

Annex B – Supplementary information

LSB query 1 – new staff hires

The new staff hires will have implications for the 2021-22 budget. Please provide the total sum for the full year costs of these hires

OLC answer

The full year cost of the posts listed is as follows:

	2020/21	2021/22
New Post: Risk Manager	£18,000	£54,000
New Post: Project Manager	£20,000	£48,000
New Post: Finance Business Partner	£14,800	£44,400
New Post: Diversity & Inclusion Manager	£16,650	£49,950
Recruit to vacant post: Policy Officer	£13,250	£39,750
	£82,700	£236,100

LSB query 2 – split between anticipated and incurred spend

Identify which of these costs are already committed/spent (e.g. the recruitment cost of the COO) and what costs have yet to be committed (and include subtotals for these two headings)

OLC answer

Within figure 2, the expenditure which has been incurred has been highlighted. To clarify this, it splits as follows:

Incurred* and Anticipated Expenditure.	Incurred	Anticipated	Total
Recruitment Costs*	£70,000		£70,000
Senior Team Restructure*	£21,615		£21,615
Redundancy Payment*	£51,650		£51,650
Strategic HR Support*	£25,200		£25,200
New Post: Risk Manager		£18,000	£18,000
New Post: Project Manager		£20,000	£20,000
New Post: Finance Business Partner		£14,800	£14,800
New Post: Diversity & Inclusion Manager		£16,650	£16,650
Recruit to vacant post: Policy Officer		£13,250	£13,250
Forecasting Model Improvement - Commission Independent Productivity Survey		£20,000	£20,000
	£168,465	£102,700	£271,165
Cost associated with accrued annual leave and providing for staff to carry over additional leave.		£100,000	
Errors identified through forensic review of 2020-21 budget setting process	£283,150		
	£283,150	£100,000	£383,150
TOTAL INCURRED / ANTICIPATED EXPENDITURE	£451,615	£202,700	£654,315

I would highlight the likely carry forward of leave at year end (£100,000) is something that hasn't occurred yet, but which we have minimal control over.

LSB query 3 – mitigation relating to new senior leadership

What mitigation, if any, is in place for the risk that the new CLO/COO will wish to put an alternative staffing structure in place?

OLC answer

We have not put any mitigation in for the CO / COO putting alternative staffing arrangements in place.

Should they wish to do so, we would be unable to afford this in 2020/21, and given their arrival dates (January) it is unlikely that they would be in a position to do anything that would impact on 2020/21.

We are of course, beginning to liaise with them, and they will have the opportunity to feed into the 2021/222 budget setting process.

LSB query 4 – strategic direction

How the additional spend on new hires fits with the strategic direction of the organisation.

OLC answer

As detailed in paragraph 10, the new hires are required to ensure the senior leadership team has capacity and resilience to delivery performance recovery and longer term improvement, and further detail is provided in figure 2 against each post.

This has been endorsed by the board of OLC, and with the approval of the Chair of OLC in the absence of a permanent Chief Ombudsman.