

**Minutes of the 115th Meeting of the
Office for Legal Complaints (OLC)**

Monday 1 July 2021: 12:15 – 17:10, by video call

<p>Present: Elisabeth Davies, Chair Lis Bellamy Rod Bulmer Annette Lovell Jane Martin Hari Punchihewa Board Secretary Kay Kershaw</p>	<p>In attendance: Paul McFadden, Chief Ombudsman Sandra Strinati, Chief Operating Officer Steve Pearson, Head of Complex Casework and Deputy Chief Ombudsman Michael Letters, Head of Finance Debra Wright, Head of Head of People Strategy and Services Laura Stroppolo, Business Planning Manager (items 6, 7 and 13) Alex Moore, External Affairs Team Leader (item 7 and 14) Deb McIntyre, Operations Manager (item 10) Treena Mosely, Operations Manager (item 10) David Peckham, Operations Manager (item 10) Nikki Sinclair, ED&I manager (item 12)</p>
---	--

Preliminary issues:

The Board meeting was quorate.

Item 1 – Welcome, apologies and declarations of interest

1. The Chair welcomed attendees to 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 17 May 2021 were **approved** for accuracy and **approved** for publication.
5. The minutes of the RemCo meeting held on 11 February 2021 were **approved** for publication.

ACTION: Board Secretary to publish the minutes of the OLC Board meeting held on 17 May 2021 and the RemCo meeting held on 11 February 2021.

Item 3 – Matters arising and outstanding actions from previous meetings

6. The Board **ratified** a decision made out of committee by five of the six Board Members, in line with the Scheme of Delegations, to approve the appointment of four Level 2 Ombudsman.
7. The Board **noted** the update on previous actions. The following key points were made:

Action 5, paragraph 17 from the May Board: Noting that a date had been arranged for the Head of Finance and ARAC Chair to discuss further improvements to the Finance Report, the Board **agreed** to close this action.

ACTION: Board Secretary to close action 5, paragraph 17 from the May Board meeting.

Action 6, paragraph 21 from the May meeting: The ARAC Chair updated the Board on a discussion with the RemCo Chair where it had been agreed that an audit of recruitment, incorporating on-boarding and retention, should be included in the 2021/22 Internal Audit plan and audits on staff well-being, development and performance management should be included in the 2022/23 audit plan. GIAA had been advised of this and had updated their audit plan for 2021/22 and the forward plan for 2022/23.

In discussion, the ARAC and RemCo Chairs had agreed to work more closely to keep each other informed on areas of mutual relevance; informal telephone calls would take place before committee meetings and committee papers would be shared.

Actions 13, paragraphs 65 from the May meeting: The Board had been pleased to learn that case studies were to be included in future twice-yearly quality assurance reports but sought other opportunities to gain a better understanding of the customer experience. Confirming that further consideration would be given to this, the Chair advised that induction sessions for new Board Members would include information on the customer experience and that all Board Members would be invited to attend these induction sessions.

ACTION: Board Secretary to invite all Board Members to the induction sessions for the new Board Members.

In discussion, it was suggested that consideration should be given to integrating regular Board reporting on case studies and decisions with public reporting, to maximise impact and insight.

ACTION: The Executive to consider how to integrate regular Board reporting on case studies and decisions with public reporting, to maximise impact and insight.

Item 4 – Executive report

8. The Chief Ombudsman (CO) presented the Executive report, drawing the Board's attention to the following key points:
 - Significant progress had been made on delivering the 2021/22 Business Plan. This was underpinned by an established Programme and Project Management structure, with risks and progress being closely monitored by Project and Programme Boards.

- The Business Plan commitment on early recruitment had been met. Substantial recruitment activity for a range of operational and corporate posts had taken place with further activity underway for future rounds.
 - The Pre-Assessment Pool (PAP) backlog continued to be a key focus. A full range of improvement activities were in place and being tested and progressed.
 - Planning and preparation for the 2022/23 Business Plan and mid-year stocktake was underway. This would be the focus of an additional Board session in September. Early engagement had taken place with the LSB; milestones had been discussed and timetables had been aligned.
 - The second meeting of the Stakeholder Challenge and Advisory Group took place in June. Discussions had focussed on the Pre- Assessment Pool (PAP) reduction initiatives and the progress being made to reduce the backlog, the commonly agreed data set, wider enhanced public reporting and the Scheme Rules. Positive feedback had been received on the comprehensive approach that was being taken to address the PAP backlog and some suggestions had been made on further developing and reporting on the commonly agreed data set.
 - Auditors had provided positive feedback on the 2020/21 financial statements audit, both in terms of LeO's preparedness and the outcome.
 - The second phase of GIAA's Case Progression audit had been undertaken as an advisory audit. The findings of this audit had been encouraging, with Auditors commenting on the comprehensive compilation of ideas to reduce the PAP backlog, the innovative steps being taken to identify process improvements and the positive engagement with staff who were motivated to drive the improvements.
 - The Executive would be implementing plans for a phased and gradual re-entry to the office based on the latest Government guidance. The Board would be kept updated on developments.
 - Having reflected on the findings of the Quality Framework review, the Executive has commissioned further work to ensure wider organisational input, external benchmarking and best practice. Resource issues within the Quality Team may impact on how quickly this work progresses; the Board would be kept updated on developments.
 - The Executive committed to report to Board on performance and other key matters throughout the summer.
- 9.** In response to questions, the CO reported on the mutual benefit of engaging with the Stakeholder Challenge and Advisory Group, advising that whilst stakeholders were developing their understanding of LeO's processes, challenges and the solutions being put in place to address them, LeO was gaining real value from the skills, knowledge and advice that members of the group provided.
- 10.** Recognising that the creation of Stakeholder Challenge and Advisory Group had created some additional work for LeO, the Board was keen to ensure that this did not detract organisational focus from its key objective of improving performance.
- 11.** To minimise any further additional work being created, it was recommended that any information shared with the Stakeholder Challenge and Advisory Group was consistent with that already being shared with the Board, LSB and MoJ.

12. In response to the Board's request for regular updates on the Stakeholder Challenge and Advisory Group meetings, the CO advised that consideration was being given to the best way of doing this.
13. The CO agreed circulate the Terms of Reference for the Stakeholder Challenge and Advisory Group and any papers that were shared with the group to the Board.
ACTION: The CO to arrange to circulate the Terms of Reference for the Stakeholder Challenge and Advisory Group and any papers that were shared with the group to the Board.
14. In response to a request for an update on wider stakeholder engagement, the CO reported on the initial stakeholder engagement that he and the COO had undertaken when they joined the organisation and explained that a stakeholder mapping exercise was being undertaken with a view to initiating further stakeholder engagement in the future. The re-instatement of Board reporting on stakeholder engagement would flow from this work.
15. The Board reflected on the discussions that had taken place with the LSB at the Board seminar in June about changing the Scheme Rules. Stressing that any changes to the Scheme Rules needed be grounded in, and reflective of, OLC strategy, the Board sought to understand the Executive's approach towards this work, including the rationale for any changes, the benefits that would be seen, and any potential impact the changes might have on accessibility to the Scheme.
16. Recognising that this work would be resource intensive, at a time when LeO had so many other priorities, the Board was keen to ensure that the Executive had considered all alternative options and was certain that the timing of this work was right, advising that, if there was any doubt, stakeholders should be informed as soon as possible.
17. In response, the CO advised that the Executive's thinking on this was still being developed but the primary reason for any changes would be to ensure the delivery of a more proportionate and improved service. An initial meeting with the LSB was being planned to discuss the tactical approach to this work and the Board would be kept updated on the outcome of this meeting and would be fully engaged as this work progressed. The next update would be presented at the September Board seminar.
18. **ACTION: Board Secretary to add Scheme Rules update to the agenda for the Board seminar in September.**
19. A discussion took place about an offer made by the MoJ's Organisational Effectiveness Team to undertake a LEAN review of operational end to end business processes and systems. Considering the timing of this work and that it would need to be supported by additional internal resource, which may have implications on operational performance, the Board urged the Executive to be certain of the benefits that would be realised before proceeding.
20. The Board **noted** the Executive report.

Item 5 – Finance report

21. The Head of Finance reported on the financial position at the end of month 2. The following key points were made:
 - Of the £268,000 revenue underspend, £189,000 related to salaries. This reflected the number of vacancies at the start of the year resulting from attrition and delays in on-

boarding. Mitigating actions, targeted at performance improvement, was being taken to ensure that budgets were fully utilised.

- The Finance Team had been focussed on year end and preparation of the Annual Report and Accounts, as such payments and accruals, whilst expected to come within budget, were not yet finalised.
- LeO's ability to pay invoices on time had been hampered due to the pandemic and challenges of homeworking. In May, the average number of payment days was 38; LeO had committed to reducing this and the Board would be updated on the progress being made.

22. The Board congratulated the Head of Finance on the successful audit completion report and the quantum leap observed by Auditors in terms of the improvements seen during the audit of the 2020/21 Financial Statements.

23. Board Members raised concern about the underspend, its implications on performance and stakeholder perceptions. The Board questioned whether there were any issues underlying recruitment and retention that may be acting as barriers, such as salary levels, that may be making LeO a less attractive employer and whether this should be explored further by RemCo.

24. The Board asked the Executive to develop a supplementary plan, setting out how the underspend could be utilised to improve performance, taking into consideration the appropriate use of external support.

ACTION: The Executive to develop a supplementary plan to utilise the underspend.

25. The Board acknowledged the balance sheet that had been included in the finance report and **noted** that the Head of Finance and ARAC Chair were working to further improve it.

26. The Board **noted** the finance report.

Item 6 – ARAC update

27. An ARAC meeting had taken place prior to the Board meeting; the focus on the agenda was the Annual Report and Accounts. In line with the ARAC terms of Reference, a private meeting with Internal and External Auditors had also taken place. Auditors had provided positive feedback on the progress that had been seen during their audit of Financial Statements and in the production of the 2020/21 Annual Report and Accounts.

28. Due to resource issues experienced by External Auditors, adjustments had been made to the audit timetable. The MoJ and the Laying Office were aware of this and Auditors were confident that the 2020/21 Annual Report and Accounts would be laid in Parliament before the Summer recess.

29. The audit completion report stated that:

- There were no adjusted misstatements in the 2021/22 accounts.
- There was £24,000 of unadjusted misstatements, below materiality, which ARAC had approved.
- LeO was fully compliant with the new accounting standard IFRS 16.
- There was no evidence of management override of accounts and there was no infringement of reporting standards.

30. Some final work was required to complete the financial disclosures; this was not expected to have any detrimental impact on the final accounts.
31. A Management Letter, providing an update on the recommendations made following the 2019/20 Financial Statements Audit and any recommendations arising from the 2020/21 audit, would be presented to ARAC in October. Auditors confirmed that they were not anticipating there to be any serious issues raised following the 2020/21 audit.
32. Having considered the audit completion report and the feedback from the Auditors, ARAC had approved the 2020/21 Accounts to be signed off by the Accounting Officer.
33. The Board **noted** the update on the ARAC meeting held on 1 July 2021 and the assurance provided by the Committee on the 2020/21 Accounts.

Item 7 – Annual Report and Accounts, final sign off

34. The External Affairs Manager presented the 2020/21 Annual Report and Accounts, advising of a small number of minor amendments (mainly typographical errors) to be made to the report and some minor adjustments to the accounts.
35. The adjustments to the accounts would require Board approval; a paper setting out the details of the adjustments would be circulated for Board approval out of committee. Following discussion, Board Members **agreed** to delegate approval of these minor adjustments to the OLC Chair and ARAC Chair.

ACTION: The Head of Finance to circulate a paper setting out the details of the minor adjustments to be made to the 2020/21 accounts to the OLC Chair and ARAC Chair for approval out of committee.

36. Recognising that the Board had previously provided detailed comments on the Annual Report and Accounts, Members were asked to notify the External Affairs Manager of any further minor drafting issues by 09:00 on 2 July 2021.

ACTION: Board Members to notify the External Affairs Manager of any further minor drafting issues in the 220/21 Annual Report and Accounts by 09:00 on 2 July 2021.

37. Once final adjustments had been made, the Executive would undertake a detailed final review of the Annual Report and Accounts. The Annual Report and Accounts and Letter of Representation would then be passed to the Comptroller for signing.
38. The Annual Report and Accounts would be laid in Parliament on 15 July and published on 16 July. The press would receive advance notice of the publication date and a press release, including contact details for the External Affairs Team, would be issued once the report was published. Copies of the Annual Report and Accounts would be sent to key stakeholders, including the media and the trade press.
39. Detailed complaints data and case studies were to be published alongside the Annual Report and Accounts and promoted accordingly. It was **agreed** that this information would also be circulated to the Board.

ACTION : The External Affairs Manager to circulate the detailed complaints data and case studies that were being published alongside the Annual Report and Accounts to the Board.

40. Recognising the limited budget available for the production on the 2020/21 Annual Report and Accounts, it was **recommended** that consideration was given to seeking additional funding in the 2021/22 budget to enable the OLC/ LeO to invest in improvements that would give the 2021/22 Annual Report and Accounts a more professional appearance.

ACTION: The Head of Finance to consider the Board’s request for additional funding in the 2021/22 budget to enable the OLC/ LeO to invest in improvements that would give the 2021/22 Annual Report and Accounts a more professional appearance.

41. Following a detailed discussion, the Board **approved** the 2020/21 Annual Report and Accounts **subject to:**

- minor adjustments to the Accounts that would take into account the discussions that had taken place between ARAC and External Auditors at the earlier ARAC meeting, and
- minor drafting amendments to the Annual Report and any further feedback provided by the Board by 09:00 on 2 July 2021.

Item 8 – RemCo update

42. The RemCo Chair reported on a meeting that had taken place on 10 June, at which the Committee had considered a report on People and Performance which included the HR data set; an update of the progress being made against the People Plan deliverables; a report setting out the principles of the 2021/22 Celebrating Success Scheme; an Exit report and reports on the Gender Pay Gap and the Pay Remit. The Board was advised of the following key points:

- RemCo had requested that that the HR data set, where possible, included data covering a two-year period in the future.
- The progress made against the People Plan deliverables had been noted and feedback on a proposed new Junior Investigator role had been provided to the Executive.
- The principles for the 2021/22 Celebrating Success Scheme had been agreed. A paper setting out the final 2021/22 Celebrating Success Scheme would be circulated to RemCo for approval out of committee in August or September.
- Noting that Gender Pay Gap reporting was retrospective, and that the deadline for reporting the 2019/20 Gender Pay Gap had been extended due to the pandemic, RemCo had asked to receive future Gender Pay Gap reports within 6-months of year end.

43. Following discussion, it was **agreed** that in future Gender pay Gap reports would be presented to the Board for review and comment instead of RemCo.

ACTION: Board Secretary to update the Board and RemCo forward plans to reflect that future Gender pay Gap reports were to be presented to the Board.

44. In response to concerns raised about the frequency of RemCo meetings, it was suggested that the RemCo Chair and Executive reflected on the frequency of RemCo meetings in 2022 to ensure that they were sufficiently aligned to business needs.

ACTION: RemCo Chair and the Executive to reflect on the frequency of RemCo meetings in 2022 to ensure that they were sufficiently aligned to business needs.

45. Board **noted** the RemCo update.

Item 9 – People and Performance

46. The COO presented the People and Performance report setting out the key performance data and narrative taken from the agreed data set for May 2021, the HR dashboard and the People Plan.

47. Reflecting on the Chair's foreword in the 2021/22 Business Plan, which stated that LeO needed to stabilise before it could improve, the COO reported on the performance improvements made to date and the progress being made towards stabilising performance. The Board's attention was drawn to the following key points:

- Investigator productivity and case closures in May were higher than pre-pandemic levels and customer journey times had improved across all case complexities.
- Since receiving confirmation of the 2021/22 budget, LeO had recruited to 37 operational roles: the first operational recruitment since April 2020.
- Operational staff had significant involvement in supporting this recruitment activity, equating to an investment of over 800 operational hours; this had diverted them away from their substantive role of driving performance improvements.
- This, in addition to some of the operational workforce assumptions that were 'baked in to' the Business plan not being met because of gaps in the workforce, were contributing factors for case closures in May and June falling below Business Plan assumptions for the first time in four months.
- To address this, a reconciliation of the workforce and assumption data was being undertaken to ensure clarity on the staffing numbers required to deliver the Business Plan and an additional recruitment campaign was underway.
- This recruitment campaign was not attracting the desired number of applicants. Non-competitive salaries coupled with the pay freeze were considered to make roles at LeO less attractive; this would have implications for any future plans for national recruitment.
- If this recruitment campaign was unsuccessful, LeO would not be able to deliver against its Business Plan assumptions and the underspend would continue to increase. To address this, the Executive would be developing an attraction strategy; this may include outsourcing of some aspects of recruitment so that Operational Managers could focus on driving performance.
- HR was focussed on supporting performance improvement and reducing performance variation across the investigator cohort; 19 investigators (20% of the Investigator cohort) were being supported to improve their individual performance.
- An 18- month performance trajectory was being developed; this would be overlaid with key operational activities and actions that would impact on performance improvement.
- Robotic Process Automation had gone live; this technology was supporting work at the front-end of the business in line with Business Plan commitments.

48. The Board had been pleased to see the performance data included in the People and Performance report, commenting on the importance of this data being accompanied by a strong supporting narrative and requesting that, in future, the data covered a two-year

period, if available, to assist with the identification of trends. The COO committed to provide this information once the new Business Intelligence Manager was in post.

ACTION: The COO to ensure that performance data covering a 2 year period, if available, was included in future People and Performance reports.

49. The Board reflected on the recruitment and performance challenges, considered the implications for delivering the Business Plan and noted that a mid-year performance review, commencing in September, would provide an opportunity to review the accuracy of workforce assumptions enabling that Board to consider whether a revision of the performance trajectory for 2021/22 would be required.
50. Having sought clarity on the extent of performance variation, the Board was advised that the Business Plan was based on an average of 6.3 monthly case closures per Investigator; average case closures for high performing investigators were 8 per month and 4 for lower performing investigators.
51. All that was possible was being done to help underperforming staff improve their performance, to help mid-range performers bring their performance closer to that of high performers and to help probationers become as productive as possible, as quickly as possible. Considering this, and that that there was some staff movement to other roles and attrition expected, the Board was advised that it would be difficult to accurately predict the number of case closures over the next 2-3 months.
52. The Board welcomed the development of a weekly performance dashboard to support Team Leaders in driving performance.
53. In a detailed discussion, Board Members put forward the following suggestions to help address the recruitment challenges:
 - Consider alternative recruitment strategies, including targeting law graduates, opening offices in other parts of the country and using recruitment agencies to run recruitment campaigns.
 - Consider changing the recruitment package and employment contracts to reflect the more flexible post pandemic ways of working that were being offered by competitors.
 - Consider escalating concerns about LeO's non-competitive salaries to the MoJ with a view to questioning the funding implications of bringing salaries in line with competitors.
 - Consider any learning from other Ombudsman Schemes that may be experiencing similar challenges.
54. The COO confirmed that alternative recruitment strategies were being considered and that a new Junior Investigator role was being developed, offering career progression by bridging the gap between GET and the existing Investigator role. The Board was keen to ensure that the introduction of the Junior Investigator role, which would focus on dealing with low complexity cases, would not have a distorting effect on the performance of higher-grade Investigators dealing with high complexity cases.
55. The Board was advised that the MoJ would require strong supporting evidence before considering additional funding to support salary increases during the pay freeze and that there

would be implications for existing staff if any changes were made to employment contracts for new staff.

56. One Board Member urged caution against any targeted changes to recruitment strategies, advising that the recruitment challenges being faced may only be temporary whilst the country emerged from the pandemic. A longer-term view was recommended.
57. Reflecting on the range of transformation activities and the targeted PAP reduction activities highlighted in the People and Performance report and concerned not to overload the organisation by dealing with too many at once, the Board urged the Executive to focus on a small number of activities that would have the maximum impact. The COO confirmed that this was Executive's approach and that all transformation and improvement activities would be required to demonstrate a positive impact on improving case closure rates and performance before being introduced into business as usual,
58. It was suggested that consideration was given to employing external process improvement experts to identify further performance improvements that could be made.
59. Following a detailed and forensic discussion, the Board **noted** the update on People and Performance.

Item 10 – Reducing the backlog

60. The Chief Operating Officer presented a paper updating the Board on the range of activities being undertaken to reduce the Pre-Assessment Pool (PAP) backlog, drawing the Board's attention to the following key points:
 - Some of the activities included process efficiencies that would drive faster, more efficient case resolutions.
 - The activities had been endorsed by GIAA and reviewed by the Stakeholder Challenge and Advisory Group. Some members of this group had advised that they could suggest nothing more that LeO could do to reduce the PAP backlog.
61. Operations Managers joined the meeting to report on three specific PAP reduction activities: involving reasonable offer made and guided negotiation; better and more proportionate use of Chapter 5 Scheme Rules and the Junior Investigator role. These were the most impactful and cost-effective activities that were taking place and would not require changes to the Scheme Rules. The following key points were made:
 - Testing had indicated that 10% of the 2500 low complexity cases in the PAP backlog would be suitable for resolution using guided negotiation and reasonable offer made. There would be an impact on case fee income for those cases resolved using guided negotiation; the Executive would be considering the implications of this before making a decision on whether to introduce just reasonable offer made into the business process, or whether guided negotiation would also be introduced.
 - Testing had indicated that 17% of the 2351 medium complexity cases in the PAP backlog could be dealt with more proportionately by applying Chapter 5 Scheme Rules. Further work was required to determine the impact of this approach in terms of how many customers would fairly leave the process. In some instances, the Chief Ombudsman's involvement may be required regarding the interpretation and application of the Chapter 5 Scheme Rules.

- The introduction of the Junior Investigator role would achieve both process efficiencies and a reduction in the PAP backlog. With responsibility for dealing with all the pre-investigation administrative tasks, including jurisdiction checks, evidence gathering, closed firm work and Chapter 5 Scheme Rules challenges, case files would be presented to Investigators ready for investigation. This would ensure that cases were resolved quicker, reducing the customer journey time and PAP backlog. RemCo and Staff Council had been sighted on this new role, which was now being benchmarked before being advertised internally later in the month, subject to all the necessary approvals being in place.

62. The Board asked the Operations Managers to quantify the impact of these activities and at the next Board meeting.

ACTION: Operations Managers to quantify the impact of the PAP reduction activities and report back to the Board at the October Board meeting.

Item 11 – Lessons Learned from the Employment Tribunal

63. The Chief Ombudsman reported on the lessons learned following a review of the circumstances relating to the Employment Tribunal that had taken place in February 2021.
64. The review had highlighted a lack of clarity on the Executive's decision making and an absence of proper record keeping and audit trails documenting the key decisions that had been made.
65. To address this, proper record keeping systems would be put in place. Minutes of all key internal and external meetings would be taken, and all Board updates and assurances would be documented. The Executive's decision-making process, including details of the risks considered and the rationale for the decision, would also be documented, in addition to all legal advice, communications and staff consultations. To ensure that proper consideration was given to those specific groups of staff directly impacted by any future decisions, Equality Impact Assessments would be completed before any changes were made to working practices and early staff consultations would be a prioritised. Compromise solutions and flexibility would be applied to address any specific individual circumstances and opportunities would be sought to resolve issues raised as grievances earlier and before they were escalated.
66. Consideration was being given to the wider implications of these lessons learned from an HR perspective and would be taken into account when communicating on post Covid ways of working with staff.
67. The Board reflected on how the issues and decisions taken in 2019 had not always been communicated to the wider Board, which had limited opportunities for some Board Members to provide challenge, and that this approach would not be taken by the current Board. The CO was asked to reflect this in his learning review and when communicating the lessons learned to staff.

ACTION: The CO to reflect in his learning review and in staff communications on the lessons learned from the Employment Tribunal that that the issues and decisions taken in 2019 had not always been communicated to the wider Board; this had limited opportunities for some Board Members to provide challenge and would not be the approach taken by the current Board.

68. In response to assurance sought by the Chair, the CO **confirmed** that he would ensure that the Board and RemCo were kept informed of all high-risk HR matters in the future and consider whether it would be appropriate to incorporate this information in legal updates circulated to the Board out of committee.

ACTION: The CO to consider whether it would be appropriate to include information relating to high-risk HR matters in legal updates circulated to the Board out of committee.

69. The Board **noted** the Lessons Learned from the Employment Tribunal.

Item 12 – Annual Equality, Diversity and Inclusion update

70. The CO reported on the progress that had been made on delivering and prioritising the Equality, Diversity and Inclusion (ED&I) agenda following the appointment six weeks ago of the EDI Manager. The Board's attention was drawn to the following key points on the work that had been undertaken to date:

- A Reasonable Adjustment Policy had been agreed.
- An Equality Impact Assessment (EQIA) policy has been drafted and is awaiting Executive approval.
- EQIAs were now incorporated into the programme and project management approach for consideration as part of all new initiatives.
- Engagement has been undertaken with other Ombudsman services and organisations to benchmark best practice on EDI.
- The EDI Manager has helped initiate the setting up the Ombudsman Association's EDI network, which now has a place at the Annual Ombudsman Association's conference.

71. The EDI Manager delivered their first annual EDI update to the Board, reporting on the work undertaken to date and drawing attention to the future priorities which would be focussed on developing ED&I strategy and policy; building LeO's internal community; Diversity and Inclusion training and ED&I reporting.

72. Board Members had been pleased with the considerable progress that had been made in the short time since the ED&I Manager had been appointed and agreed with the focus of future priorities, including the Diversity and Inclusion training, the development of an agreed ED&I data set and the establishment of an ED&I Steering Group attended by the ED&I Board Sponsor.

73. Recognising that ED&I was a key priority for the Board, the Chair advised that regular ED&I updates should be provided either by the Board ED&I Sponsor or the ED&I Manager.

ACTION: Board Secretary to liaise with ED&I Manager to identify dates for key ED&I updates to Board and update the Board forward plan accordingly.

74. In discussion, the ED&I Manager explained that before committing to reporting on social mobility it would first be necessary to interrogate LeO's data to determine whether this information was collected.

75. The Board **noted** the ED&I Annual update.

Item 13 – 2022/23 Budget Programme Plan and update on the 2021/22 Business Plan activity

76. The Business Performance Manager reported on the activities and progress being made on the management of the 2021/22 Business Plan and the development of the 2022/23 business Plan, drawing the Board's attention to the following key points:

- Regular engagement was taking place with the LSB regarding the mid-year review and the 2022/23 budget and business planning. The LSB would be sharing the 2022/23 budget acceptance criteria in August.
- The draft mid-year stocktake and emerging 2022/23 Business Plan are to be presented to the Board for feedback at the Board's seminar on 9 September.
- In line with the lessons learned from the 2020/21 Business Plan, the Management Team is to be fully engaged in the development of the 2022/23 Business Plan. Management Team leads were to be assigned to specific areas of work, building an additional level of resilience to the Executive Team.
- The LSB Board is to consider the OLC's mid-year stocktake, draft budget and the response to the LSB's budget acceptance criteria at its meeting on 30 November.
- An informal challenge meeting to review the proposed 2022/23 Budget and Business Plan is to take place with the LSB ahead of consultation.
- ARAC is to be fully engaged in the development of the 2022/23 budget. An additional ARAC meeting had been scheduled in early January and later that month final Board approval of the 2022/23 budget would be sought.
- A standing item on the integrity of the Business Plan assumptions has been added to the agenda at monthly Executive Team meetings now that the Performance and Quality Task and Finish Group has stopped meeting.

77. In discussion, the Chair stressed the importance of the mid-year review including a forward focus and a revised performance trajectory.

78. Reflecting on discussions that had taken place with the LSB at the Board's strategy meeting in June, the ARAC Chair suggested that a two to three-year business plan was developed and presented for an 'in principle' agreement by the LSB along with a detailed one-year budget. It was felt that this approach would provide greater sustainability and stability to the OLC and LeO, allowing for better business decisions to be made. The Business Planning Manager confirmed that the Executive would be considering this approach when developing the 2022/23 Business Plan.

79. Reflecting on the update on the 2021/22 Business Plan Programme and its overall amber status, the Board sought assurance on the progress that had been made at the end of Q1 on delivering the Business Plan.

80. In response, the CO reported that the delivery of the Business Plan across all priorities was progressing, but some elements and activities of the Business Plan were at risk because of resource and capacity constraints. Consequently, some work has been pushed back to later in the year when it was anticipated that the required level of resource would be in place. This

is monitored on a regular basis through the Programme Control Board and included ensuring organisation focus on key priorities within the Business Plan activities.

81. Recognising that the update on the 2021/22 Business Plan Programme had not provided the level of detail required by the Board, the CO and Business Planning Manager **agreed** to reflect on how the information provided to the Business Plan Programme Board could be best be used to provide a narrative that encapsulated the information required by the Board on how LeO was performing against the Business Plan at the end of Q1.

ACTION: The CO and Business Planning Manager to reflect on the information provided to the Business Plan Programme Board and how it could be best used to provide a narrative that encapsulates the information required by the Board on how LeO was performing against the Business Plan at the end of Q1.

82. The Board **noted** the update on the 2022/23 Budget Programme Plan and the 2021/22 Business Plan activity.

Item 14 – Welsh Language report

83. The External Affairs Team Leader presented the Welsh Language report, advising that it presented a proportionate response considering to the number of complaints received by LeO in Welsh and confirming that a translation service was available to Welsh speaking customers.

84. Having reviewed the Welsh Language Report, the Board **approved** it for translation into Welsh and **approved** it for publication.

ACTION: The External Affairs Team Leader to publish the Welsh Language Report

Item 15 – Quarterly Transparency Reports

85. The Board reviewed and agreed the quarter one transparency reports which included Board Member, Ombudsman and Senior Manager Register of Interests and **approved** them for publication.

ACTION: Board Secretary to publish the Board Member, Ombudsman and Senior Manager register of interests for quarter one.

86. The Board noted that there had been no further entries to the Gifts and Hospitality register since it had last been presented to the Board on the 27 July 2020. The last entry to the register was dated 16th of June 2020.

87. The Board noted that the Board Member and Senior Manager Expenses Report was not available. The information required to collate the report was held in LeO's office which, due to the pandemic, was not being accessed by all staff. The report will be presented to the Board for review at the earliest possible opportunity.

Item 16 – Board Paper Redactions and Non-Disclosure report

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

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

ACTION: Board Secretary to publish the July Board papers subject to the approved redactions and items for non-disclosure.

Item 17 – Board Effectiveness

90. In line with the Board's commitment to improving Board effectiveness, Lis Bellamy reflected on the meeting and made the following points:

- It had been evident that Board Members had read the Board papers in advance of the meeting; this had facilitated good discussions and questioning especially regarding performance.
- The Board Secretary had demonstrated laser like focus on previous Board actions to ensure that the Board had been kept updated on the progress that had been made against them.
- The Executive is asked to ensure that the Board had advance notification when Board papers were to be issued late.
- Acknowledging that the quality of Board papers was improving, it was felt that further improvements were required to ensure that the Board had sufficient information to properly understand the impact of the issues that were being raised by the Executive.

Item 19 – Any other business

- 91.** The Board was advised that the revised Risk Policy was to be circulated out of committee for approval.
- 92.** The Board was advised of Risk Management Training that was being arranged for Board Members.
- 93.** Recognising that this was his last Board Meeting, Board Members thanked Rod Bulmer for his commitment and dedication to the OLC and wished him well in his future endeavours.