

**Minutes of the Sixty-Fourth Meeting of the**

**Office for Legal Complaints (OLC)**

**Wednesday 10 June 2015**

**12:30 – 15:30 pm**

**Legal Ombudsman, Birmingham**

**Present:**

Steve Green, Chair  
Caroline Coates, member  
Bernard Herdan, member  
Michael Kaltz, member  
Tony King, member  
Jane McCall, member  
Professor Philip Plowden, member

**In attendance:**

Dame Ursula Brennan, OLC Accounting Officer  
Nick Donlevy, Deputy Director, Finance Strategy and Planning, Ministry of Justice  
Ian Brack, Interim Chief Executive  
Kathryn King, Interim Chief Ombudsman  
Freda Sharkey, General Counsel  
Ken Young, Interim Head of Policy and Communications  
Simon Tunncliffe, Head of CMC's (*items 1-4 only*)

**Apologies:**

Karen Silcock, member

**Board Secretary:**

Helen White

**Preliminary issues:**

The Board meeting was quorate.

**Item 1 - Welcome and apologies**

1. The Chair thanked Ursula Brennan and Nick Donlevy for their attendance and noted the apologies sent by Karen Silcock.
2. The Chair reported that Bernard Herdan had resigned from his role on the Board of the Bar Tribunal and Adjudication Service, which resolved his declaration of interest noted at the last meeting.

3. Prof Plowden reported a potential declaration of interest regarding his university's research engagement with Lockheed Martin, who it was noted were working with the OLC on their new case management system.
4. The Chair noted that further to Karen Silcock's resignation from the OLC Board, the first order of action would be to formally approve Michael Kaltz as the new Chair of the Audit and Risk Assurance Committee. The Board formally ratified this proposal.

#### **Item 2 - Minutes of the previous meeting**

5. The minutes of the meeting held on 21 April 2015 were approved.

#### **Item 3 - Matters arising and outstanding action points**

6. Members noted those items where actions had been completed and those that were included as agenda items.
7. The interim Chief Executive reported that the scheme of delegation had been revised in draft. Members requested that the finalised document be circulated to the OLC Board.

#### **ACTION:**

- **The interim Chief Executive to circulate the finalised scheme of delegation to the OLC Board on completion of revisions.**

#### **Item 4 - Comments received regarding items presented for information**

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

#### **CMC Update**

9. Prof Plowden reported that the CMC Update report had been read with great satisfaction about what had been achieved in the first three months of operation and noted that this was a great credit to everyone who had been involved and was something of which the organisation could be very proud.
10. Members agreed with how well everything had gone.
11. There was discussion about the consumer profile within the CMC jurisdiction. The Head of CMCs confirmed that research work being undertaken by the Head of Customer Experience would provide more clarity on this. The regulator had given some demographic profiling information, but more research was to be undertaken to inform the internal awareness training programme.
12. Discussion took place on the change in the business process which had affected the change in approach to collecting equality data. Members

confirmed the importance of collecting this data and requested that the Head of CMCs rethink the internal approach to the collection of this data and provide an update to the next OLC Board.

**ACTION:**

- **The Head of CMCs to rethink the internal approach to the collection of equality data. An update to be provided to the next OLC Board.**

13. Members noted that the CMC jurisdiction were trialling the use of ombudsman input at the front end of the business process although it was too early to form any conclusion.

**Interim Chief Executive's Report**

14. The interim Chief Executive reported that a letter had been received from Ursula Brennan regarding the review of OLC financial controls and systems which approved the terms of reference for the review. The OLC would now develop a business case for MoJ approval.

15. Discussions took place on the regularisation of the staff benefits schemes. The interim Chief Executive reported that benchmarking of external schemes being run by comparable bodies was being undertaken to enable the organisation to draft the regularisation proposals. He reiterated that it was important that the regularisation did not negatively affect the operation of the business.

16. Ursula Brennan reported that the OLC Accounts for 2014/15 would show that irregular payments relating to the staff benefits had continued to the year end. It was therefore probable that these accounts would also be qualified – as indeed might the 2015/16 accounts, given that payment continued to date. She reiterated the need to finalise proposals for regularisation of the benefits.

17. The Chair reported that the regularisation of staff benefits would be overseen by RemCo. The RemCo Chair stated that he would ensure a timeframe was provided by executive.

**ACTION:**

- **The interim Chief Executive to provide the RemCo Chair with a timeframe for the implementation of new staff benefits scheme.**

18. Discussion took place on the new Case Management System. The interim Chief Executive reported that performance issues were continuing to be experienced. Increased support had been put in place for users. The ARAC Chair reported that ARAC members had requested that the interim Chief Executive produce a detailed action plan to track the various workstreams.

19. The OLC Chair reported that in order for the OLC Board to be better sighted on the Case Management System issues, he had requested that Jane McCall support the interim Chief Executive in resolving the problems. At every OLC

Board meeting, an update would be included either within the CEO report, or as a separate paper, outlining progress.

**ACTION:**

- **The interim Chief Executive to provide an update at future OLC Board meetings on progress to resolve the case management system issues.**

20. Discussion took place on the EU Alternative Dispute Resolution directive. Members agreed the necessity of finding a pragmatic way forward. It was agreed that the OLC would submit an application to the LSB for certification as an ADR body in advance of 9 July. This application would be on the basis that the OLC would be compliant with the requirements within a reasonable period of time. The application would set out proposals to meet the requirements set out in Schedules 2 and 3 of the Regulations. It would also confirm that the OLC would amend the Scheme Rules to meet the requirements of the directive.

21. Members requested an update at the next OLC Board meeting in July.

**ACTION:**

- **The interim Head of Policy and Communications to provide an update on the status of the EU ADR directive at the July OLC Board meeting.**

**Interim Chief Ombudsman's Report**

22. The interim Chief Ombudsman updated members on the integration of the main grade ombudsmen into the operations teams across the legal jurisdiction. She reported that although anecdotal feedback was positive, it was too early to draw any firm conclusions.

23. Prof Plowden requested that the interim Chief Ombudsman include information on the content of the work being undertaken in the Ombudsmen team and in particular the proportion of cases from each sector (e.g. conveyancing, family law etc.). Members agreed that this would provide useful information to reflect how the composition of the legal services marketplace was affecting caseload.

**ACTION:**

- **The interim Chief Ombudsman to include in her next report information on the content of work being undertaken in the team in order to reflect how the legal services marketplace was affecting caseload.**

**Finance Report**

24. Members discussed the Finance Report.

25. Members approved the general delegation of authority to Jane McCall to approve procurements which lay within the budget, between OLC meetings. It was noted that the OLC Chair already had delegated authority for this.
26. Separately Members approved a discrete delegation of authority to the OLC Chair and Jane McCall for approval to contract for the IT Hosting and Managed Services and Telephony Contracts.

### **Board Member Expenses**

27. Members noted the Board Member Expenses report and approved it for publication.

#### **ACTION:**

- **The Board Secretary to publish the quarterly Board Member expenses report.**

### **Register of Interests**

28. Members noted the Board Member and Ombudsmen register of interests report and approved it for publication.

#### **ACTION:**

- **The Board Secretary to publish the Board Member and Ombudsmen register of interests report.**

### **Gifts and Hospitality Report**

29. Members noted the Gifts and Hospitality report and approved it for publication.

#### **ACTION:**

- **The Board Secretary to publish the quarterly gifts and hospitality report.**

### **KPI Report**

30. The interim Chief Ombudsman presented the KPI report which included data to the end of April. She also provided an oral update on the performance to the end of May.
31. Discussion took place on the performance data and in particular the number of cases awaiting an ombudsman decision. It was noted that the increase in these numbers was attributed to the introduction of the new case management system and also staffing volumes. The interim Chief Ombudsman reported that steps were being taken to look at the resourcing of the ombudsman team. This would be discussed further with RemCo members.

32. Discussion was held on the presentation of the timeliness targets. It was noted that the quarterly Performance paper would be tabled at the July OLC Board. Members requested this include analysis of the steps being taken to address any issues.
33. It was noted that issues had been encountered with the new Case Management System not providing the performance data for team leaders. Board members expressed their concern although it was noted that this was being addressed.
34. Members agreed that the priority was to resolve the issues with the Case Management System as these were blocking performance in terms of functionality and the team's ability to report on performance. Process changes would also be monitored to ensure there was no impact on cases.
35. The interim Chief Ombudsman stated that she would circulate the May KPI report to members.

**ACTION:**

- **The interim Chief Ombudsman to circulate the May KPI report to members.**

**Item 5 – RemCo Update**

36. The RemCo Chair updated members on the two recent RemCo meetings. He reported that the main purpose of the meeting held on 5 May was to orientate the new RemCo board and provide a greater understanding of the organisation. The meeting on 27 May discussed the recruitment of senior staff. Since the meeting the recruitment for the permanent Chief Executive and Chief Ombudsman had progressed with job descriptions finalised with the adverts due to go live shortly.
37. Discussion was held on the interview panel for the Chief Executive role. It was hoped an MoJ colleague would join the panel.
38. The RemCo Chair reported that RemCo members had discussed the organisational refocus paper which the interim Chief Executive had presented. He noted that a copy of the paper would be shared with the MoJ sponsor team.
39. Revised RemCo terms of reference were discussed with the updated version due to be tabled at the July OLC Board.

**ACTION:**

- **The Board Secretary to add the revised RemCo terms of reference to the July OLC Board agenda.**

40. The RemCo Chair reported that the main focus for the next RemCo meeting on 20 July, would be the pay remit.
41. It was noted that RemCo members had invited Staff Council representatives to observe their next meeting and a RemCo Board member would also be attending the future Staff Council meetings.
42. The RemCo Chair reported that a presentation would be made at the July RemCo meeting by a sub-group of the management team on the staff survey action plan. He reported that a cycle for view of the HR related internal policies would also be presented at the next meeting.
43. Jane McCall reported that the new RemCo Board were working collaboratively.

### **Item 6 – Customer Satisfaction and Stakeholder Survey Results**

44. The interim Head of Policy and Communications reported that the purpose of sharing the survey results were twofold; firstly Board oversight was important, as this would be included in the Annual Report, secondly to give new Board members sight of the full report.
45. Discussion was held on the customer satisfaction and stakeholder survey results. The interim Head of Policy and Communications noted that it was now important to review how the survey data is best utilised.
46. Discussion took place on the Case Management System software which would enable consumers to provide feedback in an interactive manner.
47. It was agreed that the interim Chief Ombudsman would produce an action plan on the key themes from the report and staff communication proposals. Michael Kaltz would provide oversight as the report touched on the areas of KPI and performance measures. The interim Chief Ombudsman reported that a separate piece of qualitative research was being undertaken which would provide a richer basis of data. This strand would also be included in the action plan.

#### **ACTION:**

- **The interim Chief Ombudsman to produce an action plan on the key themes from the customer satisfaction and stakeholder survey results reports. The action plan would also include staff communication proposals. As the Board member leading on performance, Michael Kaltz would provide Board oversight.**

### **Item 7 – Performance**

48. The ARAC Chair presented his proposals for revised, simplified and more relevant measures of performance. He noted that there had been regular

discussions with the Legal Services Board on performance with a quarterly meeting held between the LSB and OLC.

49. The ARAC Chair reported that the monthly KPI report which was tabled at the OLC Board meetings looks at performance whereas his performance paper outlined the shape of the performance regime going forward.
50. Discussion took place on the suggested performance measures and whether any further people and finance measures should be included.
51. It was agreed that the existing KPI measure would remain in place in the short term with work continuing in parallel to develop the new measures.

### **Item 8 – Any Other Business**

52. The OLC Chair reported that the LSB had exercised its power under Sections 120 and 121 of the Legal Services Act for the OLC to provide a report to the LSB which sets out the OLC's proposals for a comprehensive framework for key performance indicators and performance measures. This letter and the OLC's response would be published on their website.
53. Discussion was held on the press cutting service used by the OLC. Members requested the interim Head of Policy and Communications review the current list of users and parameters.
  - **The interim Head of Policy and Communications to review the list of users and parameters for the press cutting service.**

### **Next meeting**

54. The next OLC meeting would be held on Wednesday 22 July in Birmingham.