Minutes of the 119th Meeting of the Office for Legal Complaints (OLC)

Thursday 31 March 2022 10:30 – 15:35

Present:	**In attendance:**
Elisabeth Davies, Chair	Paul McFadden, Chief Ombudsman
Lis Bellamy	Sandra Strinati, Chief Operating Officer
Annette Lovell	Steve Pearson, Head of Complex Casework and Deputy Chief Ombudsman
Hari Punchihewa	
Alison Sansome	Michael Letters, Head of Finance
Dale Simon	Debra Wright, Head of People Strategy and Services
Martin Spencer	Laura Stroppolo, Head of Programme Management and Assurance
Jane Martin	Nikki Sinclair, ED&I Manager, (items 8 and 12)
Board Secretary	Luke Hutcheson, Business Intelligence Manager (items 8 and 9)
Kay Kershaw	Deb McIntyre, Operations Manager (items 8 and 9)
	David Peckham, Operations Manager (items 8 and 9)
	Treena Moseley, Operations Manager (items 8 and 9)
	Mark Persard, Operations Manager (items 8 and 9)
	Sarah Gilbert, Policy Officer (item 10)
	Steph Godbold, Stakeholder and External Engagement Manager (item 10)
	Lisa Brazier, HR Business Partner (item 11)
	Betty Liu, Executive Support Assistant – observing

Preliminary issues:

The Board meeting was quorate.

Item 1 – Welcome, apologies and declarations of interest

1. The Chair welcomed attendees to the meeting and introduced Betty Liu, Executive Support Assistant, who was observing the meeting.

2. There were no apologies.

3. There were no declarations of interest reported.

Item 2 – Previous Minutes

4. The minutes of the OLC Board meeting held on 26 January 2022 were **approved** for accuracy and **approved** for publication.

5. The minutes of the ARAC meeting held on 10 January 2022 were **approved** for publication.

   ACTION: Board Secretary to publish the minutes of the:

   - **OLC Board meeting held on 26 January 2022.**

   - **The ARAC meeting held on 10 January 2022.**

Item 3 – Matters arising and outstanding actions from previous meetings

6. The Board ratified a decision made by the OLC Chair in line with delegated authority given by the Board on 11 February 2022 to approve the 2022/23 Business Plan and Budget Acceptance Criteria for submission to the LSB.

7. Action 3, Paragraph 8 from the January 2022 Board meeting: The Deputy Chief Ombudsman (DCO) reported on the rationale to appoint a Quality Manager through internal secondment so that the initial groundwork and benchmarking on the Quality Assurance Framework review could commence ahead of a permanent appointment being made. Plans to recruit a permanent Quality Manager based at the proposed Cardiff hub were being progressed.

8. Action 3, paragraph 7 from the July 2021 meeting: The integration of regular Board and public reporting on case studies and decisions was to be incorporated into work being undertaken in line with Priority 3 of the 2022/23 Business Plan. Considering this, the Board **agreed** that this action could be closed.

   ACTION: Board Secretary to close action 3, paragraph 7 from the July 2021 Board meeting.

9. Clarity was sought on whether the remaining 2022 Board meetings, workshops and seminars were to take place remotely or in person. The Board Secretary **agreed** to re-circulate an email that had been issued to Board members on 11 March 2022 setting out this information and to update the schedule of Board and Committee meetings included in meeting agendas to show this additional information.

   ACTION: Board Secretary to re-circulate an email that had been issued to Board members on 11 March 2022 setting out information on whether future Board and Committee meetings would be held remotely or in person and to update the schedule of Board and Committee meetings included in meeting agendas to show this additional information.

10. Board **noted** the update on previous actions.

Item 4 – Executive report

11. The Chief Ombudsman (CO) reported on the extent of work that had been undertaken during Q4, drawing the Board's attention to the following key points:

- There was a real sense of progress, positivity and momentum across the organisation as the hard work and effort to improve organisational performance over the last business year was coming to fruition and in response to the LSB's approval of the 2022/23 Budget and Business Plan.

- There was no complacency, and LeO would continue to work at pace to ensure that further improvement in line with the 2022/23 Business Plan.

- Plans to pilot LeO's first regional hub were moving at pace. The Executive had secured office space on a non-committal basis within existing MoJ estate in Cardiff. A recruitment partner had been engaged and would be providing support with recruitment, advertising and candidate management for operational and corporate roles.

- Work had commenced to prepare a ministerial briefing ahead of the OLC's meeting with Lord Wolfson in May.

12. Recognising the excellent performance achieved in Q4 and the progress that had been the OLC Board formally expressed thanks to the Executive and staff for their hard work and efforts.

13. In discussion about regional hubs, Board members indicated that they would benefit from having more information about the Cardiff Hub, questioning why Cardiff had been chosen as a regional base, whether it was on the critical path for recruitment and what the contingency plans were if the Cardiff hub did not meet its intended objective. One Board member asked for further information on the hub strategy, including its aims and its impact on staff. Acknowledging the Board's comments, the Executive reported that:

- Regional hubs would provide greater flexibility for LeO to recruit from a wider pool of candidates and mitigate some of the local recruitment challenges experienced by the organisation, providing further resilience against future recruitment challenges.

- Whilst Cardiff was not on the critical path for recruitment, anecdotal feedback suggested that operational roles were attractive to people in that area; the outcome of the recruitment campaign would confirm whether this was the case.

- LeO had been given the opportunity to utilise existing MoJ estate in Cardiff with no / low cost commitment, but in order to secure this offer LeO had had to move at pace. The non-committal basis of this offer would mitigate some of the risk associated with piloting a regional hub in this area.

- Project and programme management architecture was in place to ensure the delivery of the hub strategy and provide the Executive with assurance on the progress being made; regular updates on this would be provided to the Board.

14. Board members welcomed the non-committal approach to testing proof of concept of the Cardiff hub, commenting on the need to ensure that clear success criteria were in place to determine whether the hub approach could add value to the organisation; the need to ensure that the expectations of those people recruited to work from the hub were sufficiently managed should the pilot be deemed unsuccessful, and the need to ensure that staff recruited to work from the hub were properly engaged with the wider organisation.

15. Noting the Board's comments, the Head of PM&A advised that the Executive was working closely with the EDI Manager, Head of People Service and Strategy and other key staff to ensure that staff working from the Birmingham office and the regional hubs experienced an

inclusive working environment and were fully engaged with the wider organisation. The Head of PM&A agreed to circulate a hub update before the next Board meeting.

ACTION: The Head of People Management and Assurance to circulate a hub update before the next Board meeting.

16. Reflecting on action 3, paragraph 8 from the January Board meeting, the Board had been concerned that the Quality Assurance Framework review had been delayed and was keen to ensure that a deadline was in place for the completion of this work. Responding to this, the Executive explained that:

- The Quality Assurance Framework review was intended to provide assurance that the existing Framework was still fit for purpose.

- Feedback from the Quality Committee assured the Executive that the existing Quality Assurance Framework continued to operate well and quality was being delivered to the expected standard.

- The review of the Quality Assurance Framework would commence once a Quality Manager had been appointed. A deadline for the completion of this work would then be agreed; this was likely to be six months after the review commenced.

- Having considered ways of providing the Board with greater exposure to the work undertaken as part of the Quality Assurance Framework, the Executive planned to report on quality assurance on a quarterly basis. The Board forward plan would be updated accordingly.

ACTION: Board Secretary to liaise with the Executive to clarify a quarterly quality assurance reporting schedule and update the Board forward plan accordingly.

17. In response to this, the Board:

- Welcomed the Executive's commitment to quarterly Quality Assurance reporting. In discussion it was stressed that this reporting should flow from existing work being undertaken by the organisation and should not create any additional work for the Executive.

- Suggested that a two-stage approach to reviewing the Quality Assurance Framework should be considered. The first stage to provide assurance to the Board that the existing Framework was good enough, this could take the form of a light touch peer review of quality undertaken by another ombuds scheme; the second stage to be a more formal review of the Quality Assurance Framework at an agreed future date. This approach would then enable the Board to close action 3, paragraph 8 from the January 2022 Board meeting and a new action to be created for the second stage review.

ACTION: The Executive to consider a two-stage approach to reviewing the Quality Assurance Framework; the first stage to provide assurance to the Board that the existing Framework was good enough, and the second stage to consist of a more formal review at an agreed future date.

18. In response to a recommendation from the Board, the Deputy Chief Ombudsman confirmed that consideration of the impact of the Scheme Rules changes on quality, and the front-end initiatives would be taken into consideration as part of the wider review of quality.

19. The Board thanked the CO for the Executive report, welcoming the improved format, the update on Priority 3 and the detailed information which had provided a comprehensive overview of the issues and progress.

20. The Board **noted** the Executive report.

Item 5 – Finance Report

21. The Head of Finance drew the Boards attention to the following key points:

- The forecast for annual leave accrual had increased because most staff were carrying forward the maximum five days leave permitted into 2022/23; further fluctuations in annual leave accrual were expected.

- The February forecast acknowledged that costs were expected to change before the year end position could be finalised; this included costs associated with planned recruitment and maintenance costs.

- In 2022/23, any loss of case fee income resulting from early case closures should be offset by higher case fee income generated by an increased number of case closures following investigation; it was expected that 45% of case closures would generate a case fee resulting in a case fee income of approximately £1.3m. The position on case fee income would be closely monitored.

22. Alert to the need to mitigate any potential budgetary risks associated with a reduced case fee income resulting from early case closures, the Board sought to understand whether there would be an opportunity to consider alternative fee structures and ways to incentivise the Legal Sector to resolve cases earlier at stage one and disincentivise complaints being escalated to the Legal Ombudsman.

23. The Board was keen to understand what mitigating action was in place to address the potential risk of an overspend / underspend of the 2022/23 Budget and what the escalation process was for any overspend / underspend that was identified during the year.

24. Responding to the points made, the Executive made the following key points:

- The concept of Polluter Pays was considered as part of the Scheme Rules consultation. Feedback from some stakeholders suggested that complainants could pay a case fee where it was found that their complaint had no merit.

- Stage two of the Scheme Rules review would consider an alternative two-tier case fee structure. Feedback from the recent Scheme Rules consultation had suggested that a two-tier case fee may however result in an increase in the number of case fee challenges received.

- Under the current Scheme Rules, cases resolved early under Chapter 5 Rules do not attract a case fee. Any changes to the current case fee structure would require the Lord Chancellor's approval.

- The risk register captured the risk associated with a potential overspend / underspend. The risk register was reviewed by ARAC as a standing agenda item at all meetings and the ARAC Chair reported on this as part of regular ARAC updates to Board.

- Regular departmental budgetary reviews were undertaken to monitor the risk of an overspend / underspend. Budget forecasts and risk registers were updated

accordingly and reviewed by the Executive so that mitigating action could be taken as early as possible.

- The Finance report, a standing agenda item at all Board meetings, would alert the Board to any overspends / underspends.

- The ARAC Chair would be alerted to any unexpected budgetary changes that could lead to an overspend / underspend.

- The CO offered to give further consideration to whether the process for reporting potential overspends / underspends to the Board and ARAC could be improved.

ACTION: The Chief Ombudsman and Head of Finance to consider whether the process for reporting potential overspends or underspends to the Board and ARAC could be improved.

25. The OLC Chair drew the Board's attention to a report entitled 'Review of Levy Rules' and agreed that a copy of this document would be circulated to the Board for information.

ACTION: The Board Secretary to circulate a copy of the Review of Levy Rules to the Board.

26. Commenting on the very clear reporting that was already in place to alert the Board and ARAC of any potential risk of overspend or underspend, one Board member felt that little more could be done to improve the reporting process by the Executive.

27. In discussion, it was suggested that consideration should be given to the identification of trends that might lead to an underspend or overspend and that this should be reported to ARAC as part of the regular risk assurance reporting.

ACTION: The Head of Finance and Risk Manager to consider the identification of trends that might lead to an underspend or overspend and report on this to ARAC as part of risk assurance reporting.

28. The ARAC Chair commented on the importance of understanding the impact of any potential underspend or overspend at the earliest opportunity to ensure that mitigating actions could be taken, forecasts changed and any connecting problems identified to prevent similar situations occurring again in the future.

29. Board **noted** the Finance Report.

Item 7 - ARAC update

30. The ARAC Chair reported on the ARAC meeting that had taken place on 7 March 2022. The following key points were made:

- In line with ARAC's Terms of Reference, the Committee had met privately with Internal and External Auditors on 7 March 2022. Auditors had acknowledged the improvements that had been made and reported no issues or concerns.

- The Committee had considered a Risk Assurance Report providing updates on strategic risks, escalated business unit risks and internal audit actions.

- ARAC had approved the Internal Audit plan for 2022/23.

- Preparation was underway by External Auditors and the Head of Finance for the end of year Audit of Financial Statements.

- The Committee had received an update on the progress being made on the 2021/22 Annual Report and Accounts and the Annual Data Assurance report. The next report on Data Assurance would be presented in September.

31. The Head of Programme Management and Assurance reported that:

- A Risk Manager would commence in post on 11 April 2022 and would drive forward the work on risk.

- The Executive had met to consider risk tolerance and risk appetite.

32. The Board **noted** the ARAC update.

Item 7 – RemCo update

33. The RemCo Chair reported on the RemCo meetings that had taken place on 8 February 2022. The following key points were made:

- RemCo had had its annual meeting with Staff Council. This had been a valuable, helpful and informative meeting. Discussions had focussed on the Civil Service People Survey results and ways to engage with staff in the future.

- At its substantial meeting, RemCo had considered reports on the Civil Service People Survey Results; a proposed new HR structure; a new Performance Management Framework and associated policies; a Gender Pay Gap report and a Health and Safety Compliance report, which included a revised Health and Safety policy.

- The Committee had endorsed the new Performance Management Framework and associated policies and the Gender Pay Gap report and had recommended further updates to the new Health and Health and Safety policy, which had subsequently been approved out of committee.

- RemCo thanked the Head of People Performance and Strategy and the HR Team for the quality of the reports that had been presented to the Committee.

34. The Board **noted** the RemCo update.

Item 8 – Performance and People Report, including People Strategy

Performance Report

35. The Chief Operating Officer (COO) reported on the significant performance improvement that had been seen during March. The Board's attention was drawn to the following key points:

- The original Business Plan forecast for case closures in March had been 629; this had subsequently been revised to 650.

- At the time of reporting, the total number of case closures achieved in March was 812.

- The monthly average for case closures in Q1 had been 537; this had increased in Q4 to 637 and had been achieved with 38.4% less established investigators.

- Overall, investigator productivity had increased to 7.86 case closures a month, exceeding business plan requirements. The individual productivity of Investigators working at the front end was 13.6 and for other Investigators was 5.43.

- The original Business Plan forecast for the number of cases in the Pre-Assessment Pool (PAP) at the end of March had been 4970. This had been revised to 5960 because of diminished levels of staff resource, but at the time of reporting, the actual number of cases in the PAP was 5870.

36. Operations Managers reported on the positive, can-do atmosphere that was now being seen within operations; this was underpinned by the Executive's high levels of trust, support and empowerment which had enabled staff to re-engage, play to their strengths and deliver for LeO's customers.

37. The Board had been very pleased to note that performance trajectories for March had been exceeded and that performance and productivity was at its highest for many years.

38. The Board had been keen to understand the impact of this improved performance on trajectories for 2022/23 Business Plan and the degree of confidence around maintaining this level of performance. In response, the Board was advised that:

- The performance achieved in March had been achieved with existing levels of resource; this had given the Executive confidence that performance trajectories for 2022/23 Business Plan could be achieved with the existing initiatives and operational processes in place.

- The performance trajectories for 2022/23 would need to be revised to reflect the additional staff operational resource, currently undergoing induction training; this additional resource, once operational, would put the organisation in an even stronger position to deliver in 2022/23.

- The improvements made in performance modelling, the additional operational resource and the improved operational induction programme had put the organisation in a stronger position to deliver the 2022/23 Business Plan.

People Report

39. The Board sought to understand what lessons had been learned from staff leaving the organisation during their probationary period and what changes had been made to ensure that new staff remained in post after their probationary period. In response, the Head of People Strategy and Services (HoPS&S) explained that:

- Lessons had been learned from decisions made at the start of the pandemic to suspend all performance management processes and performance targets, induct staff remotely and allow staff time off for caring responsibilities, all of which had had a negative impact on the level of support offered to new recruits.

- It had become evident once performance management and performance targets had been re-introduced that some staff were struggling with their performance and consequently more staff than expected had left the organisation.

- The lessons learned from this. Improvements had been made the recruitment, induction and on-boarding process; this includes the introduction of Grad Bay which provides

better support for new operational staff. These processes are continually reviewed and improved in line with feedback from new staff.

40. There was some concern raised about the number of Business Plan actions to reduce attrition and attract and retain highly skilled and motivated people across all areas of the business. The Head of People Strategy and Services was encouraged to focus and prioritise actions and not to tackle them all at once.

41. The Board requested an update on the salary, terms and conditions benchmarking exercise being undertaken. In response to this, the OLC Chair requested that the HoPS&S provided the update as a follow up action after the meeting.

ACTION: The Head of People Strategy and Services to provide an out of committee update to the Board on the salary, terms and conditions benchmarking exercise.

People Strategy

42. The Reflecting on the progress being made on performance, and the change in culture, collaborative working practices and increased levels of staff motivation that underpinned the improvements, the Head of People Strategy and Performance (HoPS&S) stated that it was now a good time for the organisation to be launching its new People Strategy.

43. The Head of People Strategy and Services confirmed that formal and informal engagement sessions had now taken place with key staff, including Staff Council, Staff Networks and the EDI Manager to explore the results of the Civil Service People Survey and to capture their thoughts and views on areas of focus to be included in the 2022/23 People Strategy.

44. The Board commented that the People Strategy was very clear, ambitious and was well aligned to the Business Plan and EDI Strategy. The Head of People Strategy and Services was commended for the work that had gone into developing People Strategy.

45. There was some concern raised about the volume of work required to deliver the People Strategy, whether it was achievable and whether the Head of People Strategy and Services and the HR Team had capacity to deliver it at the required pace to meet the timescales set out.

46. It was suggested that consideration could be given to recruiting interim staff to support this work and that RemCo could review the pacing of activities if required.

47. Board members recommended that the actions were focussed, prioritised and delivered by the whole organisation, not just by the Head of People Services and Strategy and the HR Team. In response to this, the HoPS&S made the following key points:

- When developing the strategy, a balance had been struck between the essential actions required and a degree of ambition.

- Sitting beneath the high-level actions set out in the People Strategy was a delivery plan. HR would be the driver of the People Strategy but colleagues from across the organisation would deliver the actions sitting beneath it.

- The Strategy had been phased over time to ensure that the delivery of actions was achievable.

- The People Strategy was expected to evolve over time.

48. In response to the points made, Board members recommended that there should be clarity on which actions might need to be rescheduled if delivery could not be achieved within the timescales set out.

ACTION: The Head of People Strategy and Services to clarify which of the People Strategy actions might need to be rescheduled if delivery could not be achieved within the timescales set out.

49. The Board requested that more information on the correlation between the activities set out in theme 3 of the People Strategy and the expected outcome of reduced sickness absence. In response, the COO reported on the new sickness absence policy that RemCo had approved in February and how the application of this policy, along with a range of pro-active well-being initiatives, would drive down sickness rates.

50. A question was raised about LeO's brand and how it would be developed to promote the organisation and help to attract new staff. In response, the COO explained how the work being undertaken on EDI initiatives, including working with Stonewall, the collaborative working approaches and LeO's improved performance would all help to build the brand and promote LeO as a good organisation to work for and in turn this would attract new staff.

51. Following a detailed discussion, the Board **noted** the Performance and People reports.

52. The Board **approved** the People Strategy. the pace of delivery .

Item 9 – Reducing the Backlog

53. The Board reflected on the success that had been achieved by the GETi pilot and sought to understand the lessons that had been learned so far. In response, Operations Managers stated that the swift, agile approach adopted towards resourcing this pilot had been a key lesson learned. This innovative approach had had a positive impact on developing and engaging staff and had created a more flexible, collaborative operational workforce which had been a key factor in improving performance and customer experience.

54. The Board commended the Operations Managers for adopting such a flexible approach to resourcing the GETi pilot, commenting on the added value that developing a more flexible workforce would bring to operations more widely.

55. The Board **noted** the update on reducing the PAP backlog.

Item 10 – Annual Report and Accounts 2021/22

56. The Head of Programme Management and Assurance reported on the progress being made on preparing the 2021/22 Annual Report and Accounts; the project management architecture in place to support this work, and how lessons learned from previous years were being taken into account.

57. The Board's feedback had been sought on draft key messages for inclusion in the 2021/22 Annual Report and Accounts. Overall, the Board was supportive of the proposed messages and how they were aligned to key messages in other strategic documents. The following points were made to further improve and strengthen the information in the 2021/22 Annual Report and Accounts:

   - Strengthen the messaging around EDI, priority 3 and people – link the changes in leadership and staffing to performance improvement and highlight how quarter on quarter improvements have led to an overall improvement in performance during the year.

- Make it clear that, in addition the pandemic, many of the challenges experienced over the last year had been linked to recruitment, attrition and retention.

- Strengthen the connection between the financials and the narrative.

- Where appropriate, include examples of things that happened to bring to life the areas of focus and support the narrative. .

- Include stronger links to the customers (complainant and service provider) in the section on outlook.

- Ensure that the report is short and succinct.

- Use presentation devices to ensure a better flow of information and key messages within the document.

58. The Executive **noted** the feedback provided by the Board and advised that the 2021/22 Annual Report and Accounts would include better visuals, quotes and a range of statistics.

59. The Board was asked to notify the Stakeholder and External Engagement Manager and Policy Officer of any good examples of style and format of Annual Report and Accounts document used by other organisations.

   ACTION: Board Members to advise the Stakeholder and External Engagement Manager and Policy Officer of any good examples of the style of an Annual Report and Accounts documents used by other organisations.

60. The Board **noted** the update and progress being made in preparation for the 2021/22 Annual Report and Accounts.

   Item 11 – Civil Service People Survey Results

61. The Board was advised that responses to the Civil Service People Survey had been discussed in detail by RemCo at its meeting in February and RemCo had also discussed the survey results at its annual joint meeting with Staff Council.

62. The MoJ had advised all ALBs to analyse the 2021 survey results against the 2019 results and not the 2020 results. This was because the pandemic had disproportionally impacted the 2020 results.

63. In addition to providing the Board with the analysis of the 2021 results against the 2019 results, the 2020 results had been provided to the Board for additional information.

64. Noting that many of the survey scores had shown an improvement trajectory and, considering the improvement journey that LeO was on, Board members had been pleased with the overall direction of travel, commenting that many of the survey scores had been broadly in line with their expectations. However, the Board stressed that further improvement was required.

65. The RemCo Chair suggested that focussing on the lower scoring areas and areas where scores had remained broadly static may help to direct the People Strategy and the pace of delivery, and advised that RemCo could review the prioritisation plan, if required.

66. It was suggested that insight from the staff engagement on the People Strategy may be useful to help understand the reasons underpinning some of the survey scores.

67. The Board noted the high scores for Organisational Objectives and My Work / My Team, recognising that the score for Leadership and Managing Change was the most improved score.

68. The Board noted that the 2019 and 2021 survey response rates had been similar and that the employee engagement index scores had remained broadly consistent with previous scores, which some Board members felt was disappointing.

69. In discussion, the Board sought to understand the potential reasons why the 2020 response rates had been out of alignment with other scores, the reasons why the 2021 response rates had not been higher and whether there was scope to improve future response rates and engagement scores.

70. It was noted that the researchers deemed a 30% response rate to surveys acceptable, and that engagement scores in organisations with more new employees tended to be higher.

71. Concerns were raised about the variation in responses across the different areas (job families) in the organisation and the scores received in respect of questions on Learning and Development and Discrimination.

72. In response to the points raised, the Board's attention was drawn to the following key points:

- There had been considerable HR intervention in 2020 encouraging staff to respond the Civil Service People Survey, resulting in a higher response rate. The impact of changes in working practices in response to the pandemic had had a positive impact on the employee engagement index.

- Communication by the PCS union may have resulted in its members not responding to the 2021 Civil Service People Survey. It is not known whether this had impacted LeO's survey results.

- 16.5% of respondents had been new employees. Indifferent responses were not counted in the engagement index.

- Dashboards had been developed and along with the survey results had been shared with key internal stakeholders, including Staff Council and the EDI Manager. This enabled stakeholders to undertake a detailed analysis of the survey results broken down by job family, for departmental actions plans to be developed and for further analysis of areas relating to EDI so that appropriate action could be taken in line with LeO's EDI Strategy.

- The Executive and HR were being challenged and held to account by internal stakeholders on the survey results.

- An analysis of the responses provided to the survey questions on discrimination had been undertaken with the aim of identifying any themes or links to job family; none had been found. Discussions were taking place with key internal stakeholders to gain further insight into the reasons why staff may have indicated that they had been discriminated against.

- Without any hard data to explain why staff had felt discriminated against assumptions would be made and action plans developed accordingly.

- The findings and actions arising from the Civil Service People Survey would be integrated in the People Strategy.

- Staff communications on the actions arising from the Civil Service People Survey results would be in the format of 'you said, we did'.

73. Dashboards had been developed and shared with key stakeholders within LeO, enabling them to undertake a more detailed analysis of the survey results by job family and to develop action plans accordingly.

74. Following a detailed discussion, the Board **noted** the results of the Civil Service People Survey.

Item 12 – EDI Update

75. The EDI Manager reported that staff would be asked to provide their feedback on what LeO's EDI vision should include and advised Board members that their feedback on this would be welcomed.

76. In response to a question raised by the OLC Chair, the EDI Manager reported that work was in hand to collate EDI benchmarking data which would be presented to the Board at its meeting in May. The EDI Manager was working closely with colleagues from HR, IT and Business Intelligence to extract data from internal systems, transfer it to the data warehouse and to develop informative EDI Board reports.

77. The EDI Board Sponsor, and Chair of the EDI Steering Group, added that an EDI Board data set would include information on recruitment which would be overlaid with equality data; this should provide the required level of granular data sitting beneath the high-level EDI Strategy.

78. The Board welcomed the format of the EDI strategy and how it had clearly set out the interplay between other key organisational strategies. In discussion the following key points were made:

- The EDI vision statement would need to take into account LeO's hybrid working model. Any reference to 'place' would need to reflect that staff worked from different locations and consideration would need to be given to how a sense of 'place' could be built into the EDI vision.

- There was some concern that the EDI strategy may be over ambitious and that it may be necessary to prioritise some of the activities so that the focus was on areas of priority.

- Some discomfort was expressed regarding the proposed introduction on a Women's Network and clarification was sought on whether there were any plans to introduce a Man's Network.

- The Board had been pleased to note that a section on customer service and accessibility had been included in the EDI Strategy, commenting on the importance of considering EDI from the external customer perspective as well as from an internal staff perspective.

79. In response to the points raised, the EDI Manager stated that:

- Consideration was being given to setting up a network group specifically for those people that worked from home or from regional hubs to ensure that they felt included

and involved. Staff working from home or from regional hubs would be involved in setting up and running this network group; this would ensure that it was fit for purpose and met their specific needs. The EDI Manager would be seeking best practice advice from other organisations that had already set up similar network groups. In discussion with staff, work would be undertaken to determine what 'place' would mean for those that work from home or from regional hubs.

- The EDI Strategy was a three-year strategy. The EDI Steering Group, in conjunction with the Executive and other key staff, would provide guidance to the EDI Manager on the prioritisation of activities set out in the strategy.

- The EDI Manager had received requests directly from female staff for a Women's Network. A Man's Network would be considered if there was sufficient demand.

80. Having considered the high-level EDI Strategy, the Board confirmed **approval** of the direction of travel.

81. The EDI Manager shared some positive feedback from a member of staff who had expressed their gratitude to the Executive for the support being offered to them during Ramadan, when all Muslim colleagues had been given the option to work from home.

82. The Board **noted** the EDI update.

Item 13 – Scheme Rules Changes

83. The Deputy Chief Ombudsman (DCO) updated the Board on the progress being made on Scheme Rules Changes, drawing the Board attention to the following key points:

- The first substantive external response to the stakeholder consultation had been received.

- A consultation session had taken place with staff.

- The consultation feedback received so far had been supportive of the proposed changes but had highlighted a need to ensure that appropriate guidance was in place to ensure the consistent application of Scheme Rules and the application of ombudsman discretion.

- The external consultation would close on 13 April.

- The Board would meet on 27 April to consider the consultation responses and approve the proposed Scheme Rules changes.

84. The Board had been pleased with the positive feedback received on the consultation so far.

85. Mindful of the Civil Service People Survey results and the feedback provided by staff on managing change, the Board urged the Executive to ensure that consideration was given to the impact of the Scheme Rules changes on staff.

86. The Board stressed the need to ensure that external stakeholders understood the impact of the Scheme Rules changes on performance trajectories and timelines and that their expectations on this were managed.

87. Recognising that the impact of the Scheme Rules changes would mainly be seen in 2023/24, the Board sought to understand whether any of the changes could be implemented sooner if, unexpectedly, performance in 2022/23 dropped below current trajectories.

88. In response to the points raised, the Board was advised that:

- Work was already underway to engage with staff and keep them updated and informed on the Scheme Rules changes with a view to managing the impact of the changes on them.

- The LSB had been made aware that performance trajectories set out in the Business Plan did not include the improvements that could be delivered through the Scheme Rules changes.

- The Executive's preference would be to implement the Scheme Rules changes in a careful and considered way and not to rush to introduce the changes earlier than planned.

- Implementation would require a lead up time to ensure that the appropriate changes had been made to the case management system and that the supporting processes, staff training, guidance and customer communications were all in place.

- Implementing the Scheme Rules changes early could have a negative impact on staff perceptions on managing change and which could result in lower scores in the 2022 Civil Service People Survey.

- The application of Chapter 5 Scheme Rules changes may have a positive impact on performance in 2022/23.

- It may be possible to phase the introduction of some of the Scheme Rules changes, and to test and trial some of the smaller Scheme Rules changes earlier on the front-end team, but this would require a cautious approach to ensure that there was no detrimental impact on staff, customers or performance.

89. In response to points raised by the Board, the Executive clarified that there was no scope for customers to be charged case fees and confirmed that vexatious complaints would be dealt with in line with the Scheme Rules.

90. The Board **noted** the update on the Scheme Rules.

Item 14 – Quarterly transparency publications

91. The Board **noted** and **approved** the following documents for publication:

- The Q4 Board Member Register of Interests.

- The Q4 Ombudsman and Senior Manager's Register of Interests

- The Q4 Board member expenses report and the updated Q3 Board member expenses report.

ACTION: Board Secretary to publish the Q4 transparency reports and the updated Q3 Board member expenses report.

92. The Board was advised that:

- The Q3 Board member expenses report had been updated to reflect additional expense claims received for the period.

- No expense claims had been received from Senior Managers, but there was at least one claim expected for Q3.

- There had been no further entries to the Gifts and Hospitality Register since it was last presented to the Board in December 2021. The last entry listed on the register was dated 18 November 2021.

Item 15 - Board Paper Redactions and Non-Disclosure report

93. The Board reviewed a paper setting out the redactions and items for non-disclosure proposed in respect of the March Board papers.

94. The Board **approved** the items identified for redaction and non-disclosure.

ACTION: Board Secretary to publish the March Board papers in line with the Board's approval of the redactions and items for non-disclosure.

Item 16 – Board Effectiveness

95. In line with the Board's commitment to improving Board effectiveness, Alison Sansome reflected on the meeting and made the following key points:

- Overall, it had been a good meeting, with lots of good news and good discussions on the hub strategy and the Quality Assurance Framework.

- The best session had been on Performance, People and PAP Reduction. The discussions on these combined items had been powerful and had highlighted organisational objectives and the direction of travel.

- The overall quality of Board papers was very good and this had underpinned good quality discussions and a better meeting.

- The paper on the People Strategy had been the best paper. It had set out the level of aspiration and the work that was already being done to achieve organisational objectives well.

- The level of debate and discussion at Board meetings was becoming increasingly more open and helpful. It was inevitable that Board members would have differing views and opinions on some matters, but this should not stop them raising them because it was helpful to look at things from all angles and explore the different sides of an argument.

96. The Chair invited staff observer, Betty Liu, to comment on their observations on the effectiveness of the meeting. The following points were made:

- Detailed discussions at the meeting had covered a wide agenda.

- There was evidence of good collaboration and the exchange of ideas.

- The intent of all present to improve Leo for all its stakeholders was evident.

Item 16 – Any other business

97. The Board sought clarification on LeO's involvement with Stonewall. The OLC Chair asked the CO to arrange for the EDI Manager to share information on this outside of the meeting.

    ACTION: The Chief Ombudsman to arrange for the EDI Manager to share information with the Board on LeO's involvement with Stonewall.

98. The Board sought clarification on whether the schedule for future Board meetings set out whether meetings would be taking place remotely or face to face. In response the OLC Chair confirmed that schedule, to be re-circulated by the Board Secretary, already sets out this information.

99. Concerns raised about the potential lack of availability of hotel rooms in Birmingham during the Commonwealth Games and the impact of this on Board members travelling to Birmingham to attend Board meetings. In response to this, the Board was advised there were no Board or Committee meetings scheduled for the duration of the Commonwealth games.

100. The OLC Chair reported that Board members' concerns had been raised with the LSB regarding its subsistence rates for hotel accommodation. In response, the LSB had confirmed that consideration would be given to hotel expenses claimed outside of the standard subsistence rate set out in the LSB's expenses policy in exceptional circumstances.

101. A suggestion was put forward for the Board to considered items of the green policy at future Board meetings. The Board was advised that the Annual Report would include information on the green agenda.