

<i>Meeting</i>	OLC	<i>Agenda Item No.</i>	6
		<i>Paper No.</i>	87.2
<i>Date of meeting</i>	23 April 2018	<i>Time required</i>	5 Minutes

<i>Title</i>	Chief Executive Report
<i>Sponsor</i>	Rob Powell, Chief Executive
<i>Status</i>	OFFICIAL
<i>To be communicated to:</i>	Members and those in attendance

Executive summary
<p>This paper updates Board on key issues arising since the March Board meeting. Financial issues are covered in the finance paper.</p> <p>The key focus has been Modernising LeO for which Board has received its quarterly update on today's agenda.</p> <p>Other notable issues have been the publication of our gender pay gap report, publication of the business plan and significant engagement with the Legal Services Board about voluntary assurance letters and other matters.</p>
Recommendation/action required
Board is asked to NOTE the issues highlighted in the paper.

23 April 2018

Chief Executive Report

1. Strategy and planning

Following Board approval in March, the 2018-19 business plan was published on 3 April. The Law Society Gazette reported on the budget increase and highlighted case volume forecasts. We held three staff briefings sessions on 4 April on priorities for 2018-19.

2. IT and governance update

Significant Incidents

There have been no significant outages since the last Board report. New network switches have been purchased to replace outdated switches over the course of Q1.

In line with Board's decision in October 2017, a new one year support contract was signed [REDACTED] for CMS support. **Fol Exempt S. 43 (2)**. A procurement for our longer-term support needs will take place during 2018/19.

[REDACTED] **Fol Exempt S.40**. A new MI/SQL Specialist has been appointed and starts in late April.

3. HR update

Sickness absence, turnover and casework

The February 2017 sickness rate fell to 3.9% with a significant drop in long term sickness. Rolling annual turnover remains high at 18.3% in March but Q4 saw a significant decrease in voluntary resignations, particularly among investigators. One grievance has concluded, another is progressing and there is one new grievance.

Gender pay gap

Our gender pay gap report was published on 28 March. The pay gap was 10%, consistent with the civil service average of 11%.

Recruitment

Rolling operational recruitment continues. We have appointed 18 investigators and 9 level 1 Ombudsman who join on 16 April and 5 June with three weeks' induction training.

We have successfully appointed a Senior Ombudsman on a 12 month secondment, completing the interim management structure.

Employee Value Proposition

We have progressed work on our 'celebrating success' reward and recognition proposals. We will discuss controls with ARAC and seeking RemCo approval in April.

Learning and development

Delegate feedback from mandatory training on customer service and mental health, vulnerability and dealing with challenging behaviour was positive. Advanced call management training for the legacy team takes place in April and we have engaged a leadership coach to work with Senior Ombudsmen and Wider Leadership Team.

Induction of new OLC members

Successful induction days for new Board members took place on 27 and 28 March.

Estates

Final work on the office reconfiguration is complete. [REDACTED] join us in late April. **Fol Exempt S. 36 (2) (c)**

4. Governance update

We have developed a new critical incident protocol for handling incidents which carry significant reputational risk to LeO. This will be presented to ARAC in April.

Three internal audits reported in March. Two – Modernising LeO and financial controls – provided the highest possible rating of 'substantial assurance', while the performance statistics follow-up had a rating of 'moderate assurance' (the second highest available).

5. Legal update

We have circulated a legal update separately under legal privilege.

6. Stakeholder update

Annex A summarises stakeholder meetings since the last Board meeting. A verbal update will be provided to Board on discussions with the LSB about the voluntary assurance letters and the Chair's presentation to the LSB in April.

Appendix 1 – list of key external meetings and events

Date	Meeting	Scope/key issues
19/03/2018	'Six-way' meeting between the OLC Chair, LSB Chair, LSB NED lead for the OLC, LSB CEO, Chief Ombudsman and LeO CEO	<ol style="list-style-type: none"> 1. Voluntary assurance letter 2. Implications of the Dispatches programme on the Financial Ombudsman Service 3. Preparations for the LSB April Board, where the OLC Chair is presenting on 'what good looks like' in terms of governance and transparency
21/03/2018	Catch up meeting with David Pemberton, Chief Operating Officer of the Gambling Commission	Discussion of areas of shared interest, in particular potential shared learning from business continuity test exercises in Q1.
06/04/2018	Call with Neil Buckley, CEO of the LSB	Voluntary assurance letter and what good looks like presentation