

Item 5 – Appointments update | Paper (17) RNC 07

6. The Committee's terms of reference require it to consider a variety of matters regarding non-executive appointments, including in relation to the Legal Services Consumer Panel (LSCP) and the Office for Legal Complaints (OLC).
7. The Committee noted:
[LSB Board](#)

- The process and proposed appointment timetable for the recruitment of a permanent Chair to the Board.
- Dr Helen Phillips had been appointed Interim Chair until a permanent Chair was appointed. The timetable plans for this to happen in December 2017¹.
- The Board would need to consider its own rules of procedure as it would not have a lay majority after 30 September when Terry Babbs' second term of office will expire².

LSCP

- Professor Philip Marsden had not sought a second term of office. The Chair of LSCP had indicated that she would like to fill the vacancy.
- The Committee **AGREED** to commence a recruitment exercise and asked the Executive to explore cost efficient options for it within the public sector appointment process. Ministerial approval of the Board's appointment decision is required.

OLC

- The OLC Chair had indicated that Tony King and Caroline Coates would not be seeking reappointment at the end of their first term of office.
- The Committee **AGREED** to commence a recruitment exercise to replace both members to ensure the OLC continued to have a statutory minimum of six members.

8. The Committee noted the schedule of appointments for LSB Board, OLC and LSCP.

Item 6 – Performance and pay 2017 | Paper (17) RNC 08

9. The Committee considered the summary of the annual overall performance assessments of the twenty-six colleagues who were in scope for the performance review process for 2016/17.

Jeremy Mayhew attended the meeting.

10. The LSB had submitted a pay remit request to the MoJ in line with HMT Guidance. The LSB's pay remit is subject to the public sector cap of 1%. The Committee was reminded of the Board's historic decision not to incorporate bonuses into the reward system.

The CEO stepped out of the meeting whilst the Committee considered his pay review for 2017.

11. The Committee **AGREED** to recommend to the Board that they should agree that the CEO should receive a pay award on the same basis as all other eligible colleagues.

The CEO returned to the meeting.

Julie Myers stepped out of the meeting.

¹ POST MEETING NOTE: Timing now March / April 2018

² POST MEETING NOTE: Terry Babbs' term extended to 31 March 2019

12. The Committee considered and **ENDORSED** the CEO's decision to distribute the pay remit on an equal percentage basis to eligible colleagues. The Committee AGREED to make a pay award on the same basis as that for all other eligible colleagues to the CEO's direct reports (Corporate, Strategy and Legal Directors).

Julie Myers returned to the meeting.

Item 7 – Resourcing trends 2017 | Paper (17) RNC 09

13. The Committee considered the sixth annual review of resourcing trends covering the period 1 April 2016 to 31 March 2017.

14. The Committee noted that the annual sickness absence figure had increased - from 121 for the twelve months ending 31 March 2016 - to 233 for the twelve months ending 31 March 2017. It was noted that this included some periods of long-term sickness absence for a small number of colleagues. The Committee asked that in future, they should receive information on both total sickness absence and in addition information excluding long-term sickness absence (following an operation or a chronic condition). The definition of 'long-term' sickness absence should be at the CEO's discretion.

15. The Committee noted the annual review of resourcing trends.

Item 8 – Annual review of colleagues' terms and conditions | Paper (17) RNC 10

The CEO stepped out of the meeting whilst the Committee considered his terms and conditions.

16. The Committee considered the contractual terms and conditions for the CEO and considered no changes were required.

The CEO returned to the meeting.

17. The Committee considered the terms and conditions for both the CEO's direct reports and those of all the LSB colleagues. It considered that no changes were required to the standard benefits. It was noted that:

- [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] **[FoIA s36]**
- the LSB staffing model recognises that there is very little career progression in terms of options for promotion and, as such, it is typical for colleagues to join the LSB to gain experience/skills and move on after around three years, usually for one or both of career progression and/or financial gain.
- providing flexible working had benefitted a number of colleagues and had been instrumental in keeping colleagues at the LSB.

Sandra Jenner left the meeting.

18. The Committee considered that if in the future the LSB wished to reward colleagues for performance it would need to consider various models of reward. A paper would come to the next Committee meeting for consideration.

ACTION: Performance reward paper for discussion at next RNC (Feb/JM).

19. The Committee noted colleagues' terms and conditions.

Item 9 – Policy review – HR Policies | Paper (17) RNC 11

20. The Committee reviewed the following policies, noting that the amendments proposed had not yet been discussed with colleagues or with the LSB's HR advisors, Deminos:

- Bullying and harassment policy
- Grievance procedure
- Disciplinary procedure
- Capability: improved performance review procedure and long term sickness policy

21. The Committee advised that all the policies would benefit from a clearer and more consistent approach to escalation routes, including clarifying the approach to take if the Corporate Director was involved in any case.

22. The Corporate Director noted the advice on the HR policies.

Item 10 – Equality and diversity survey results | Paper (17) RNC 12

23. The Committee considered the results from the equality and diversity survey for 2017.

24. The RNC Report to the July Board would highlight the survey results particularly in relation to the Board's responses: the results did not properly represent the Board's diversity due to non-completion of the survey. The equality and diversity report would be appended to the RNC report to the July Board.

25. The equality and diversity survey report would be published on the LSB website. The next formal survey would take place in two years' time.

26. The Committee noted the equality and diversity survey results.

Julie Myers, Edwin Josephs and Toni Whitby left the meeting

Item 11 – Succession Planning

27. The CEO provided the Committee with an update on succession planning.

There being no further business, the meeting closed at 10.40am.

Date of next meeting

RNC would next meeting will be in February 2018.

Signed as an accurate record of the meeting

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Date
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