

# People Committee minutes

6 July 2023

Details of attendees are provided at the end of the minutes.

## 1. Introductions and apologies

- 1.1. There were no apologies for absence.

## 2. Declarations of interests

- 2.1. All ICO staff present declared an interest in the item relating to the pay remit and pay benchmarking.

## 3. Matters arising from the previous meeting

### **Minutes**

- 3.1. The minutes of the previous meeting had been approved as a correct record.

### **Actions**

- 3.2. The Committee noted the updates to actions from previous meetings. Sarah Lal would send a separate note to the Committee with updates on follow-ups which had not been captured as action items.

**ACTION: Sarah Lal to provide the Committee with an update on follow-up matters discussed at the May 2023 meeting which had not been captured as actions. Due date: 31/8/23**

## 4. People-related risks and opportunities

### 4.1. **Summary of people-related risks and opportunities**

- 4.1.1. Sarah Lal presented a report which gave the Committee a high-level overview of people-related risks and their mitigations.
- 4.1.2. The Committee discussed whether there was a risk of potential increased staff turnover as a result of transitions to deliver ICO 25; work currently was ongoing to bring together the full scope of change activities into a single programme at which point this risk would be assessed.
- 4.1.3. The Committee also requested that future iterations of this reports provide further information regarding the

mitigating actions completed to the people-related risks since the Committee's last meeting and target dates for others.

**ACTION: Sarah Lal to ensure that future iterations of the people-related risk report include further information regarding mitigating actions since the last meeting and target dates for achieving target scores. Due date: 9/11/23**

#### 4.2. **Deep dive: industrial relations**

- 4.2.1. Sarah Lal presented a report giving the Committee information regarding work to mitigate industrial relations risks, particularly in the current economic context.
- 4.2.2. The Committee discussed the impact recent of strike action and considered how this interacted with the risk appetite and target score. The Committee noted the business continuity work that had been carried out to mitigate the impact of the recent strikes on the ICO's public services.
- 4.2.3. The Committee also discussed the impact that the relationship between management and the trade unions had on staff as a whole. The Committee also discussed the potential impact of enhanced staff performance management as the high performance culture is embedded and this risk; and the potential additional factors that the upcoming governance transition may bring into the scope this risk.

**ACTION: Sarah Lal and Jen Green to provide further information regarding the potential links between the high performance culture project and the industrial relations risk. Due date: February 2024 meeting (date TBC)**

#### 5. [Parameters of the pay remit and pay benchmarking](#)

- 5.1. Sarah Lal presented a report setting out the proposed approach to the pay remit for the current year's pay award, a proposal to align grades G2 and H to the senior civil service (SCS) pay policy, and to implementing the findings of the recent pay benchmarking exercise.

5.2. The Committee particularly discussed the proposal to align grades G2 and H to the SCS pay policy. The Committee highlighted the risks for the default SCS bonus mechanism to create perverse incentives, which may run counter to the goals of ICO 25, in particular the emphasis on collective responsibility across the senior leadership team. The Committee also noted that SCS pay awards may emphasize non-consolidated bonuses over consolidated pay. The Committee received confirmation that it was possible to align to the SCS pay policy without committing to bonuses. Further investigation and discussion will be needed to ensure any issues are addressed.

5.3. The Committee requested further details regarding how alignment with SCS pay policies would operate, including information on the risks that this created in both the short and long term, and how these were mitigated. The Committee also commented that it would be important to ensure that appropriate governance arrangements were in place to deliver the bonuses element of the SCS pay policies. It was also noted that effective communication about the employee value proposition (which the Committee had discussed previously) was important, including how compensation and benefits contribute to this.

**ACTION: Sarah Lal to provide the Committee with further information regarding the short and long term risks and mitigations of aligning to SCS pay policies. Due date: 9/11/23**

**ACTION: Sarah Lal to provide the Committee with information regarding the governance arrangements which would be in place to deliver the bonuses element of SCS pay policies. Due date: 9/11/23**

5.4. The Committee noted the potential budget implications of the alignment to SCS, and the impact on finances, including reserves. The Committee highlighted that Management Board had previously expressed concern risks in using reserves, and Committee expressed their particular concern about committing to ongoing spend funded through reserves. The Committee also discussed the resources needed to deliver this alignment.

5.5. The Committee supported the proposals regarding the approach to the pay remit and pay benchmarking. The Committee also

commented that it was important to continue emphasising the non-pay benefits of working at the ICO, particularly pensions.

## 6. Career banding outcomes and pay data (April 2023 window)

- 6.1. Mark Graves attended the meeting to present a report giving the Committee information of the outcomes of the April 2023 career banding window.
- 6.2. The Committee reviewed the report and commented that, based on the information provided, the process appeared to be operating fairly and equitably. The Committee was informed that the Pay Consistency Panel (PCP) had come to a similar conclusion, but had noted that the proportion of staff from ethnic minoritised backgrounds applying who applied for career banding assessment was lower than for white staff; PCP had commissioned further work to identify and address the causes of this.
- 6.3. The Committee highlighted the small number of staff being assessed as moving up by three career bands and asked whether this was in line with expectations. They were informed that the PCP had also noted this and had requested that the managers involved in these assessments review these cases.
- 6.4. The Committee commented that the career banding assessment process was an attractive element of the ICO's employee value proposition and should be emphasised in recruitment and retention activities.
- 6.5. The Committee asked for further information of the financial impact of the pay review processes (career banding, promotions and overall pay increases) over a period of years, as well as information about multi-year trends EDI trends.

**ACTION: Sarah Lal to provide the Committee with information about the financial implications of the pay review processes (career banding, promotions and overall pay increases) and multi-year EDI trends from the career banding process. Due date: 9/11/23**

- 6.6. The Committee was also informed that the career banding assessments process would be updated for the October 2023 window to align assessments to the ICO 25 values and shifts of approach. The Committee noted that the potential issues that may arise as evaluation took place against the ICO values rather than against previous values and expectations, which will need to be

managed. The Committee agreed that no action was required at this time.

## 7. Embracing ICO 25 shifts of approach

- 7.1. Jen Green presented a report updating the Committee on progress with embedding shifts of approach as part of ICO 25.
- 7.2. The Committee discussed the how the voices of influencers within the organisation were being amplified to embed the shifts of approach. The Committee supported the approach that was being used of leveraging organically-arising good news stories, rather than identifying “champions” or relying on hierarchy.
- 7.3. The Committee discussed the degree of buy-in that the managerial cohort had to delivering the shifts of approach. Information on this was currently reliant on anecdotal evidence, but evidence would be collected through staff surveys as part of the delivery of the High Performance Strategy.
- 7.4. The Committee also highlighted the importance of: responsibility for delivering the shifts of approach continuing to lie across the whole organisation, rather than being seen as the responsibility of one Directorate or of senior staff; consistently reminding staff of the overall purpose of the shifts of approach and the benefits to them; and ensuring that new starters were consistently brought on board with this work.

## 8. Workforce Planning

- 8.1. Bryan Smith attended the meeting to present a report providing an update on development of the workforce planning framework and methodology. The Committee also received an overview of the key themes from Executive Team’s recent discussion. The Committee was informed that the ultimate outcome of this workstream may not be a specific workforce plan document; a successful output may instead be workforce planning principles to enable the ICO to deliver its objectives. The Committee noted the difficulty of this work, as there was a need to consider the changing role of the ICO alongside the changes within the ICO.
- 8.2. The Committee discussed the overall ambition of a 10% increase in headcount over the next five years, and commented that this may be challenging to fund. The Committee discussed whether setting an increase was appropriate, rather than focusing on identifying the right sizing of the organisation. The Committee was informed

that financial implications would be subject to stress testing and executives would be challenged on the extent to which the strategic plan could be delivered through efficiency measures, rather than additional staff. The Committee emphasised the importance of all staff considering potential efficiency solutions to any capacity challenges, rather than relying on staffing increases, and was informed that this was part of the data strategy.

- 8.3. The Committee also received information about work to remove silos within the organisation, the desire to continue the regular movement of staff between different parts of the organisation (15%, which the Committee commented should be shared with staff as it was excellent performance), and the workforce planning tools available to managers.
- 8.4. The Committee provided information of trends and best practice across the economy and how this could be implemented by the ICO, and the potential benefits of new ways to identify, recruit and develop talent.
- 8.5. The Committee requested further information of the timelines to achieve the milestones within this work.

**ACTION: Sarah Lal to provide the Committee with timelines of the milestones for delivering the workforce planning framework and methodology. Due date: 9/11/23**

- 8.6. The Committee welcomed the work done in this area to date. The Committee cautioned that it was an extremely challenging subject which was rarely completed successfully.

## 9. [Modern Slavery Statement](#)

- 9.1. Sarah Lal presented a report setting out the proposed Modern Slavery statement, prior to this being considered by Management Board in September 2023.
- 9.2. The Committee asked for clarification why the target for completion of mandatory training was only 95%. This was based on roughly 5% of staff being unable to participate in training at any time, for reasons such as sickness absence or maternity leave. The Committee recommended that target be updated to 100% of staff who are able to participate in training completing the mandatory training, which should be reflected in an update to the narrative in the Statement.

### **Decision**

- 9.3. The Committee endorsed the Modern Slavery Statement for approval by Management Board at its September 2023 meeting, subject to amendment of the target for mandatory training.

## 10. People Committee work programme

- 10.1. Louise Byers presented a report setting out the Committee's work programme for future meetings.
- 10.2. The Committee commented that there were a large number of items scheduled to come to the Committee's November meeting and asked that this be reviewed.

**ACTION: Louise Byers and Sarah Lal to review the work programme for the Committee's November 2023 meeting, to ensure that there was sufficient time for discussion of each item. Due date: 9/11/23**

- 10.3. The Committee received confirmation that the purpose of the additional meeting scheduled for September 2023 would be to agree the pay award. The Committee agreed that, should outcome of pay negotiations align to the recommended approach agreed at this meeting, it would be appropriate to cancel the September meeting.

**ACTION: Sarah Lal and Jane McCall to confirm whether the Board's September meeting is required. Due date: 31/8/23**

- 10.4. The Committee referred back to the discussion earlier in the meeting in relation to alignment to SCS pay policies, and requested that the Committee be provided with some further clarification regarding whether the bonus element would be implemented and how it would operate within the ICO 25 principles of collaboration and agile teams.

**ACTION: Sarah Lal and Paul Arnold to provide the Committee with further information regarding the operation of alignment to SCS pay policies, particularly in relation to any operation of bonus schemes and alignment to ICO 25 principles of collaboration and agile teams. Due date: February 2024**

## 11. Messages for Management Board

- 11.1. The Committee agreed that the key messages for Management Board would be to highlight the discussions in relation to the pay

remit and collective leadership, workforce planning and delivery of the ICO 25 shifts of approach.

**ACTION: Louise Byers and Sarah Lal to provide Jeannette Lichner with a messages for Management Board briefing document. Due date: 7/7/23**

## 12. Any other business

12.1. There were no items of other business.

## Attendance

### Members

Jane McCall	Non-Executive Director
Jeannette Lichner	Non-Executive Director (Chair)
Tracey Waltho	Non-Executive Director

### Attendees

Bryan Smith	Head of Talent and Workforce Planning (for item 8)
Jen Green	Executive Director (Strategic Change and Transformation)
Louise Byers	Director of Corporate Planning, Risk & Governance
Mark Graves	Head of Reward and Performance (for item 6)
Paul Arnold	Deputy Chief Executive and Chief Operating Officer
Sarah Lal	Director of People Services

### Secretariat

Chris Braithwaite	Corporate Governance Manager
Fiona Wilcock	Corporate Governance Officer

### Observer

Julia Christie	Office of Rail and Road (UKRN Next Generation NEDs programme)
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