

**Minutes of the seventh meeting**

**Office for Legal Complaints (OLC) Board**

**Monday 18<sup>th</sup> January 2010**

**11.30am – 3.30pm**

**Baskerville House, Centenary Square, Broad St, Birmingham B1 2ND**

**Present:**

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

**In attendance:**

Adam Sampson, Chief Ombudsman  
Nyall Farrell, Interim Chief Operating Officer  
Liz Shepherd, Interim Programme Director  
Alison Robinson, Head of External Affairs

**Observing:**

David Edmonds (Chairman of the Legal Services Board)  
Julie Myers (Director of Corporate Affairs; Legal Services Board)

**Board Secretary:**

Andy Taylor

**Preliminary issues:**

The quorum requirements for the Board meeting were met.  
Declarations of interest were included as a separate agenda item.

**Item 1 – Welcome and apologies**

1. Apologies were received from;
  - a. Brian Woods-Scawen (member) and
  - b. Lola Bello; Consumer Focus whose presentation had been rescheduled for May 2010).
2. David Edmonds and Julie Myers were welcomed by the Board and thanked for attending the meeting.

### **Item 2 – Minutes of previous meeting**

3. The minutes of the meeting of 18<sup>th</sup> December 2009 were approved.

### **Item 3 – Matters arising & action points**

4. The Board noted that a number of outstanding action points had been completed since the last Board meeting or were included within the agenda.
5. The Board received Annex C, noting that a number of key items presented to previous Board meetings have been approved by the LSB.

### **Item 4 - Chair's update**

6. The Chair advised the Board that no formal meetings had taken place since the last Board meeting.

### **Item 5 - Chief Ombudsman's report**

7. The Chief Ombudsman advised that a number of items covered in his written report appeared later in the agenda. In view of this, discussion focused upon staffing matters. The Board was advised that following the appointment of a Director of Finance, a full Senior Management Team had now been appointed. A Head of Finance was still being sought.
8. The Chief Ombudsman also reported that five of the six appointed Ombudsmen had now returned contracts and were due to join the organisation on a phased basis between late January and the end of March 2010. A suitable induction programme was under development for the new Ombudsmen.
9. Finally the Chief Ombudsman confirmed Memoranda of Understanding with LSB, SRA, BSB, Licenced Conveyancers and ILEX had been agreed.

#### **ACTIONS**

10. The Board asked for "potted" CV's for each of the new Ombudsmen to be presented to the next Board meeting.

### **Item 6 – Update on Legal Services Board (LSB) developments**

11. David Edmonds provided the Board with an overview of recent developments relating to the LSB. He said:
  - a. The LSB was now close to being fully staffed and equipped with the team having a good blend of skills and experience. This would ensure that the work of the LSB continues to broaden and strengthen, and the high quality of work produced would be maintained.
  - b. Relationships with key external partners continued to be developed, including the Approved Regulators and Ministry of Justice.
  - c. Looking ahead, LSB would continue to focus on: embedding regulatory independence through the Internal Governance Rules for Approved

Regulators, developing the market through Alternative Business Structures, quality assurance for advocates and, with the Legal Ombudsman, ensuring that complaints were resolved effectively.

12. Questions were invited and the Board enquired about the "Consumer Panel". It was confirmed this was now in operation and a Panel meeting had been held in the previous week. The Panel had a full membership and was presently devising its own work plan.
13. The Board thanked David Edmonds for the update and also noted that a draft Business Plan had recently been issued by the LSB. Hard copies would be provided to the Board.

#### **ACTIONS**

- The Board Secretary to forward a copy of the LSB Business Plan to Board members upon receipt from the LSB.

#### **Item 7 – "Go live" update**

14. After discussion the Board accepted the Executive's recommended "go-live" date in the autumn of 2010. The Board were advised that the proposal took into consideration key risks, for example: the current staffing position, staffing requirements including training, induction and expected work volumes and the procurement, installation and testing of IT. The Board was also informed there were no budget issues that had been identified that might impact upon the proposal. However, the Chief Ombudsman did advise that the outcome of the pending legal proceedings in the High Court might require some reconsideration of the risks.

#### **Item 8 – Transition planning**

15. The Chief Ombudsman gave an oral update in respect of the position in relation to the pending court action to secure a determination as to whether TUPE applied in relation to the establishment of the Legal Ombudsman.
16. The Board was advised that the recent consultation on transition arrangements closed on 15<sup>th</sup> January 2010 and that responses had been received from the following stakeholders:

Bar Standards Board  
Bar Council (received 25/1)  
Consumer Focus  
Legal Services Consumer Panel  
Which?  
Institute of Trade Mark Attorneys  
Legal Services Ombudsman  
ILEX Professional Standards  
Council for Licensed Conveyancers  
Solicitors Regulation Authority  
Legal Complaints Service

The Law Society

Responses had indicated broad support for the proposed way forward.

#### **Item 9 – Case fees**

17. The Board received an updated version of the paper incorporating changes recommended at the December Board meeting. The Board considered the paper was a good reflection of the previous discussion; however, further minor amendments to the document were suggested.

#### **ACTIONS**

- The Head of External Affairs to modify the document as requested and resubmit the final version for approval at the February Board meeting.

#### **Item 10 – Interim Board Member Expenses Process & Budget**

18. The Board Secretary presented an interim proposal to administer Board Member expense claims with effect from January 2010. However, further investigation of possible financial implications was required and in view of this it was recommended that the LSB should continue to pay Board Member expenses for the remainder of the current financial year. Details of annual expenditure relating to 2009/10 expenses remained outstanding as further data were required from the LSB.
19. The Board approved the interim process.

#### **ACTIONS**

- The Interim Chief Operating Officer to confirm and agree with the LSB the financial arrangements to support the transfer to Board member expenses with effect from the next financial year.
- The Board Secretary to confirm the anticipated budget with the Chief Ombudsman and Interim Chief Operating Officer as soon as possible.
- The Board Secretary to implement the agreed process with effect from January 2010 and to develop a suitable database to monitor Board Member expenses against the agreed budget.

#### **Item 11 – IT and property procurement**

20. The Board was advised that since the last Board meeting one potential supplier had been excluded for not offering value for money. Visits and evaluations had also been undertaken with the remaining two potential suppliers. This had led to a preferred supplier being identified for the “application” work package.
21. In addition to this, two bids have been received in respect of the “telephony service” and “kit” work packages and these were currently being evaluated.
22. It was also reported that DISC (the MoJ IT package), might provide a solution for the “application hosting” and “desktop and infrastructure” work packages. However, there

were concerns expressed relating to the applicability of this standardised solution and also to the possible delivery timescales. A workshop with MoJ DISC had been arranged to investigate these concerns further and the outcome would be reported to the Board.

23. It was reported that an interim support team was now in place within the office which included a full time procurement facilitator. It was noted that members of the interim team had experience which was relevant to the work which needed to be done.
24. It was hoped that an overall solution would be identified quickly with the aim of having contracts agreed in principle by the end of February 2010. This would enable the implementation and testing of the IT solutions to take place and as a result of recent developments, the risk indicator was reclassified from “amber” towards “green”. In view of the rapid changes to the IT procurement, the Board agreed that Tony Foster and Elizabeth France would consider the business case which would need to be submitted to the MoJ between Board meetings.
25. In respect of property procurement, details of a lease agreement remained outstanding, with details being finalised between the legal parties.

#### **ACTIONS**

- The Interim Chief Operating Officer to provide an update with developments in respect of DISC at the February 2010 Board meeting.

#### **Item 12 – Finance report**

26. The Board noted the finance report and were advised that the increase in expenditure was largely due to staffing related matters. Further expenditure was expected in the near future in respect of IT developments.
27. After considering the report, the Board asked for a reasonable estimate of the legal expenses related to legal action to be provided in time for the next Board meeting.

#### **ACTIONS**

- The Chief Ombudsman to obtain an estimate of the potential legal expenses and to provide an update to the Board at the February 2010 meeting.

#### **Item 13 – Risk**

28. The Board noted that the tabled paper had been updated as requested at the December Board meeting and no further matters were reported.

#### **Item 14 – Board Member & Ombudsman register of interests & hospitality; quarterly update**

29. Current versions of the appropriate registers were tabled by the Board Secretary. One amendment to the Board Member register of interests was advised.

#### **ACTIONS**

- The Board Secretary and Head of External Affairs to update the appropriate records.

#### **Item 15 – Draft approach to Freedom of Information and data accessibility**

30. The Board Secretary presented a draft paper outlining the proposed approach to Freedom of information and data accessibility. Although feedback had been provided by members of the Executive prior to the Board, this was yet to be implemented within the paper.
31. The Board considered the paper, including the approach to fees and a number of minor modifications were requested before approval.

#### **ACTIONS**

- The Board Secretary to amend the document to accommodate feedback received from the Executive and Board Members before resubmitting the paper to the February Board meeting.

#### **Item 16 – Report from Committees**

32. The Board were advised that the Audit and Risk Committee had a planning meeting on 11<sup>th</sup> January 2010. The Board confirmed its approach to support from Board members to the Executive by supporting the Audit Committee view that any advice or support needed on finance matters would be provided by Tony Foster.
33. It was reported that the Remuneration and Nomination Committee (RemCo) was due to meet on 25<sup>th</sup> January 2010. The agenda included HR planning and implementation, contracts of employment and a future RemCo meeting timetable.
34. The Board was advised that the meetings relating to pensions provision had not taken place due to bad weather. The meetings have now been rescheduled and an update would be provided to the Board at the February meeting

#### **ACTIONS**

- The Chair of RemCo to update the Board in respect of pension arrangements at the February 2010 Board meeting.

#### **Item 17 – Future agendas and any other business**

35. The Board agreed that Tony Foster would represent the Board at the forthcoming MoJ meeting scheduled for 2<sup>nd</sup> February 2010. At this stage the agenda was unknown and the Board Secretary would continue to chase for this.
36. The Board agreed that Brian Woods – Scawen would act as the Legal Ombudsman's Board representative at the BIOA annual meeting. This is to be held on 13<sup>th</sup> & 14<sup>th</sup> May 2010 in Cardiff.
37. Members noted that the next Board meeting would be held on 22<sup>nd</sup> February 2010 commencing at 11.30am at Baskerville House in Birmingham.

**ACTIONS**

- The Board Secretary to obtain an agenda for the MoJ meeting to be held on 2<sup>nd</sup> February 2010 and forward to Tony Foster and the Chair of the Board as soon as possible.
- The Board Secretary to liaise with Brian Woods – Scawen in respect of attendance at the BIOA annual meeting.

Andy Taylor  
Board Secretary  
26<sup>th</sup> January 2010