

Minutes of the forty second meeting of the

Office for Legal Complaints (OLC)

Monday 25 February 2013

11.30am – 15.30pm

Baskerville House, Birmingham

Present:

Elizabeth France, Chair
Tony Foster, member
David Thomas, member
Professor Mary Seneviratne, member
Margaret Doyle, member
Maureen Vevers, member
Rosemary Carter, member
Karen Silcock, member

In attendance:

Adam Sampson, Chief Ombudsman
Rob Hezel, Chief Operating Officer
Alison Robinson, Head of Policy and Communications
Liz Shepherd; CMC Project Lead (item 7)
Paul Partridge; Head of Finance (items 8 and 9)
Freda Sharkey; General Counsel (item 10)

Apologies:

None

Board Secretary:

Andy Taylor

Preliminary issues:

The quorum requirements for the Board meeting were met.

There were no declarations of interest.

Item 1 – Welcome and apologies

1. The Chair welcomed and thanked those in attendance.

Item 2 – Minutes of previous meeting

2. The minutes of the meeting of 17 December 2012 and notes of the informal meeting held on 21 January 2013 (with amendments to reflect the nature of the meeting) were approved for publication.

ACTIONS

- The Secretary to publish the approved minutes of the meeting held on 17 December 2012 and to publish the notes of the informal meeting held on 21 January 2013.

Item 3 – Matters arising & action points

3. Members noted those items where action had been completed and that others were included as agenda items. No further comments were received.
4. Members noted and approved the register of hospitality for publication.
5. Members noted the recent LSB recommendation to the Lord Chancellor that will writing should be regulated but estate administration should not be.
6. Members' attention was drawn to the full response to the Government consultation in respect of bailiffs on the Ministry of Justice website. The Ministry of Justice had set up a working party and LeO was looking to be engaged in this and was communicating with the Local Government Ombudsman and the Ministry.

ACTIONS

- The Secretary to publish the approved register of hospitality.

Open board session

The formal meeting broke for an open board session organised to provide an opportunity for stakeholders to engage directly with the whole board and to contribute to the development of the service.

The session was focused on the consultation version of the 2013/14 business plan with the opportunity for those present to ask questions and to take part in break-out group discussions.

Notes of the key points made in discussion has been produced and is annexed to these minutes.

This feedback will be considered with formal written responses to the consultation, which closes on 1 March, and taken into account in the final version which is due to be presented at the March meeting.

No specific views were received in respect of the budget element of the business plan.

Item 4 – Comments received regarding items presented for information.

7. The items presented for information were noted. No comments had been received in advance of the meeting for circulation.

Chief Ombudsman's report

8. The Chief Ombudsman's report was noted and in response to questions from members the Chief Ombudsman confirmed:
 - The administrators of 2e2 had recently secured the sale of the business to Daisy Communications and they were planning to maintain operations from the data centres. Meetings were to be arranged in order to begin building a business relationship with the new IT supplier as soon as possible. Maureen Vevers confirmed she had been consulted throughout and will continue to contribute from a board perspective as the new relationship develops;
 - Operations had received multiple separate complaints about the same issue. There was some discussion about how the Ombudsman identifies whether a complaint about one issue from many people is one of many complaints. The explanation that the decision flowed from the way the original legal service had been provided was accepted.

KPI report

9. Members noted the KPI report and in particular that Ombudsman work in progress had stabilised following a recovery plan being implemented. Members felt the new Work In Progress bandings were helpful but felt that recovery plans should be implemented sooner than indicated in the report.
10. In response to questions members were advised;
 - Contact forecasting would be updated in the next report to take into account the recent changes to the scheme rules;
 - The 2e2 position will be taken into consideration in respect of the depreciation charge and unit cost information

ACTIONS

- The Chief Operating Officer and Deputy Chief Ombudsman to review the point when remedial actions plans are to come into force.
- The Head of Finance to update the contact forecasting in the KPI report to reflect the scheme rules changes.

Ombudsman and OLC member registers of interest

11. The Ombudsman and OLC registers of interest was noted and no comments were received from members. The registers were approved for publication on the main website.

ACTIONS

- The Secretary to publish the Ombudsman and OLC member registers of interest on the main website.

Finance report

12. The paper provided members with details of the current financial position as at the most recent month end. The paper was noted and no comments were received from members.

Item 5 – Quality update

13. The paper provided members with details of the events and activities undertaken by the quality team during the last quarter, including; an update on recruitment for an interim quality manager, discussions with the LSB regarding the quality KPI and planned activity in the next three months.
14. The paper was noted. Members agreed that an improved and more meaningful external KPI in respect of quality was required and wanted to know what internal KPIs on quality would be presented to OLC in future. In addition, members felt that further work was required in order to clarify the mechanics of the accuracy element. The Chair asked members to forward any comments to Rob Hezel, Tony Foster and Mary Seneviratne.
15. Tony Foster and Mary Seneviratne informed members they had met the Quality team and were supportive of the direction they were taking, in particular in the absence of a Quality Manager. In response to questions members were advised;
 - Following the recent organisational restructure the focus on quality would move from providing assurance to embedding improvement;

- Key actions for the next quarter would be to appoint a new Head of Knowledge and Quality to drive the cultural change and to provide members with a quarterly report that includes knowledge in addition to quality;

ACTIONS

- Members to provide comments in respect of the quality KPI to Rob Hezel, Tony Foster and Mary Seneviratne as soon as possible. The Chief Operating Officer to take forward developments, providing an update in the next quarterly report.

Item 6 – HR and health and safety update

16. The paper provided members with details of the events and activities undertaken by the HR team during the last quarter. This included information in respect of recruitment, reward and recognition, learning and development, performance management, employee engagement, equality and diversity and health and safety matters.

17. The paper was noted.

Item 7 – CMC update

18. The paper provided members with an update in respect of developments in respect of the ongoing CMC project and the governance arrangements attached to the project. Members noted the paper and in response to questions were advised:

- a commencement date was yet to be determined as an appropriate legislative vehicle was still to be identified. Discussions were ongoing with the Ministry of Justice;
- the IT position regarding 2e2 had resulted in a suspension of the development work to our case management system to support CMC's;
- a further update would be provided to members at the March meeting

ACTIONS

- The CMC project manager to present an update to members at the next meeting.

Item 8 – 2013/14 budget

19. The paper provided members with details of the proposed budget for the 2013/14 financial year. Members discussed the paper and requested amendments to be made to the executive summary and sensitivity analysis and to make clear that any material

expenditure in the next financial period in respect of CMC's would be separately covered by grant-in-aid . In addition, further clarification of the parameters used to inform the budget paper was also required.

- 20.** Members agreed that Karen Silcock with support from Tony Foster should work directly with the Head of Finance and Chief Operating Officer to update the budget paper. A revised version would be issued to members before a final version is issued to the LSB for their consideration and approval in accordance with the previously agreed timetable.

ACTIONS

- Karen Silcock to work with the Head of Finance and Chief Operating Officer to update the budget paper.
- The Head of Finance to issue an updated version of the budget paper to members for approval before forwarding to the LSB for their consideration and approval in accordance with the previously agreed timetable.
- The Head of Finance to produce for the OLC a paper on the makeup of the unit cost and the potential for changes to this during the next budget year through efficiency and other cost-saving measures.

Item 9 – Baskerville House lease break

- 21.** Members noted the paper and agreed that the lease terms may be altered to remove the existing prohibited occupier clause and to proceed with the sale of the lease break.
- 22.** Members requested that appropriate records be maintained for reporting in the accounts (taking advice as appropriate from the NAO) and suggested that all staff be reminded of their obligations to data protection; in particular were legal firms to occupy sections of the building in the future.

ACTIONS

- The Head of Finance and Chief Operating Officer to take forward the change to the prohibited occupier clause and to conclude the sale of the lease break.
- The Head of Compliance to remind staff of their obligations to maintain the data protection principles at all times.

Item 10 – Publishing decisions: category 1 cases

- 23.** The paper provided members with the proposed process for considering and publishing category 1 cases, i.e. cases for publication in the public interest. Members

were reminded that counsel's advice had been tabled previously and the proposal was considered to be appropriate and in accordance with that advice.

24. Subject to minor amendments to the criteria, members approved the process for implementation.

ACTIONS

- General Counsel to update the category 1 paper as requested and to confirm the changes at the next meeting.

Item 12 – Any other business

25. The Chair reminded the executive team of the importance of providing adequate time for board members to comment on papers for publication or submission, particularly where timescales were self-imposed. It was agreed that the Head of Policy and Communications would review internal processes and produce a paper showing the timescales which would normally be applied. It was acknowledged that on occasions, it would not be possible to apply these.
26. Members noted that work in respect of the section 120 request received from the LSB. There had been delays in responding but it was agreed that there was still work to be done before submission. A revised and more focused response would be issued to the OLC before forwarding to the LSB.

ACTIONS

- The Head of Policy and Communications to produce a note on timescales for approval of, or comments on, documents for submission to other bodies or for publication;
- The Head of Policy and Communications to forward a copy of the section 120 response to OLC members for approval before issue to the LSB.

Next meeting

27. The next OLC meeting will be held on 25 March 2013 at Baskerville House, Birmingham.

Andy Taylor
Board Secretary
28 February 2013

Notes of the Open Board session held on 25 February 2013.

What you said you would like us to do

Key points from discussion groups held at the offices of the Legal Ombudsman on 25 February

Awareness

1. Improve accessibility of website and information provided on the LeO website.
2. Improve signposting between Ombudsman schemes and also to and from key stakeholders.

Ombudsman approach

1. Explain 'fair and reasonable' test and how this will be applied in the new area of claims management companies – for instance regarding pricing structures and possible complaints about percentage fees taken by CMCs in no win, no fee cases.
2. Be clearer about the extent to which the Ombudsman will look at negligence and improve the related guidance.

External challenges and jurisdictional boundaries

1. Understanding of the new jurisdiction of CMCs – be prepared for new industry with different practices and demographics, pressures around cost for the industry and awareness of how the market is changing
2. Funding models – evaluate the pros and cons of different models and the challenges of funding new work; e.g. claims management and potentially a voluntary scheme.

Operational effectiveness

1. Enhance ability to deal with changes in volumes.
2. Push for better use of website and enhanced technology through a web portal to improve accessibility of scheme – make it cleverer.

Feedback to the profession

1. Improve guidance about award levels to help lawyers understand outcomes as well as process.
2. Improve information on the LeO website and elsewhere to help lawyers understand processes and also provide more detailed case studies as examples.

KPIs

1. Publish a 'comparability chart' for outcomes to help LeO users check if their approach is roughly right.
2. Reduce the proportion of cases going to an Ombudsman for decision.
3. Define what quality means to the Ombudsman and work to report against this clearly.

Accessibility and EPOs

1. Look into whether there is an unconscious bias in decision making both from a consumer and lawyer perspective.
2. Consider using the British Standards Institute customer vulnerability standard.