

HUMAN RESOURCES & REMUNERATION COMMITTEE MINUTES OF MEETING No.25

Draft minutes of the meeting held on 12 May 2011, 11.30 – 1.15 pm
at Fleetbank House, Salisbury Square, London EC4Y 8JX

Present

Enid Rowlands	(ER)	Chair of Consumer Focus HR Committee
Christine Farnish	(CF)	Chair, Consumer Focus
Vivienne Sugar	(VS)	Chair, Consumer Focus Wales
Douglas Sinclair	(DS)	Chair, Consumer Focus Scotland

In attendance

Mike O'Connor	(MO'C)	Chief Executive
Graham Clark	(GC)	Finance and Operations Director
Clare Roach	(CR)	Head of HR
Susannah Hughes	(SH)	Head of Secretariat

1 WELCOME AND APOLOGIES

- 1.1 Apologies had been received from RH and SAL. ER welcomed all attendees and opened the meeting.

2 DECLARATIONS OF INTEREST

- 2.1 ER declared her new appointment as Independent Chair for Retrospective Health Care Reviews in Wales. RH restated an interest in respect of General Consumer Council Northern Ireland (GCCNI), in the same terms as at previous meetings.

3 MINUTES OF THE PREVIOUS MEETING (24 February 2011)

- 3.1 No amendments were proposed and the Committee **APPROVED** the minutes of the meeting held on 24 February 2011.

4 MATTERS ARISING

- 4.1 A Government announcement on 11 May had included reference to TUPE. GC would update the Committee on any implications flowing from the announcement before the next meeting.

Action: GC

- 4.2 Other matters arising from the February meeting had been covered on the action sheet or were on the agenda for this meeting.

5 HR UPDATE AND MANAGEMENT INFORMATION (Paper 5)

- 5.1 **Reduction programme:** The first phase of the reduction programme had concluded on 31 March 2011, with six individuals released through the voluntary scheme and six through the compulsory scheme. An extensive consultation programme was followed throughout, with open and timely communications to all employees. Following the end of the first phase of the reduction programme letters were sent to all staff taking them off risk. ER thanked CR and the team for their professional handling of a sensitive situation.

5.2 **GB restructure/recruitment:** The new structure was in place with effect from 9 May 2001, after consultation with the Union and staff, and changes being made through re-deployment as necessary. The Committee welcomed the new structure and noted that this may need to be reviewed again in the light of funding and other transition developments. Teams across the organisation were very stretched and it was organisation critical to have enough resources to deliver statutory and business critical functions. The Committee agreed that the organisation must prioritise statutory areas, continue to press BIS for flexibility regarding resources and document the difficulties in recruitment. Implementation of the GB restructure had been helped by staff having generic job descriptions; this flexibility would continue to be important in considering vacancies and the skills needed to deliver statutory functions. An update on resources and the implications for the delivery of the workplan would go to the Board on 28 June. The Committee would receive face to face or electronic updates as needed and a report on the progress of the new teams and any further developments at the next meeting.

Actions: MO'C, SMT, CR

5.3 **Pay remit:** The 2011/2012 remit was prepared in line with the second year of the Government's two year pay freeze and was submitted to BIS to meet their early deadline. The implementation date was 1 October 2011 and all employees would be written to closer to that date; the letter would also confirm the outcome of the annual appraisal process.

5.4 **Appraisal process:** The 2011/12 round was underway. Indicative ratings suggested some upward drift and SMT had asked that these be reviewed by managers. The Committee was pleased that the importance of appraisal was reinforced and the process embedded so well regardless of whether or not it was linked to pay. The Committee asked that thanks be passed to all managers and service managers.

Action: GC

5.5 **Legal case:** An employment tribunal case was heard on 6/7 April and the judgment dismissed all claims, finding in favour of Consumer Focus. The case had tested Consumer Focus policies, processes and staff integrity: the Committee welcomed the settlement of the issue and thanked staff involved.

5.6 **Learning and development:** The Committee welcomed the increased commitment to this area, which was intended to support performance, motivation and retention; it should also be prioritised as needed to support delivery of statutory functions (see 5.2 above).

Action: SMT, CR

5.7 **Waterwatch:** The project was on track but there were still substantial issues to be resolved, including residuary body and liability issues between Consumer Focus and the Scottish Public Services Ombudsman.

5.8 **Policy review:** The Committee noted the status of the policy review, that the schedule was on track and that this would continue to be a priority area of work. Any big issues arising would be brought to the Committee as needed, with ongoing work reported to schedule.

Action: CR

5.9 **HR Pro:** Planned refinements had been put on hold due to staff shortages but the overall electronic system had been rolled out across the organisation and was being increasingly used by all staff.

5.10 **Management information summary:** The Committee identified an anomaly in the absence information and asked that this be checked and advised by email.

Action: CR

- 5.11 **HR forward workplan:** The Committee welcomed the detailed workplan but noted there was much to do and there was currently a significant HR resource issue (see item 7 below).
- 5.12 The Committee **NOTED** the HR update and management information paper.

6 THE NSMC

- 6.1 The Committee asked about the current status of staffing issues. An outline options paper on the future of the NSMC had been considered by the Board on 10 February 2011 and a full proposal was scheduled to go to the Board for decision on 28 June. GC advised the Committee that the NSMC had five permanent members of staff (who anticipated being covered by TUPE); all others – including senior staff – were contractors or on secondment. The question of residual liabilities would depend on what was agreed at transfer: it was recognised that it had previously been said that Consumer Focus and BIS should have no residual liability – and that these were very significant issues. Currently Consumer Focus still had Department of Health provision, should all the NSMC employees have to be made redundant.
- 6.2 The Committee noted that the NAO had proposed, and the Audit & Risk Committee had agreed, that as the NSMC proposal could be considered novel and/or contentious, permission should be sought from the Treasury.
- 6.3 The Committee asked that:
- The Audit & Risk Committee be asked whether residual liabilities should be added to the risk register;
 - the June Board have the answer as to pension liability cost of the 5 NSMC staff – and if it was not yet known what the arrangements would be, the scenario should be modelled on the new Government scheme and reported to the appropriate Committees.
- 6.4 The June Board paper should include a full analysis of the governance options, with evaluation and recommendations, process, timeframe, implications, finances, alternatives and an NSMC business plan.
- 6.5 The Committee noted that morale was good and reiterated the importance of ensuring that employees were treated fairly and that all necessary measures were taken to ensure this.
- 6.6 These were significant issues and risks, with application across the organisation through the wider transition process. The Committee appreciated the update and asked that a written update be included in the next HR Update.

Action: MO’C, GC

7 HR RESOURCES

- 7.1 The team was now significantly under staffed, effectively running with only CR and one HR manager. The recruitment process through the Government scheme had not been successful. This was a business critical function and the Committee agreed that a strong, exceptional case be made to BIS to bring in consultancy support, highlighting the increased risks, financial and reputational, should understaffing not be addressed in the very near future.

Action: MO’C

8 NATION CHAIRS’ UPDATES

- 8.1 **Consumer Focus Wales:** VS said staff in Wales were to be congratulated for the work they had done which led to policy recommendations in the election manifestos of all four parties.

With a Labour minority government now in place, prospects for an alternative model in Wales remained alive, although there was still much work to be done.

- 8.2 **Consumer Focus Scotland:** DS said that the loss of three policy staff had a serious impact on capacity in CFS. It was likely that a Parliamentary debate would take place within the next month which would enable the Scottish Government to take a position to incorporate into the consumer landscape paper. Any negotiations on the transfer of funding were expected to be tough. The Committee noted the review of staffing issues as a standing item at Executive Team meetings.

9 IMPLICATIONS OF CLOSURE

- 9.1 **Transfer of staff:** GC advised that discussions had taken place between Consumer Focus, BIS and TSoL (Treasury Solicitors) and CitA were also meeting with BIS. There was, however, as yet no clear agreement on the areas or timing of the transfer of functions.
- 9.2 **Staff retention measures:** MO'C had written to all staff about training, building experience and staff titles and had received a number of proposed revisions to job titles. The Committee welcomed the measures and agreed that any changes to job titles should maintain consistency and should not lead to equivalency or pay appeals. MO'C would review with SMT and then discuss with CF.

Action: MO'C

10 HR&RC ANNUAL REPORT 2010/11

- 10.1 The Committee considered the draft report and proposed a number of revisions. The report would be amended for sign off by the Committee prior to submission to the Board.

Action: SH

11 ANY OTHER BUSINESS

- 11.1 BIS had agreed that Consumer Focus could second staff from CAS/ CitA and that vacancies would be advertised between CitA, CAS and Consumer Focus.

Action: CR

- 11.2 ER thanked all attendees and expressed the Committee's particular appreciation of the work of CR, GC and the HR team.

12 DATE OF NEXT MEETING

14 September 2011 11.30 – 1.30pm at Fleetbank House.

Additionally, an interim one hour teleconference would be arranged for July if needed.

Signatories

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Chair, HR Committee	Date
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Chief Executive, Consumer Focus	Date

CONSUMER FOCUS HR&RC COMMITTEE MEETING No. 25

ANNEX TO MINUTES: ACTION POINTS

Minute	Action Agreed	Owner	Timing	Status as @
4.1	Government announcement 11 May <ul style="list-style-type: none"> GC to update HR&RC before next meeting 	GC	June/July	
5.2	GB restructure/recruitment <ul style="list-style-type: none"> Prioritise statutory areas Press BIS for resources Document difficulties in recruitment Staffing update with implications for delivery of workplan to Board on 28 June Updates to HR&RC face to face/electronically as needed and to next meeting 	SMT MO'C CR MO'C CR	Ongoing Ongoing Ongoing June As needed	
5.4	Appraisal process <ul style="list-style-type: none"> Thank managers and service managers for their cooperation and delivery 	GC	June	
5.6	Learning and development <ul style="list-style-type: none"> Prioritise to support delivery of statutory functions 	SMT CR	Ongoing	
5.8	Policy review <ul style="list-style-type: none"> Big issues to HR&RC as needed, others as per schedule 	CR	Ongoing	
5.10	Management information summary <ul style="list-style-type: none"> Email HR&RC re anomaly 	CR	May	Done
6	The NSMC <ul style="list-style-type: none"> Ask A&RC if residual risks should be added to risk register Pension liability costs to June Board June Board paper as per item 6.4 Add update to next HR&RC update 	ER GC MO'C GC	May June Sept	Done
7	HR resources <ul style="list-style-type: none"> Make case to BIS for consultancy support 	MO'C	May	
9.2	Staff retention measures <ul style="list-style-type: none"> Review job title proposals, review with SMT and discuss with CF 	MO'C	May/June	
10.1	HR&RC Annual Report <ul style="list-style-type: none"> Amend as agreed for HR&RC sign off before submission to Board 	SH	June	
11.1	Vacancies <ul style="list-style-type: none"> Consumer Focus, CitA and CAS to share secondment opportunities and job vacancies 	CR	Ongoing	