

Minutes of the forty first meeting of the

Office for Legal Complaints (OLC)

Monday 17 December 2012

11.30am – 15.30pm

Baskerville House, Birmingham

Present:

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

In attendance:

Adam Sampson, Chief Ombudsman
Gary Garland, Deputy Chief Ombudsman
Rob Hezel, Director of Finance and Business Services
Liz Shepherd, Director of Operations
Sam Berrisford, Interim Head of Policy and Communications
Freda Sharkey General Counsel (Item 11)

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 those in attendance. The Chair noted this was the last meeting for Sam Berrisford following the end of his interim appointment and members thanked him for his contributions over the past twelve months. The Chair also noted this was the last meeting for Liz Shepherd, and members acknowledged her support to the

board and contributions towards the Legal Ombudsman achieving many of its key milestones.

2. Members noted this was the last meeting for Rob Hezel in capacity as Director of Finance and Business Services and that he would attend with effect from January as Chief Operating Officer.
3. Members requested that with effect from January 2013 authors of documents submitted to the OLC should also be in attendance to present their paper(s). However, there would be fewer executives attending for the whole meeting.

Item 2 – Minutes of previous meeting

4. The minutes of the meeting of 19 November 2012 were approved for publication.

ACTIONS

- The Secretary to publish the approved minutes of the meeting held on 19 November 2012.

Item 3 – Matters arising & action points

5. Members noted those items where action had been completed and that others were included as agenda items. No further comments were received.
6. The Chief Ombudsman advised members the publication of the consultation version of the Business Plan had been delayed by the Ministerial sign off process. This has now been completed and approved for publication by the Minister. The draft Business Plan was also presented to the LSB by the Chair and Chief Ombudsman who were grateful for the points raised at the recent LSB meeting. The Chair confirmed those points will be considered as part of the overall consultation exercise and the consultation version may now be published on the main website.
7. David Thomas raised a number of questions regarding two recent LSB publications in respect of 'Regulatory performance assessments' and draft business plan. In response to questions, members of the board and the executive confirmed that views and comments had not been sought before publication. Since the publication cited criticism of the Legal Ombudsman it was felt that a draft version should have been provided in advance to the OLC and/or executive and to allow reasonable time for feedback to be provided. The Chief Ombudsman would raise this with the Chief Executive of the LSB and the Chair would then ensure that at her next quarterly meeting with the Chair of the LSB the establishment of an agreed process for future publications to ensure there was adequate opportunity for feedback to be discussed.

ACTIONS

- The Interim Head of Policy and Communications to publish the consultation version of the Business Plan on the main website, with the consultation to close on Friday 1 March 2013.
- The Chief Ombudsman to raise this with the Chief Executive of the LSB and the Chair to ensure that at her next quarterly meeting with the Chair of the LSB the establishment of an agreed process for future publications to ensure there was adequate opportunity for feedback would be discussed.

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.

Chief Ombudsman's report

9. The Chief Ombudsman's report was tabled. In discussion, members were provided with further details of the recent restructuring of the executive, confirming that Rob Hezel has been appointed as Chief Operating Officer (COO) and Liz Shepherd managing the CMC project until March 2013.
10. The Chief Ombudsman advised members that further structural changes were now being worked on by the COO based on clear lines of accountability, with changes to be announced in the New Year and an update provided to members. The Chair requested where changes impacted on staff with direct links to the OLC, the views of the Chair and, if necessary, members should be sought in advance.
11. Members noted from the report that case holdings in the Resolution Centre have settled out at or near capacity, but strong performance in resolving cases had ensured that work in progress levels had been maintained. The report also confirmed the publication of the second cycle of data on ombudsman decisions and this had been met with a much reduced level of objection from the legal profession.
12. Members noted from the report there has been a setback in the progress of work on bringing CMCs into jurisdiction; this has arisen through an objection raised by Treasury officials to the proposed funding mechanism.

Corporate risk register

13. The Director of Finance and Business Services advised members that the corporate risk register had been updated following on from an analysis of risk by the risk management committee in November. Although risk continues to be recorded on a '5x5' format, the OLC's risk tolerance within each category was now recorded in the document.
14. Members noted the tabled risk register and no questions were raised.

Item 5 – KPI report

- 15.** Members discussed the KPI report. The Director of Operations advised members there had been an unexpected spike in the number of cases received outside of jurisdiction during November. Checks had been made following this anomaly being identified and the executive were content that processes were being followed appropriately. It was noted the spike in out of jurisdiction cases had occurred following a revision to a template letter issued to lawyers that encouraged them to consider our jurisdiction framework and also with external communications about the proposed new scheme rules. It was felt both may have influenced the rise in out of jurisdiction cases in November.
- 16.** In respect of quality measures, Tony Foster and Mary Seneviratne confirmed they had met with the Quality Team immediately prior to this meeting. Members were advised that an update in respect of the ongoing quality review and developments following the recent internal audit will be provided at the February meeting.

ACTIONS

- The Director of Finance and Business Services to provide members with an update in respect of the ongoing quality review and developments following the recent internal audit at the February meeting. This is to be provided as part of the usual quarterly quality report at the February meeting.

Item 6 – Finance

- 17.** The tabled paper provided members with the financial position of the organisation for the month of November and full year forecast. Members noted the paper and in response to questions members were advised the contingency figure comprised a number of separate items, but was reported as a single amount.
- 18.** Members noted the method of reporting the income and expenditure data differed to the cash expenditure data and asked for this to be revised into a consistent format.

ACTIONS

- The Director of Finance and Business Services to amend the finance report to ensure that income and expenditure and cash expenditure reports were presented in a consistent format with effect from January 2013.

Item 7 – Scheme rules and CMC update

- 19.** The Chief Ombudsman advised members the proposals for amendment to the scheme rules had met all formal approval requirements and will come into force with effect from 1 February 2013, and the associated case fee change with effect from the start of the new financial year. In advance of this, external communications will be made to announce the changes to the public and to the legal profession.

20. The Chief Ombudsman provided members with an update in respect of developments regarding the funding arrangements for the proposed CMC complaint handling work. This included details of the issue raised by Treasury officials to the proposed funding mechanism and how this was being taken forward with the Ministry, with correspondence being exchanged on a regular basis. The Chair and Chief Ombudsman agreed to forward copies of relevant letters to members for their information. In response to questions the Chief Ombudsman confirmed that were there to be a sudden agreement to proceed, the organisation was well prepared and in a position to commence taking complaints about CMC's once recruitment had been completed.

ACTIONS

- The Chair and Chief Ombudsman agreed to forward copies of relevant letters received from and issued to the Ministry in respect of CMC developments to members for their information.

Item 8 – RemCo update

21. The Chair of RemCo advised members that reports from the executive in respect of the 2012 PDR process and 2012 staff satisfaction survey will be tabled at the January RemCo meeting. In view of this, a substantive update will be provided to OLC members at the February meeting.

Item 9 – IT contract update

22. The Director of Finance and Business Services presented a paper setting out the current situation in respect of the IT contract and a recommendation to extend the current contract for a period of twelve months. Members noted that service levels had improved recently, coupled with evidence of enhanced supplier support. Members agreed that moving from one supplier to another involved a degree of risk, as did having a temporarily contracted member of staff managing the IT review process. Members agreed to the proposed contract extension and in addition, felt there was a need for further consideration to recruit a permanent Head of IT.

ACTIONS

- The Director of Finance and Business Services to arrange for the current IT contract to be extended for an additional period of twelve months and as part of the ongoing restructure, consider the role of a permanent Head of IT.

Item 10 – Business plan open day update

23. Members noted the tabled paper which outlined a proposal for two separate events; one for stakeholders and another for members of the public. Members felt that a single event with stakeholders being directly invited and members of the public having an opportunity to apply to attend may work better. Members of the public may be

encouraged to apply to attend if the list of stakeholders was also made available in advance, in particular where consumer organisations such as 'Which' are attending.

24. Members discussed possible topics for the event; and agreed that 'accessibility', on a broad basis might be an item to consider further along with items included within the consultation version of the 2013/14 business plan. Members felt the event would be best supported by a dedicated agenda, which may include an opportunity to meet the executive and board.
25. The Chair asked the interim Head of Policy and Communications to check board member diary availability and to discuss the proposed arrangements further with her. Following this, the Chair will update members with further details.

ACTIONS

- The Interim Head of Policy and Communications to discuss the proposals for the business plan open event with the Chair and following this, the Chair will liaise with members.

Item 11 – Publishing decisions

26. Members noted the tabled paper and separate advice from external Counsel. Members confirmed the content of any category 1 report was subject to prior approval by the board before publication. To support this, members asked the executive to present a proposed process for discussion and approval in advance of the next quarterly publication date. This should give consideration to appropriate 'tests' differentiating between issues relating to 'volume' of complaints against a lawyer/firm, and seriousness of individual cases. The paper should also outline the process for raising examples from within the organisation, referring matters to the ombudsman team, including General Counsel before submission to the board.

ACTIONS

The Executive to table a proposed process in respect of considering category 1 cases for publication for discussion and approval in advance of the next quarterly publication date.

Item 12 – Any other business

27. Members were advised that membership of the Whitehall Industry Group (WIG) had been completed and the Secretary will issue details of forthcoming briefing sessions.
28. Members and the executive noted the change of date for the July meeting; this will now take place on 15 July 2013 rather than 22 July as previously planned.

29. Margaret Doyle advised members she had attended a recent 'reasonable adjustment' workshop. This had been well received with issues being fed back via the service complaint process.

ACTIONS

- The Secretary to issue details of WIG briefing sessions on an ongoing basis to members.
- Members and the executive to note the change of July meeting date in their respective diaries.

Next meeting

30. The next OLC meeting will be held on 21 January 2013 at The Studio, Birmingham.

Andy Taylor
Board Secretary
02 January 2013