

Minutes

Meeting: FCA Board

Date of Meeting: 19 August 2021

Start time: 17:00

Venue: Meeting held via Microsoft Teams

Members Present:

Charles Randell (Chair)	Alice Maynard
Richard Lloyd	Nikhil Rathi
Bernadette Conroy	Tommaso Valletti
Jeannette Lichner	

In attendance: Set out in Annex A

Apologies: Liam Coleman, Sam Woods

1 Declarations of interest

- 1.1 The meeting noted there was a quorum present and proceeded to business.
- 1.2 No interests were declared by members of the Board in the items to be discussed, except that Nikhil Rathi noted that, in common with all staff, he had a potential interest in the matters to be considered at the meeting.

2 Career and Grading Project

- 2.1 The Board was briefed on progress in refining the base case proposals for the Career and Grading review ahead of the proposed employee consultation. It was noted that the intention was to commence the consultation in mid-September.
 - 2.2 The importance of effective communication of the proposals and engagement with employees was recognised and the team explained the plans that were being put in place to achieve this. The Board recognised and discussed the risks inherent in the proposals but was equally aware that there were significant risks in not proceeding if the desired change in culture at the FCA was to be achieved.
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- 2.3 The Board then discussed and examined aspects of the proposals. Matters discussed included:
- i. how performance-related pay would align with the desired collaborative behaviours and appropriately incentivise performance. It was explained that the FCA had already operated for some years with an expected distribution of performance ratings. It was also recognised that there are many different motivators for strong performance.
 - ii. the rationale for transitional maintained pay arrangements.
 - iii. the importance of effective performance management. The Board recognised that this would be crucial and was keen to understand the support that would be available to Directors, Heads of Department and other line managers to ensure this was conducted successfully. It was noted that Workday provided an assurance capability but good communications and changes in approach would be required. The Board tasked the Remuneration Committee to consider how the Board could receive assurance in this area.
 - iv. the impact on the PSR. The Board noted that the team had worked closely with the PSR and the changes made to proposals largely addressed the PSR's initial concerns with ongoing liaison continuing.
- 2.4 The Chair expressed thanks to the team on behalf of the Board for the substantial amount of work that had been carried out to develop and refine the proposals in a relatively short time. The Board expressed its strong support for the proposals and encouraged the team to press ahead with developing the communications plan to prepare for the consultation. The Board agreed to issue a statement of its support as part of the communications plan.

There being no further business the meeting closed.

Charles Randell
Chair

Annex A: Attendees

In attendance:

Andrea Bowe – Chief of Staff, Chief Executive Office

Simon Pearce – Company Secretary

Ian Runacres – Private Secretary to the Chair

Siobhán Sheridan – Chief People Officer

Marcus Adams – Head of Strategy and Policy, Human Resources Division

Sonia Minards – Head of Finance