

<b>Meeting</b>	OLC Board Meeting	<b>Agenda Item No.</b>	8
		<b>Paper No.</b>	105.7
<b>Date of meeting</b>	29 June 2020	<b>Time required</b>	10 Minutes

<b>Title</b>	<b>Budget Learning Review</b>
<b>Sponsor</b>	Elisabeth Davies, OLC Chair.
<b>Status</b>	OFFICIAL

<b>Executive summary</b>
<p>The Budget Learning Review was considered by the OLC Board at its April meeting. This was an opportunity for the Board to share early reflections on the findings and the recommendations included to date.</p> <p>It was agreed that the Board would revisit the Budget Learning Review at its June meeting, offering it the opportunity to:</p> <ul style="list-style-type: none"> <li>(i) Review the existing recommendations.</li> <li>(ii) Look at the progress that has been made in delivering these.</li> <li>(iii) Consider whether any additional recommendations should be added.</li> </ul> <p>The LSB has reminded the OLC that it could make an in-year submission to vary the budget. It will be essential that the learning and the recommendations derived from this Review have been completed before considering a Budget submission.</p> <p>In addition there will be a summer review of the three way protocol which is also likely to pick up on the budget approval process. The outcome of the Learning Review will also ensure the OLC is well placed to influence this.</p> <p>Oversight of implementation of the Budget Learning Review will remain the responsibility of the OLC Chair with clear reporting back to the OLC Board at necessary intervals.</p>
<b>Recommendation/action required</b>
Board is asked to <b>advise</b> .

## Budget Learning Review

### Update: Implementing the recommendations

Recommendation	Progress Update	Comments and future plans
<p>A. Formal programme and project management structures should be adopted and fully complied with. This should include a timetable, milestones, and specific activities for both budgeting and planning. It should also include who can and can't commission change. In putting this together consideration should be given to whether the planning process should potentially start earlier in the year, the timing of Board meetings and Board Committee meetings, and Management Team leave.</p>	<p>W/c 15<sup>th</sup> June &amp; w/c 29<sup>th</sup> June individual Business Planning sessions will be taking place to help inform the overall project plan.</p> <p>The sessions planned so far cover all areas of the business, plus comms / stakeholder and planning for forecasting assumptions</p> <p>The project plan will include a date for Board approval and the subsequent activities which will need to take place to allow that to happen.</p>	
<p>B. The programme plan needs to fully incorporate an effective communications strategy, both internal and external.</p>	<p>As noted above sessions have been put in place to ensure both internal and external communications are included in the planning and actually take place.</p> <p>External communications will include a more comprehensive annual strategy to ensure engagement with stakeholders throughout the year.</p> <p>Work has already begun with the Law Society to respond to their recent questions.</p>	<p>Links to A</p>
<p>C. A Performance and Quality Board Committee or Task and Finish Group should be established immediately.</p>	<p>The Group has been convened and met for the first time on 5<sup>th</sup> June. At this meeting it focused on:</p>	

<p>Its primary function would be to enable the Board to assure itself of the robustness and integrity of the staffing delivery model and this could include bringing in an independent to review the model, looking at the correlation coefficient between predictions of the model and actuals. The assumptions behind the fast stream resolution process should also be tested and the Group could also assume responsibility for reviewing the KPIs. Ultimately the Group is about enabling the OLC and LeO to develop shared confidence in the model which underpins its work; to ensure predictions are realistic and to get a grip on performance and operational delivery.</p>	<ul style="list-style-type: none"> <li>- A deep dive into the forecasting model</li> <li>- Reviewing draft terms of reference, including membership</li> <li>- Future considerations and future working plan, including a review of KPIs and the Group's role in supporting a commonly agreed dataset for external oversight.</li> </ul>	
<p>D. The terms of reference of ARAC should be updated in order to clarify its role in assuring the budget setting process. ARAC meetings should be clearly factored into the budget and planning timetable and project plans</p>	<p>ARAC has been fully informed about the status of the Budget Learning Review and has been asked to start to reflect on what this means for its own processes. It will consider the risk around any future budget submission and start the process of satisfying itself that these risks will be addressed. This includes reflecting on its own terms of reference, ensuring that its role within the budget approval process is sufficiently clear.</p>	<p>Links to A.</p>
<p>E. OLC Board lead roles should be revised and clear expectations set around the scope of the role and the</p>		<p>To be reviewed by the OLC Chair.</p>

nature of any delegated authority clearly agreed with the Board.		
F. The lack of senior operational capacity within the LeO Management team needs to be addressed.	Strengthening and development of Management Team commenced on 3 June. Senior operational leadership and capability will be strengthened through the recruitment of a new Chief Operating Officer. Single leadership will be retained through the Chief Ombudsman – who will still be the Accounting Officer - but with increased support for delivery of the actual business provided through the Chief Operating Officer.	
G. Joint ‘training’ opportunities, including on the role of effective challenge, for the Board and Management Team should be explored.		To be considered as part of Board effectiveness review at September’s Board meeting.
H. The Chair’s role within the budget and planning process should be transparent; programme management structures should take full account of what is and is not delegated to the Chair so that clear expectations can be established around this.		Links to A and E.  The OLC Chair and LeO’s Business Performance Manager are scheduled to discuss the Chair’s role in the budget and planning process and factor this conversation into the project plan.
I. Board level communication and Chair to Chair communication with the LSB needs to be improved.	Good progress made through the revised VA letter and an early presentation to the LSB Board. Regular one to ones have been scheduled.	
J. The LSB and the MOJ need to work together to clarify their own roles within the budget acceptance and	Both the LSB and the MoJ have been approached and responded positively to	Links to C.

strategy approval process, considering whether they can provide a single point of contact for both the OLC and LeO	working together on a commonly agreed dataset.	
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