

**Minutes of the 114th Meeting of the
Office for Legal Complaints (OLC)**

Monday 17 May 2021: 11:30 – 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 Laura Stroppolo, Business Planning Manager (items 7,8 and 15) Alex Moore, External Affairs Team Leader (item 8) Deb McIntyre, Operations Manager (item 10) Treena Mosely, Operations Manager (item 10) David Peckham, Operations Manager (item 10) Petrina Hoggan, Head of Organisational Development and People Strategy (item 11) Claire Evans, Independent Service Complaint Adjudicator (item 12) Jonathan Davies, Risk Manager (item 15)</p>
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Preliminary issues:

The Board meeting was quorate.

Item 1 – Welcome, apologies and declarations of interest

1. The Chair welcomed attendees to the meeting. There were no apologies.
2. The Chair reported a declaration of interest in agenda item 13, advising that her academic research related to impartiality. There were no other declarations of interest reported.

Item 2 – Previous Minutes

3. The minutes of the OLC Board meeting held on 31 March 2021 were **approved** for accuracy and **approved** for publication.
4. The minutes of the Board seminar held on 5 October 2020 were **approved** for accuracy and **approved** for publication.

5. The minutes of the ARAC meetings held on 10 March 2021 were approved for publication.

ACTION: Board Secretary to publish the minutes of the OLC Board meeting held on 31 March 2021, the Board seminar held on 5 October 2020 and the ARAC meeting held on 10 March 2021.

Item 3 – Matters arising and outstanding actions from previous meetings

6. The Board **ratified** a decision made out of committee in by the OLC Chair and Hari Punchihewa on 5 May 2021 to approve a high value purchase order purchase for submission to the MoJ. The Purchase was for £338,815.20 (gross) for the renewal of an annual Microsoft Enterprise Agreement covering Microsoft products including Office and CMS. This decision was made in line with the OLC's Scheme of Delegations.
7. The Board **noted** the update on outstanding actions from previous meetings.

Item 4 – Executive report

8. The Chief Ombudsman (CO) presented the Executive report, advising that since that last Board meeting, the Executive's focus had primarily been on implementing the 2021/22 Business Plan and delivering on early priorities and commitments. There was a clear sense of momentum and the Board's attention was drawn to the following key points:
 - A programme structure had been established to prioritise the delivery of key projects and activities.
 - Case closures continued to exceed the assumptions and targets set out in the Business Plan. Whilst there was no complacency, steady, month on month progress had been seen during 2021 and the week ending 7 May had seen the highest number of case closures since 2018.
 - Progress continued to be made on stabilising and reducing the PAP backlog.
 - Operational recruitment launched in early April and was on schedule for a new cohort of Investigators to commence in role in July. Staff from across the organisation had worked weekends and overtime to support this recruitment activity.
 - A constructive and positive first meeting of the Stakeholder Challenge and Advisory Group had taken place in April; a key focus of discussion had been the Pre-Assessment Pool (PAP) backlog. To ensure momentum, and to develop the group's understanding of LeO's processes and performance improvement journey, a second meeting was to be scheduled within the next 4 to 6 weeks.
 - LeO was developing its approach to enhanced public reporting following a meeting with the LSB to clarify requirements.
 - Planning was underway for a gradual and phased re-entry to post-Covid office working, with staff working on an agile basis blended with home working. This approach would allow for various aspects of the agile working environment to be tested and assessed to ensure that any long-term changes to ways of working were robust and would not adversely affect service delivery.

- The Executive would be closely monitoring the risk to recruitment and retention following the implementation of new agile ways of working by local competitors.
 - Progress had been made on building resilience at the senior level following the appointment of a Head of People Strategy and Services.
 - A Finance Manager, Risk Manager and an Equality Diversity and Inclusion Manager had been appointed, strengthening the wider management structure.
 - The end of year Financial Audit had commenced, and the Finance Team was focused on providing support and responding to Auditor's requests.
 - GIAA had provided an overall limited opinion for 2020/21 based on its assessment of the full year but had acknowledged the progress that had been made in the last 6 months. This progress would be reflected in the OLC's Annual Report and Accounts.
9. Reflecting on the first meeting of the Stakeholder Challenge and Advisory Group, it was noted that the group had sought to receive more information and data on LeO's performance and how this aligned to the work being undertaken on enhanced public reporting. Board Members were keen to ensure that the information and data shared with the group was consistent with that shared with the Board, LSB and MoJ and that it did not create additional work that detracted from LeO's key objective, to improve performance.
10. The CO reported on follow up discussions that were taking place with stakeholders to manage individual expectations around information sharing and governance.
11. It was **agreed** that that the Terms of Reference for the Stakeholder Challenge and Advisory Group and any papers shared with the group would be circulated to Board Members.
- ACTION: The Executive to circulate the Terms of Reference for the Stakeholder Challenge and Advisory Group and any papers shared with the group to Board Members.**
12. Consideration was being given to reporting on the output from Stakeholder Challenge and Advisory Group to ensure that wider stakeholders, including the Board and LSB, were informed of the group's work.
13. Considering the risks around recruitment and retention, the Board urged the Executive to expedite its planning for the post-Covid return to the office and to develop its strategy on future ways of working. In response, the CO reported on the preliminary work being undertaken to determine the type of organisation LeO wanted to be, taking into account the views of staff and how they wanted to work, the implications on existing staff contracts and the implications on future performance and delivery. A strategy would be developed as quickly as possible once this preliminary work had been completed.
14. The Board **noted** the Executive report.

Item 5 – Finance report

15. The Head of Finance reported on the year-end finance position, which was subject to any final audit adjustments. The following key points were made:
- A year-end adjustment is to be made to correct a historic rent error in 2019/20, resulting in a £50.5k reduction in 2020/21 expenditure.

- In line with expectations, there had been some movement in the final year end position. The final expenditure position was an underspend of £86k, mitigating action had been taken to provide and accrue for as much as possible to reduce this underspend.
 - The end of year Financial Audit had commenced on 4 May. On 11 May, External Auditors advised that the audit had been paused on 10 May for 2 weeks due to staffing issues. Auditors had confirmed that this delay would not adversely affect the timetable for laying the 2020/21 Annual Report and Accounts in Parliament.
 - The Finance Team had responded to 76 of the 85 requests for evidence received from Auditors; most of the remaining 9 requests were discussion points that couldn't be progressed until the audit re-commenced.
16. The ARAC Chair commented on the approach taken by External Auditors to delaying the Financial Audit and the resulting disruption to the Finance Team, who had worked hard to prepare for the audit in light of the lessons learnt from the previous year. Noting that the Auditors had confirmed that their final audit reports would be completed in time for presentation at the July ARAC meeting, and therefore there should be no delay to the Board's sign off of the Annual Report and Accounts, this delay still posed a risk and had implications for LeO and the OLC. Feedback would be provided to the Auditors and discussions would take place to explore alternative options that could be put in place to prevent a similar situation occurring in the future.
17. The ARAC Chair commented on the finance paper, stating that it had been clear and easy to understand. A recommendation had been made to further improve the Finance report by including a plan balance sheet; the Head of Finance agreed to discuss this further with the ARAC Chair.
- ACTION: Head of Finance to contact the Chair of ARAC to discuss further improvement to the Finance report by including a plan balance sheet**
18. The Board **noted** the update on finance.

Item 6 – ARAC update

19. The ARAC Chair updated the Board on key discussions that had taken place at the May ARAC meeting:
- Positive feedback had been received from External Audit on the levels of co-operation and LeO's state of readiness for the end of year financial audit.
 - GIAA had presented its annual report and opinion, providing an overall end of year limited opinion.
 - Four final audit reports were presented and reviewed by the Committee: the audit of Financial Management received a moderate rating; the audit of Casework Progression received a Moderate rating; the audit of Workforce Planning received a substantial rating, and the audit of Corporate Governance received a limited rating.
 - GIAA had acknowledged that the Corporate Governance audit reflected a historic position and whilst the audit rating could not be changed, GIAA had agreed to consider including a statement (currently included as a footnote in the audit report) in the Executive Summary of the report stating that the audit reflected a period in time and

improvements had since been made. GIAA had allocated days in the 2021/22 audit plan to undertake follow up work on the Corporate Governance audit.

- Having reviewed the 2021/22 draft Internal Audit plan, ARAC had recommended some changes for Auditors to discuss further with the Executive. A final Internal Audit plan would be presented to ARAC for approval at a future meeting.
- GIAA has appointed a new Internal Audit Manager, Jorjie Woodroffe.
- ARAC had been pleased to see an improvement in the quality and timeliness of papers presented.
- A risk assurance paper had been presented, setting out the Executive's early thinking on strategic risks for 2021/22. ARAC had taken assurance on how risk was becoming embedded in organisational culture.

20. The CO updated the Board on an introductory meeting that had taken place with the new Internal Audit Manager, where they had discussed ARAC's feedback on the 2021/22 Audit Plan. A follow up meeting had been arranged to further develop the 2021/22 Audit Plan.

21. Recognising the importance of Internal Audit and its impact across the organisation, the RemCo Chair asked for an opportunity to comment on the 2021/22 Audit Plan. Acknowledging that there was value in the Committee Chairs reflecting on the Audit Plan to ensure that the scope and focus of the proposed audits added value, the Chair asked the ARAC and RemCo Chairs to discuss the audit plan outside of the meeting.

ACTION: The Chairs of ARAC and RemCo to discuss the proposed 2021/22 Internal Audit plan to ensure that the scope and focus of the proposed audits added value.

22. The RemCo Chair sought to understand the key issues identified in the Corporate Governance Audit and, following discussion, it was **agreed** that a copy of the audit report would be circulated to them.

ACTION: Board Secretary to circulate the Corporate Governance Audit report to Board Members.

23. ARAC members thanked the ARAC Chair for his expertise in chairing ARAC meetings and steering discussions.

24. The Board noted the update on the ARAC meeting held on 6 May 2021.

Item 7 – 2021/22 Budget and Business Plan learning review

25. The Business Planning Manager reported on the lessons learnt on the 2021/22 Budget and Business Plan, advising that feedback from the Board, Executive, the wider project team and the LSB had been taken into consideration. The following key points were identified for further improvements, which would be factored into the 2022/23 Budget and Business Planning process:

- More Board engagement was required to ensure a more collaborative, iterative approach to developing future Budget and Business Plans.
- More staff engagement was required both in terms of capturing the progress being made on delivering the 2021/22 Business Plan and capturing their thoughts and priorities for developing the 2022/23 Business plan.

26. The Executive was developing the approach to delivering the Q3 mid-year stocktake which would be presented to the LSB. Alongside this, early preparatory work was also being undertaken on the 2022/23 Budget and Business Plan; this included discussions with the LSB on the Budget Acceptance Criteria and to determine key dates for submitting documents to the LSB Board.
27. The CO reported on how the June Board seminar would initiate consideration of the OLC's long term strategic focus. This would then inform the business planning process in advance of the mid-year review. A brief update on the business planning process would be provided at the July Board meeting. Considering the schedule of OLC meetings, it may be necessary to schedule an additional Board meeting for September to facilitate the process for future budget and business planning and the mid-year review.

ACTION: The Executive to confirm whether an additional Board meeting would be required for September and, if so, the Board Secretary to schedule the meeting.

28. The Board welcomed the early approach to planning and preparing for the 2022/23 Budget and Business Plan and **noted** the findings of the 2021/22 Budget and Business Plan learning review and the completed milestones.

Item 8 – Update on the preparation of the 2020/21 Annual Report and Accounts

29. The Board received an update on the progress being made on the preparation of the 2020/21 Annual Report and Accounts, noting that all key content had now been included in the report and that proof-reading, and design work needed to be completed.
30. The Board commented on the improvements that had been made to the Annual Report and Accounts process and welcomed the steps that had been taken to appropriately highlight the positive impact of the OLC and LeO. The Board provided the following feedback for further improvement:
- Include more confident messaging in the Chair's section of the report to highlight how the organisation had maintained operations during Covid, including how many people the organisation had helped during that time and how it had also successfully strengthened the Executive Team.
 - Include more balance of stories throughout the report to reflecting where improvements had been made.
 - Review and improve the performance analysis section which was too detailed, and the narrative had lost its way.
 - Consider removing the figures on Civil Service Survey Results as this level of detail deflected from the key messages.

31. The Board was asked to provide individual feedback to the External Affairs Team Leader by the close of business on 20 May.

ACTION: The Board to provide individual feedback on the Annual Report and Accounts to the External Affairs Team Leader by the close of business on 20 May.

32. The Board sought to understand the implications of the delayed financial audit on the Annual Report and Accounts and was advised that, as the Annual Report and Accounts were laid in parliament as one document, any delay to the issue of financial audit report could result in a

delay to the OLC's Annual Report and Accounts being laid in parliament on time. The situation was being closely monitored, and a risk has been added to the risk register.

33. The Board **noted** the update on the preparation of the 2020/21 Annual Report and Accounts.

Item 9 – People and Performance

34. The COO reported on People and Performance, drawing the Board's attention to the following key points:

- Closures in April achieved the assumption figure with good productivity figures at 5.01. May is on track but given the school holidays presented a challenge.
- Recruitment was underway for operational roles. Operational staff had been involved in writing job descriptions and advertisements, designing tests, running assessment centres and conducting interviews.
- Significant progress had been made in reducing the email backlog within the General Enquiries Team. A plan was in place to bring email response times back within target by the end of May.
- A mid-Board performance update would be issued in June.
- A new format, for reporting against people performance and the People Plan had been included in the Board paper.
- Balancing operational and cultural improvements, whilst simultaneously delivering business as usual and significant recruitment was challenging.

35. Board Members were pleased with the progress that was being made on people and performance and had been especially pleased to see the cultural changes that were taking place and the emotional re-engagement with staff.

36. Feedback was provided on further improvements to be made to the People and Performance report, which included setting out a grounded, clear plan showing progress against the people and performance related targets supported by a clear narrative.

37. The COO **agreed** to meet with the Chair of RemCo to reflect on the Board's feedback and agree a format for future People and Performance reporting to Board and RemCo.

ACTION: The COO to meet with the Chair of RemCo to reflect on the feedback provided by the Board on the People and Performance report and to agree a format for future reporting to Board and RemCo.

38. In discussion, the COO reported that Managing by Behaviours was an integral part of business as usual and was therefore not reported as part of the People Plan; continuous conversations between Line Managers and staff emphasised the importance of delivering for customers and this was working well. The people performance management framework was being refreshed as part of the People Plan deliverables later in the year, but there was no scope to do this earlier because of other commitments and priorities.

39. Considering the challenges of delivering business as usual whilst balancing operational improvements, the Board reflected on the further challenges that would be presented as additional layers of improvement work, such as performance management framework and innovation work was introduced.

40. The Interim Head of Organisational Development and People Strategy would be leaving LeO at the end of May. Support would be provided by the MoJ during the short gap until the new Head of People Strategy and Services joined LeO later in June.
41. The COO reported on the commitment and dedication of the Operations Managers who were driving the operational improvements.
42. The Board **noted** the update on People and Performance.

Item 10 – Pre-Assessment Pool activity

43. The Operations Managers delivered a presentation on the activities that were being undertaken to address priority 1 of the Business Plan. The following key points made were:
 - An assessment of cases in the Pre-Assessment Pool had been undertaken to gain better information on case complexity, wait times and whether first tier offers had been made.
 - Changes were being considered to the Case Management System to improve long-term data collection.
 - Better information would enable targeted activities to be tested with specific groups of customers with a view to improving the customer journey time and mitigating strategic risks.
 - Engagement with internal staff and external stakeholders had taken place to obtain feedback and ideas on how to improve ways of working using existing resource to reduce the customer journey. A plan was in place to review the ideas put forward and turn them into improvement activities.
 - Some of the new ideas and existing processes were being tested or reviewed to identify further efficiencies and remove barriers, this included: testing approaches to dealing with cases where a reasonable offer had been made at tier 1 and through guided negotiation; considering the introduction of a Junior Investigator role; considering introducing specialist Investigators to focus on specific areas of law; assessing proportionality and considering ways of bringing cases to a fair conclusion before significant investigation work has been undertaken and introducing robotic process automation. Upon completion of successful testing or review, all new activities would become part of business as usual.
44. Board Members were pleased with the progress being made on addressing priority 1 of the Business Plan. They questioned the volume of additional work that was being undertaken, the burden it placed on operational staff and the implications of this on their business as usual responsibilities.
45. In response, the COO concurred that addressing priority 1 had created additional work, which had necessitated a phased, balanced and agile approach to ensure that operational staff were able to deliver their business as usual responsibilities whilst also developing new approaches. To reduce some of the burden, and to build operational resilience, additional Team Leaders were being recruited. High levels of staff commitment and dedication were being seen and everyone was working hard to deliver the improvement required to address priority 1 of the business plan and the other business plan priorities.

46. Following discussion, the COO confirmed that an approach to case fees would be developed in respect of those cases closed as result of reasonable offer made or through guided negotiation.

47. It was **agreed** that an update on the progress being made to address priority 1 of the Business Plan would become a standing agenda item at future Board meetings.

ACTION: Board Secretary to update the Board forward plan to include a standing agenda item on the progress being made to address priority 1 of the Business Plan.

48. Board **noted** the update on the Business Plan priority1: pre-assessment pool activity.

Item 11 – Independent Review summary report

49. Further assurance had been sought at the March Board meeting on the progress that had been made against each of the recommendations arising from the Independent Reviews. A summary report was presented to the Board by the Head of Organisational Design and People, providing evidence on how each of the 39 recommendations had been developed and progressed so that the Board could determine whether it was satisfied that the Independent Review could now be drawn to a close.

50. The Board was advised that most of the recommendations had either been completed or had been integrated into business as usual and / or the People Plan activities.

51. The Board was asked to consider four recommendations further to ensure that the issues arising from the Independent Review under reference IR4, IR12, IR21 and IR31 had been satisfactorily addressed.

52. Considering each of the recommendations in turn and taking into account the detailed information and evidence included in appendix 1 of the report, the following points were made:

IR4: Having considered the recommendation that the Board may wish to consider shadowing investigators on a regular basis to better understand the business of LeO and its dynamics, it was **agreed** that this action would be transferred to the Board's actions log for future consideration.

ACTION: Board Secretary include an action on the Board action log for the Board to consider shadowing investigators on a regular basis to better understand the business of LeO and its dynamics in line with the Independent review recommendation, IR4.

IR12: Having considered the recommendation that the Board may wish to consider the introduction of a CONDOR system to allow reporting of harassment incidents to the Board, it was **agreed** that that there were already appropriate procedures and policies in place for staff to confidentially report concerns about harassment and this recommendation should be closed.

IR21: Having considered the recommendation to consider the appointment of a non-executive Board member as LeO's Whistleblowing Champion and it was **agreed** that such an appointment would not be appropriate and that this recommendation should be closed.

IR31: Having considered the recommendation that the Board should re-instate quarterly reports that include a more formal summary of achievements, outcomes and contribution against the organisation's wider strategic objectives from each of the supporting committees, it was **agreed** that sufficient performance reporting was now in place and the Board was content for this action to be closed.

53. Having reviewed the evidence on how the recommendations were being progressed, and following a detailed discussion, the Board **confirmed** that it was now content for the Independent Review to be concluded.

54. The Chair confirmed that she would inform the LSB and MoJ that the Independent Review had now concluded.

55. The Chair asked the CO and COO to share their views and reflections, outside of the meeting, on how best to communicate this to staff.

ACTION: The CO and COO to provide their views and reflections, outside of the meeting to the Chair on how best to communicate to staff that the Independent Review had been concluded.

56. The Board thanked the Interim Head of Organisational Design and People for her hard work and wished her every success for the future after leaving LeO later in the month.

Item 12 – Independent Service Complaint Adjudicator's Annual Report

57. The Independent Service Complaint Adjudicator (SCA) presented the annual report for 2020/21, highlighting the following key points:

- The uphold rate for service complaints was 12.5%. This was the lowest uphold rate in the six years that the SCA had been in post, was lower than the uphold rate in similar organisations and was evidence of the improvements that had made by LeO in recent years.
- The standard of LeO's responses to stage 1 and 2 service complaints was high; the decisions issued had been well considered and it was evident that a lot of effort was being made to resolve service complaints.
- Complainants at stage 3 tended to have more entrenched views and the SCA had found that much of her work over the last 12 months had focussed on providing explanations and confirmation of the position that had been given at previous stages in the process rather than providing remedies.
- There had been an overall reduction in the number of service complaints received in the last 12 months. At the mid-year point there had been a significant reduction in the number of stage 3 complaints, but numbers had increased during the second half of the year. This was not indicative of a decrease in the quality of previous service complaint responses, but more a reflection of the LeO's openness and the ease at which complainants were able to progress their complaints to stage 3 of the process.
- LeO had continued to be very open to the recommendations and feedback given by the SCA for remedies and service improvement.

- Delay continued to be an issue and the SCA had been pleased to see the improvements being made to ensure that customers were updated on wait times.
- Concern was raised about the way investigators had shared their views with the parties on a small number of cases.

58. The Board acknowledged the concerns raised by the SCA about the way some investigators had shared their views on a small number of cases and commented on the importance of this being tackled by the Executive.
59. The Chair reported on the increased number of direct approaches being made to her by complainants. Recognising that the Chair's role was not to review individual case decision, and that this was a common approach seen in other Ombudsman schemes, the SCA stressed that it was important that the service complaint process was correctly followed.
60. The Board thanked the SCA for her annual report and, recognising that this would be her last report, the Board thanked her for her contribution to the service complaints process and wished her well for the future.

Item 13 – Twice-yearly quality assurance update

61. The Head of Complex Casework and Deputy Chief Ombudsman presented a paper updating the Board on key trends identified from the quality assurance framework in Q3 and Q4 of 2020/21, reporting that performance against quality measures remained stable.
62. The key themes identified through customer satisfaction surveys and internal quality reviews were around communication and delay. Remedial action was being taken to address this and included: issuing regular email updates advising customers of wait times at the front-end; information on front-end wait times being published on the website; engaging with service providers while cases were waiting in the Pre-Assessment Pool to discuss revising their offers at tier 1 and improvements to the way complaints were scoped.
63. Improvements have been made to the way internal quality reviews were being conducted to ensure they were as independent and impartial as possible and to the process for dismissing cases, sending cases back for further investigation and for ombudsman decisions.
64. It was hoped that evidence of these improvements would be seen in the results of future customer satisfaction surveys and internal quality reviews.
65. Commenting on the importance of the quality assurance work that was being undertaken, Board members explained how their understanding of the issues behind the quality assurance data would be enhanced if case studies could be shared with them. Recognising the strict boundary in place preventing Board members from commenting on individual cases, the Chair and CO agreed to give this further consideration.

ACTION: The Chair and CO to consider sharing case studies to enhance the Boards understanding of the issues that lie behind the quality assurance data.

66. In response to concerns raised about potential risks because of reducing and suspending some of the quality assurance checks in 2020/21, the Board was advised that there had been no evidence to suggest that the quality of work undertaken at that time had

deteriorated. All quality assurance checks had now been re-instated and quality was being monitored and action would be taken to address any issues that were identified.

67. The Board was advised of resource constraints that were hindering progress on assessing the findings of the quality assurance framework review. Recruitment activity was underway to replace key individuals in the Quality team which would address this. The CO advised that a key aim of that assessment would be to ensure that the quality assurance framework was proportionate, targeted and met the current needs of the organisation.

68. Following discussion, it was **agreed** that the findings and proposed actions from the quality assurance framework review would be shared with the Board as soon as possible rather than in six-months' time, when the next quality assurance update was due to be presented to the Board.

ACTION: The Head of Complex Casework and Deputy Chief Ombudsman to share the findings and proposed actions from the quality assurance framework review with the Board as soon as possible.

69. The Board **noted** the quality assurance update.

Item 14 – Lessons learned from the Employment Tribunal

70. A decision was made to postpone this agenda item until the July Board meeting.

ACTION: The Board Secretary to add the lessons learned from the Employment Tribunal to the Board forward plan for discussion at the July meeting

Item 15 – Annual Strategic Risk Workshop

71. Board members took part in the annual strategic risk workshop where discussions focussed on the year-end position of the 2020/21 strategic risks and that the proposed 2021/22 strategic risks and overarching risk appetite statement.

72. The following key points were made in discussion about the year-end position of the 2020/21 strategic risks:

- The Chair of ARAC reflected on the improvements that had been made during the year on enhancing the strategic risk profile and updating strategic risks and confirmed that the end of year 2020/21 position was acceptable.
- The closing position on the 2020/21 strategic risk SR03 (Coronavirus pandemic) should be better aligned to the starting position of the 2021/22 proposed Coronavirus risk.

73. Following discussion, the Board **approved** the year-end position of the 2020/21 strategic risks subject to the consistency of the end position of strategic risk SR03 (Coronavirus pandemic) and the start position of the new 2021/22 coronavirus strategic risk.

74. The following key points were made in discussion about the proposed 2021/22 strategic risks and overarching risk appetite:

- Further improvements would be required on risk management during 2021/22 to include the mapping of risk appetite to strategic risks, improving risk mitigations, the

interdependencies of risks and agreeing the aggregate risk the organisation would be prepared to stand.

- The starting position of the 2021/22 proposed Coronavirus risk should be better aligned to the closing position on the 2020/21 strategic risk SR03 (Coronavirus pandemic).
- The Executive would give further consideration to what the overarching risk appetite position on the proposed 2021/22 strategic risks should be.
- The proposed 2021/22 strategic risks SR07 and SR08 should be managed as Business Unit Risks.
- More clarity was required on the 2021/22 proposed strategic risk SR04.

75. Following a detailed discussion, the Board:

- **Agreed** that the overarching risk appetite statement would be reconsidered by the Executive once further work had been undertaken of the 2020/21 proposed strategic risks SR01 and SR04 and would be presented to ARAC for approval on 1 July.
- **Agreed** that revisions to the proposed 2021/22 strategic risks would be made in line with the Board's comments and a revised set of proposed strategic risks would be presented to ARAC for approval on 1 July.

ACTION: The Board Secretary to add approval of the 2021/22 strategic risks and overarching risk statement to the agenda for discussion at the 1 July ARAC meeting.

Item 16 – Board Paper Redactions and Non-Disclosure report

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

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

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

Item 17 – Board Effectiveness

78. In line with the Board's commitment to improving Board effectiveness, Hari Punchihewa reflected on the meeting and made the following points:

- The Board meeting had been well organised, and the additional breaks had been appreciated.
- Discussions had been maintained at the strategic level overall and the Board had provided the right level of challenge and direction to the Executive. All Board members had contributed to discussions which hadn't been dominated by one of two people.
- There was still some scope for further improvements to the Executive summaries of Board papers.

- It was suggested that consideration could be given to putting all decision-making items at the start of the Board agenda, but it was recognised that this could adversely affect the flow of the meeting
- It was suggested that the Executive might consider preparing a short progress report, possibly in the format of a balanced scorecard, setting out the progress on all key deliverables and whether it was on track to deliver against them.
- The best agenda item and discussion had been on the Budget and Business Plan lessons learnt; the agenda item had been well introduced, the accompanying report had been clear and succinct, and a good discussion had taken place.
- The Independent Review report had lacked clarity around key messages, and this had caused some confusion when discussing this agenda item but a clear outcome had been reached

Item 19 – Any other business

- 79.** The Board Secretary reported that the LSB had confirmed its schedule of Board meeting dates and the deadlines for submission of key OLC papers. A further review of the proposed 2022 OLC Board meeting dates would now be required as some of the proposed dates may need to be changed to align to the LSB's schedule.