

Minutes of the fifty-ninth meeting of the

Office for Legal complaints (OLC)

Monday 24 November 2014

12.15pm – 15.15pm

Baskerville House, Birmingham

Present:

Steve Green, Chair
Rosemary Carter, member
Professor Philip Plowden, member
Karen Silcock, member
David Thomas, member
Maureen Vevers, member
Tony Foster, member
Stella Manzie, member

In attendance:

Rob Hezel, Chief Operating Officer
Freda Sharkey, General Counsel
Ken Young, Interim Head of Policy and Communications

Apologies:

None

Board Secretary:

Helen White

Preliminary issues:

The quorum requirements for the Board meeting were met.

There were no declarations of interest.

The Chair opened the meeting by stating that a private NEDs only session had been held at which discussion took place about the recent resignation of the Chief Ombudsman / Chief Executive Officer and the steps to be taken by the OLC Board to move forward.

Item 1 - Welcome and apologies

1. The Chair welcomed and thanked those in attendance.

Item 2 - Minutes of the previous meeting

2. The minutes of the meeting held on 20 October 2014 were approved.

ACTION:

- The Board Secretary to publish the approved minutes of the meeting held on 20 October 2014.

Item 3 - Matters arising and outstanding action points

3. Members noted the outstanding actions. No questions were raised.

Item 4 - Comments received regarding items presented for information

4. The items presented for information were noted. No comments had been received in advance of the meeting for circulation

Chief Ombudsman's Report

5. The Board noted that LeO had been successful in a judicial review concerning an award to reduce fees. General Counsel was requested to consider whether to include a standard paragraph in ombudsman decisions concerning the matters that the ombudsman had taken into account.

ACTION:

- General Counsel to consider whether to include a standard paragraph in ombudsman decisions concerning the matters that the ombudsman had taken into account.
6. Rosemary Carter, Chair of RemCo, stated that Baljit Kaur, E&D Manager, is attending the next RemCo meeting to give an E&D Update. It was agreed that it would be timely for Baljit Kaur to also be invited to present and E&D update to the December OLC Board meeting.

ACTION:

- The Board Secretary to invite Baljit Kaur, E&D Manager to the December OLC Board Meeting.

7. The Chair reported that recruitment is due to commence shortly for the next round of OLC Board Member recruits. Members requested notification of when the campaign goes live. Concerns raised about the mix of lawyers and lay were noted by the Chair.

ACTION:

- The Board Secretary to notify members when the OLC Board Member recruitment campaign goes live.

Chief Operating Officer's report

8. Discussion took place on the new case management system which is due to go live at the beginning of December. There had been delays consequent on issues related to IT infrastructure but the Chief Operating Officer reported these were being resolved and that User Acceptance Testing is now going well.
9. The Chair of RemCo reported that sickness and turnover figures were discussed in the recent RemCo meeting and the Head of HR had been asked to inform members should these figures increase. It was noted that whilst these were at levels relatively high for the OLC, they were not high against external benchmarks. The Chief Operating Officer was requested to include the actual figures in his next report.

ACTION:

- The Chief Operating Officer to include the sickness and turnover figures in his monthly report.
10. Discussion was held about homeworking. The Chair of RemCo requested that this be discussed further at the next RemCo meeting.

ACTION:

- The Board Secretary to add 'Homeworking' to the next RemCo meeting agenda.

Finance Report

11. The Chief Operating Officer reported that the apportionment of overheads for CMC's had been agreed with the MoJ for this financial year.
12. Discussion took place on the governance process for approvals now that Ursula Brennan has been temporarily appointed Accounting Officer. The Chief Operating Officer was requested to circulate this process and the contact names to Karen Silcock, Chair of Audit and Risk.

ACTION:

- The Chief Operating Officer to circulate the temporary process for Accounting Officer approvals to Karen Silcock.

KPI Report

13. The Chief Operating Officer reported on the KPI's. There had been progress in some areas and it was the view of the executive that they would meet the annual targets, although there were still some areas in the complaints process which needed improvement. The recruitment of additional staff who

were becoming more productive as they gained experience, and other signs of increased productivity in more longstanding staff, were encouraging.

14. Stella Manzie reported that she has taken over the lead Board Member responsibility for performance from Tony Foster. She had met with the Chief Operating Officer and colleagues to review the overall performance framework linked to the draft Strategy and Budget. The aim was to produce a framework which integrated throughput and timeliness indicators more closely with qualitative information, as well as encompassing the strategic milestones on the overall strategy. Executive were producing initial work on KPI's in December, with more work on Quality forthcoming in the New Year. A full report would come back to the Board. The Chief Operating Officer had drawn attention to the reduction in complaint volumes and the Board asked questions about this. It was reported that this had already been discussed at the Audit and Risk Assurance Committee who had asked for more research to look at the causes of the downward trend in overall complaint volumes.

ACTION:

- The executive and lead Board Member on Performance to report back to the Board with proposals and a revised performance framework.
- The executive to continue to focus on improving the rate of progressing complaints and decision making.
- Chief Operating Officer to be responsible for getting research commissioned on the root cause of the fall in complaint volumes, reporting back in the first instance to the Audit and Risk Committee then the OLC by March.

Item 5 – Approval of Policies

15. The Chief Operating Officer presented the updated Gifts and Hospitality and Expenses policies which had been approved earlier at the Audit and Risk Assurance Committee meeting, with one minor amendment noted to the Expenses Policy concerning overseas travel. Members approved the policies for publication.

ACTION:

- The Chief Operating Officer to communicate and publish the approved policies.

Item 6 – Audit and Risk Assurance Committee Update

16. The Chair of Audit and Risk provided members with an oral update on the Audit and Risk Assurance meeting held earlier that morning:

- The ARC Chair reported that she had explained at the outset of the meeting that despite the recent resignation of the Chief Ombudsman, the ARC meeting would continue to debate business as usual and the

issues related to the Chief Ombudsman's departure would be discussed at the private NED session being held before the main OLC Board.

- The Corporate Risk Register was discussed. Key risk areas include the continuing issues with disaster recovery vulnerability, elements of performance KPIs, challenges in connection with the new CMC jurisdiction and regulatory and legal compliance in terms of completion and filing of the annual report and accounts. Plans were in hand to resolve the disaster recovery vulnerability as systems were updated and migrated, and separate discussions were on the agenda for this meeting concerning KPIs and the new CMC jurisdiction. Issues relating to the accounts were being progressed by the Chair and Chair of the Audit and Risk Assurance Committee with support from our finance team, and the Board would be kept updated as to progress and completion timetables. The ARC Chair requested that the Corporate Risk Register be circulated to the OLC Board for information.

ACTION:

- The Board Secretary to circulate the Corporate Risk Register to the OLC Board for information.
- The results of recent KPMG Internal Audit Reports were discussed with focus on the outstanding actions and current status. It was confirmed there had been no data security breaches. Risk issues concerning the change of Accounting Officer were discussed and in particular the agility with which approvals will be obtained. Discussion was also held around the forecast demand in the core jurisdiction and as reported earlier, additional research is to be undertaken on this.

Item 7 – Remuneration Committee Update

17. The Chair of the Remuneration Committee provided members with an oral update on the meeting held on 11 November:

- An HR update was provided, to include E&D, recruitment and the work the team have been doing more generally. It is evident that the team are working very hard.
- The staff survey update was discussed and the work done on culture and values. This report has been shared with staff and the staff council. The next stage is to do further work on defining the required future culture.
- The Chair of RemCo stated she is working with the General Counsel on leadership behaviours and this will be presented to the January OLC Board.

ACTION:

- The Board Secretary to add Leadership Behaviours to the January OLC Board agenda.
- The Interim Head of Policy and Communications presented a paper on 'Insight Capability' which was initiated at the September strategy day. The Chair of RemCo will discuss the next steps and timing further with the Chief Operating Officer and Interim Head of Policy and Communications. Prof Plowden requested an update from the Interim Head of Policy and Communications.

ACTION:

- The Chair of RemCo to discuss next steps and timing on the Insight Capability paper with the Chief Operating Officer and Interim Head of Policy and Communications.
- The Interim Head of Policy and Communications to update Prof Plowden on the 'Insight Capability' project.
- The Policy Review was discussed and the Chair reiterated to executive that the scheme of delegation needs to be reviewed at in relation to the redundancy policy.
- The 2015 meeting schedule was agreed with meetings proposed for February, June and November, with a tentative date held for March.

Item 8 – CMC Update

18. Simon Tunnicliffe, Head of CMC's, joined the meeting to update members on CMC's. He reported that the Lord Chancellor's Fee regulations had been laid on 3 November, meaning the OLC now has authority to spend. The regulations are due to be debated in both Houses in early December.

19. The Head of CMC's reported that the MoJ are drafting the framework document, which will set out the working relationship between the MoJ and OLC. The Chair requested that both he, the Chair of Audit and Risk and Stella Manzie be involved and updated on the finalisation of this document.

ACTION:

- The Head of CMC's to ensure the OLC Chair, Chair of Audit and Risk and Stella Manzie be involved and updated on the finalisation of the framework document.

20. The Head of CMC's assured members that any delays with the case management system will not detract the team from go live on 28 January. Suitable contingencies are being put in place to avoid any issues.

21. Development of the website continues. The website will be accessed from the main Legal Ombudsman site and will have different branding. Work is ongoing to research and implement digital platforms to improve the customer experience and support staff within the CMC jurisdiction. The Chair requested that the Head of CMC's present a further update, with a visual of the website and branding, at the December OLC Board.

ACTION:

- The Head of CMC's to present a CMC Update to the December OLC Board.

22. Discussion took place concerning the time limits that will be applicable to CMC cases in the light of MoJ's draft Commencement Order.

Item 9 – Third Party Complaints

23. The Interim Head of Policy and Communications presented the report which gives an overview from the Working Party established to consider the issues associated with the Ombudsman considering third party complaints.

24. It was agreed that it would be premature to include third party complaints in any consultation required for rule changes to comply with the EU ADR directive.

25. It was noted that secondary legislation would be needed to address any categories of potential third-party complaints

26. It was agreed that the working group report had shown that there were some cases where access to redress would be helpful, if the circumstances in which the OLC could get involved could be clearly and tightly defined.

27. It was important to consider the operational experience in Scotland and other jurisdictions to inform our thinking.

28. LeO will continue to work with stakeholders in due course and an update on Third Party Complaints will be presented in July 2015.

Item 10 – Quality Update

29. The Head of Customer Experience, Kathryn King, joined the meeting to present the quarterly Quality Update.

30. The Head of Customer Experience stated that the management team was doing work on how quality is reported, specifically in the areas of what is reported, when it is reported (including aligning quality and performance reporting), and how it is reported.

31. She reported that work is also being done on the service complaint processes and procedures and how the team can enhance and improve the internal service complaints procedure.
32. The Chair thanked the Head of Customer Experience for her report which gave a very informative update on the work of the team.

Item 11 – Outcomes and Customer Satisfaction Update

33. The Head of Customer Experience presented the update on research into suggested reasons for the apparent decline in remedies and new analysis of previously reported customer satisfaction data.
34. It was reported that in depth analysis indicated that the apparent change in the proportion of cases in which a remedy was awarded was considerably smaller than had been previously suggested, that research revealed no single explanation for it, and that the team would continue to monitor through regular quality checking processes and report back in July 2015.

Item 12 – Publishing Decisions Policy

35. Discussion was held on the key purpose of this policy.
36. It was agreed that this would be analysed further and its purpose reappraised to both clarify how to measure its impact and how it also fulfils our obligations on transparency and drives positive behaviours in the sector.
37. It was agreed to conduct a review of the policy in 2015/16 which would include looking at what outcomes we could achieve through the policy.

Item 13 – Cat 1 Case for Publication

38. The General Counsel gave an update on the process of progressing publication of an Ombudsman determination which falls into category one of the publishing policy. In the case discussed a letter had been written to the concerned party to seek representations but no response had been received by the deadline which had now passed.
39. Members reviewed the proposed text and agreed the proposed text to be published in line with its policy and procedures.
40. Members requested that the address of the concerned party be included in the publication to avoid any possible confusion.

ACTION:

- The Lead Ombudsman is to progress with the publication of the category one case and will ensure the address of the party is included.

Item 14 – Service Complaints Adjudicator Report

41. The General Counsel presented the Service Complaints Adjudicator Report. The contents and subsequent actions to ensure consistency were noted.
42. Members requested that management provide assurances that the necessary processes are in place to ensure that issues highlighted in this report are addressed.

ACTION:

- The Chief Operating Officer to ensure management provide assurance that the necessary processes are in place to ensure issues highlighted in this report are addressed.

Item 15 – LeO Draft Budget and Business Plan

43. The Interim Head of Policy and Communications presented the updated LeO draft Budget and Business Plan. Members approved the document for submission to the Legal Services Board.

Item 16 – Any other business

44. No other business was raised. The Chair declared the meeting closed.

Next meeting

45. The next OLC meeting will be held on Monday 15th December in Birmingham.