

**Minutes of the sixth meeting**

**Office for Legal Complaints (OLC) Board**

**Monday 14<sup>th</sup> December 2009**

**11.30am – 2.15pm**

**Baskerville House, Centenary Square, Broad St, Birmingham B1 2ND**

**Present:**

Elizabeth France, Chair  
Margaret Doyle, member  
Professor Mary Seneviratne, member  
David Thomas, member  
Tony Foster, member  
Brian Woods-Scawen, member  
Rosemary Carter, member (by audio link)

**In attendance:**

Adam Sampson, Chief Ombudsman  
Nyall Farrell, Interim Chief Operating Officer (joined the meeting at item 7)  
Liz Shepherd, Interim Programme Director  
Alison Robinson, Policy Manager

**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. No apologies were received.

**Item 2 – Minutes of previous meeting**

2. The minutes of the meeting of 23<sup>rd</sup> November 2009 were approved.

### **Item 3 – Matters arising & action points**

3. The meeting noted the matters arising and all outstanding action points from previous minutes.

The Board were advised that two documents had been issued simultaneously recently but with separate OLC and Legal Ombudsman brands. It was agreed that a single, standardised brand image, Legal Ombudsman should be implemented as quickly as possible. The style guide should then show how to indicate when a document was issued by the OLC Board.

#### **ACTIONS**

- The Executive to develop the ongoing branding work and to ensure that a consistent brand image for the Legal Ombudsman is implemented as quickly as possible
4. Subject to a formal process being approved, OLC Board member expenses will be authorised and financed by the OLC rather than the LSB.

#### **ACTIONS**

- Andy Taylor to consult with the LSB Board Secretary and produce a formal procedure, budget, monitoring process and expenses publication statement. This information is to be presented to the OLC Board meeting scheduled for 18<sup>th</sup> January 2010.
5. The Board asked that David Edmonds, Chair of the Legal Services Board, be invited to speak at a meeting early in the New Year.

#### **ACTIONS**

- Andy Taylor to arrange.

### **Item 4 - Chair's update**

6. The Chair outlined the meetings attended by the Chair and/or Chief Ombudsman since the last Board meeting.
7. The Chair reported that over the weekend the new office on the third floor of Baskerville House had a number of desk drawers forcibly opened and laptops stolen. This matter had been reported to the police and was also being internally investigated by the Baskerville House facilities team. The Executive had advised that there was no risk of data security having been compromised; however, the matter was to be reported to appropriate partners. The Audit and Risk Committee would consider data security as part of their agenda. The Executive would raise the matter of recovery of losses with the building landlords.

#### **ACTIONS**

- The Secretary to the Audit and Risk Committee to ensure this matter is included for discussion on a future committee agenda as soon as possible.

### **Item 5 - Chief Ombudsman's report**

8. In addition to the tabled paper, the Chief Ombudsman reported that offers had been made to appoint a Deputy Chief Ombudsman and six Ombudsmen. With the exception of one, acceptances have been received from all successful candidates. It was expected that the new staff would commence duties during the period March – July 2010 inclusive. The Chief Ombudsman added that the staff would assist in developing the status and strategic management of the organisation and also provide experience in other matters, for example, equality and diversity and knowledge management. The new appointments would bring a 50/50 split between lay and non-lay members.
9. In addition to the above appointments, the Chief Ombudsman confirmed that interviews were to be held during the weeks commencing 14<sup>th</sup> and 21<sup>st</sup> December respectively for roles within the Senior Management Team.
10. After reflecting on recent recruitment process for the senior roles, the wording of future advertisements for Ombudsman roles might need to be revised to more accurately define the requirements for lay and non-lay membership.

### **Item 6 – Scheme Rules**

11. The Chair explained that the intention was to retain the document as a set of formal scheme rules, however the Executive would also prepare for publication a separate public facing document that would be in keeping with “plain English” principles.
12. Comments received regarding the tabled paper had been circulated prior to the Board meeting. The Chair asked for any further response from the Board members and for any questions to be put to the Executive.
13. Board members agreed that the tabled document should retain formal terminology that was also used in the Legal Services Act 2007, for example reference to “dismissing”. However the Board also agreed that “no merits” and references to “third party complaints” should be removed from the document. The document was approved by the Board members subject to the minor amendments being undertaken.

#### **ACTIONS**

- The Executive to amend the Scheme Rules document to reflect the Board requirements outlined above and to develop a public facing document for later consideration.

### **Item 7 – Business plan and budget**

14. The Board were advised that the tabled paper had been redrafted and track changes identified the amendments. A new work stream related to compliance had been included.

15. The Board members considered the paper and with the exception of some minor amendments, including making all timescales clear, the document was approved.

#### **ACTIONS**

- Chief Ombudsman to amend the document as suggested by the Board members.

#### **Item 8 – Case fees**

16. The Chair advised the members that pages 1 to 4 (inclusive) of the tabled document were briefing for the Board. Pages 5 to 10 (inclusive) were intended for publication, subject to all formal approval processes being completed beforehand. The Chair asked members for comments and for any questions regarding the tabled document to be put to the Executive.

17. The Board were advised that the rationale for the proposed “two tier” structure had been based upon responses to the consultation process. It was recognised that the proposers were keen to see the fee used as a way of promoting good complaint handling behaviour and resolution practices but the Board were not persuaded that this was the best way to achieve behaviour change. They were aware that in other schemes the contrary affect appeared to have resulted. They were keen that other ways should be tried, including education and publication.

18. The Board felt that the case fee structure should be as simple as possible and that the proposed two tier proposal was too complicated at this stage. Members commented that a two tier structure may also lead to a greater level of fee “dispute” than a single tier structure. Although the Board acknowledged the value of the consultation, they were not persuaded by the findings. Given this, it was agreed that a “single fee” structure would be the preferred option to take forward with a commitment to a review once there was an evidence base on which to build any revised proposals.

19. In the light of the decision to have a single fee and the need to recover some 5% of costs at the outset through case fees the Board and Executive discussed the level of the single fee and decided to go forward with £400. The members asked for this fee is to be incorporated into the financial model to ensure that all financial objectives/agreements are met.

#### **ACTIONS**

- Executive to carefully redraft of the case fee paper to include a single fee proposal of £400 and to include the “free cases” as outlined in the tabled paper.
- Executive to apply the proposed single fee of £400 into the financial models and to advise the Board members of the outcome in January 2010. This should also give consideration to the fee collection mechanic, costs involved and include any appropriate bad debt projections.

#### **Item 9 – Transition planning**

20. The Board noted developments in relation to transition planning. The discussion focused on meetings and correspondence exchanges specifically relating to TUPE.

The Board were advised by the Chief Ombudsman that the position taken by the Law Society had led to unforeseen legal costs and, until the matter was concluded, further costs were likely. The Board acknowledged that the expenditure was unavoidable but asked for best estimates of the likely costs for the next meeting.

21. The Board asked for scenario planning to be undertaken and a report submitted to the Board meeting in January 2010. It was suggested that a footnote should appear in the Business Plan to clarify that set up costs were to be revisited due to the current situation. The footnote should also state that the revision was based on information held at the time of writing by the Legal Ombudsman.
22. The Board agreed that legal advice must be sought before anything regarding the matter was published by the Legal Ombudsman.

#### **ACTIONS**

- Chief Ombudsman to continue to take legal advice where appropriate, in particular before any external communications/publications are issued.
- Executive to undertake a full scenario planning exercise with a full report to be made to the Board in January 2010.

#### **Item 10 – Communication strategy**

23. The Board were advised the tabled document was a more in depth version of a previous paper and this version had been submitted for comment and approval.
24. The Board members considered the paper and with the exception of some minor amendments the document was approved.

#### **ACTIONS**

- Executive to amend the document as suggested by the Board members.

#### **Item 11 – IT and property procurement**

25. The Board were advised that a formal paper had not been submitted due to the pace of change and an oral report was provided.
26. Property procurement was progressing well and presently the details of a lease agreement were under discussion. Agreement was anticipated by the end of December, in time to go to the Minister in January 2010. It was estimated that matters had fallen approximately one month in arrears, but this did not impact upon the overall property procurement plans.
27. IT risk had increased and was now “amber”. The primary reason for this was the lack of response to the hosting, infrastructure and telecoms tender. The low level of replies was considered to be attributable to a number of factors: first, that other tenders were available to the market that were of a higher value and second, some organisations would not place a tender unless they had a prior arrangement with the organisation.

28. In view of the lack of tenders received, three organisations that had submitted tenders for other requirements had been asked to put forward hosting proposals.
29. In order to take matters further site visits are to be undertaken at the two organisations offering the more cost effective solutions. It is expected these visits would take place as soon as possible after Christmas.
30. The Board noted the IT position and considered it important to ensure that the Legal Ombudsman obtained an IT solution that fully met its needs. However, the members accepted that a degree of compromise and balancing of risk may have to take place.

#### **Item 12 – Finance report**

31. The Board noted the finance report and acknowledged that the contingency budget would need revising given the information outlined in agenda item 9, with any amendments being open and transparent.

#### **Item 13 – Risk**

32. The Board noted that the tabled paper had not been updated since the last Board meeting; however, this was in line with agreed practice and the Board acknowledged that matters were being monitored.

#### **ACTIONS**

- Executive to update the document and present to the January 2010 meeting.

#### **Item 14 – Performance measurement: balanced scorecard**

33. The tabled paper was an updated version responding to previous comment but remained as work in progress. The Board noted the document and asked for further amendment to ensure that it reflected performance that the Legal Ombudsman would have control over, for example the time taken to turn around cases. Members also agreed that complaint management might be included as part of any satisfaction surveys.

#### **ACTIONS**

- Chief Ombudsman to update the balanced scorecard document and present to a future Board meeting.

#### **Item 15 – Memorandum of Understanding with the LSB**

34. The members noted the document was an updated version which just left the wording on the sharing of documents to be confirmed. The members agreed that any Board papers considered relevant should be shared with the LSB unless there was good reason otherwise.
35. Preliminary discussion about Freedom of Information and the development of a publication scheme under the FOI Act took place. In the further work on this it was

suggested that consideration be given to publishing an executive summary of all Board papers at the same time as the related minutes.

#### **ACTIONS**

- Chief Ombudsman and Chair of the Board to discuss and agree a list of documents felt relevant routinely to disclose to the LSB Board.

#### **Item 16 – Report from Committees**

36. The Remuneration and Nomination Committee was due to meet on 21<sup>st</sup> December 2009 and substantive matters would be reported to the Board meeting in January 2010. It was confirmed that two potential pension providers were to be considered further following recent presentations.

37. The Audit and Risk Committee was scheduled to meet on 11<sup>th</sup> January 2010 and a report would be provided to the Board meeting in January 2010.

#### **Item 14 – Future agendas and any other business**

38. Members noted that the next Board meeting would be held on 18<sup>th</sup> January 2010 commencing at 11.30am at Baskerville House in Birmingham.

39. In addition to the normal standing items, the January agenda will include;

- a. Speaker: Lola Bello from Consumer Focus (confirmed)*
- b. Draft Board member expenses Framework*
- c. Register of Interests & Hospitality (quarterly update)*
- d. Remuneration strategy, including a pension update (as part of the Committee updates)*
- e. Proposed “go-live” date*
- f. Proposed approach to Freedom of Information requests*
- g. IT Business Case*

Andy Taylor  
Board Secretary  
16<sup>th</sup> December 2009