

Minutes of the 140th Meeting of the Office for Legal Complaints (OLC)

Thursday 24 July 2025

Present Elisabeth Davies, OLC Chair Elaine Banton Georgina Philippou Rachel Cerfontyne Hari Punchihewa Patricia Tueje Alison Sansome	In attendance Paul McFadden, Chief Ombudsman Steve Pearson, Deputy Chief Ombudsman Blessing Simango, Head of Finance, Procurement and ICT Mike Harris, Interim Head of Communications, Engagement and Impact David Peckham, Head of Operations, Business transformation and Intelligence Lisa Hanlon, Interim Head of People Strategy and Services Aaron Rock, Risk Manager, item 2 Tracey Prescod, Project Manager, item 2 Mark Persard, EDI manager, items 9 and 10
Minutes Kay Kershaw, Board Governance Manager	

Item 1 - Welcome, apologies, declarations of interest and other preliminary matters

1. The Chair welcomed attendees to the meeting.
2. There were no apologies.
3. The meeting was quorate with a lay majority
4. There were no declarations of interest.

Item 2 – Annual strategic risk workshop

5. At the annual strategic risk workshop, the Board:
 - Reflected on the enhancements that had been made to strengthen risk reporting to the Board and Audit and Risk Assurance Committee (ARAC) in response to an action from the external Board effectiveness review and considered what more could be done to build on these enhancements.

- Reviewed and **approved** the 2025/26 risk appetite statement.
- Reviewed and **approved** the 2025/26 strategic risks and issues and their associated risk appetites and tolerances, subject to changes being made in response to the Board's feedback on resilience and key people risks and emerging risks to monitor.

Item 3 – Proposed approach to the consultation on case fees

6. The Deputy Chief Ombudsman presented a report outlining the Executive's proposed approach and timeline for a consultation on case fees. The following key points were drawn to the Board's attention:

- The Legal Ombudsman's (LeO) operating costs were funded by a combination of a levy contribution from the legal sector and case fees. Case fee income reduced the amount of the levy contribution but did not generate more money for LeO to spend.
- The current case fee regime had largely remained the same since LeO had commenced operations in 2010, with only minor adjustments made over that time.
- In developing the proposal for the consultation on cases fees, the Executive had taken into account stakeholder feedback in response to the 2025/26 Budget and Business Plan consultation. The majority of respondents had acknowledged that case fee had fallen behind inflation and that an increase was justifiable but had urged caution to avoid making changes to the case fee that might adversely impact service providers operating in cost sensitive areas of the legal sector.
- The Executive's proposal had also reflected case fee discussions that had taken place with the Legal Services Board (LSB), including on the frequency case fees should be reviewed.
- The proposed timeline had been aligned with the governance process required for approving any changes to the case fee, which would require the approval of the OLC Board, LSB Board, and the Lord Chancellor.

7. In discussion, the Board recommended that future reviews should serve as an opportunity to evaluate and enhance the case fee structure. It was suggested that this should include a strategic analysis of the case fee model incorporating benchmarking

against other Ombudsman schemes, and a review of fees charged within the legal sector, to ensure that LeO's case fee remained proportionate and in line with inflation.

8. The Board provided feedback on the wording of a proposed consultation question.
9. Following discussion, the Board **approved** the Executive's proposed approach and timeline for a consultation on case fees, subject to the OLC Chair's approval of the re-worded consultation question.
10. It was recommended that the rationale for the proposed approach to the consultation on case fees, and the long term strategic approach to reviewing the case fee structure, was clearly communicated to stakeholders.

Item 4 – Update from the Performance Sub-Group (PSG)

11. The Chair of the PSG presented a report updating the Board on a meeting of the PSG held on 10 July 2025. The following key points were made:
 - This had been the first meeting of the PSG within the 2026/27 budget and business planning cycle.
 - Discussions had focussed on the challenges arising from the sustained and accelerating growth in demand for LeO's service, its impact for operational performance in 2025/26 and the implications for trajectory setting and budget and business planning for 2026/27.
 - It was noted that increasing levels of demand were not unique to LeO and reflected a wider trend across ombudsman schemes and the regulatory sector. Horizon scanning had indicated that demand for LeO's service was expected to continue increasing into 2026/27 and beyond.
 - The PSG had reviewed actual performance data for 2024/25 to assess the accuracy of the previously established trajectories and underlying assumptions and had noted that the majority of the trajectories and underlying assumptions had been accurate, particularly in terms of case resolutions.
 - Having reviewed the impact of increasing demand on the assumptions and trajectories underpinning performance for 2025/26, the PSG had noted

discrepancies relating to sickness absence and demand. Both were to be addressed as part of the mid-year 2025/26 re-forecasts and trajectory setting for 2026/27.

- As a consequence of increasing levels of demand, the volume of unallocated investigations had not decreased in line with 2025/26 forecasts.
- Furthermore, there had been an increase beyond expected levels for 2025/26 in the volume of new cases awaiting assessment within the General Enquiries Team (GET). This had been driven by a year on year increases in the number of new customer complaints received, with no increase in the level of resource within the GET to deal with them. This had been exacerbated by additional operational pressures within the GET due to staff vacancies; it was noted that recruitment plans were in place to mitigate this.
- The increased levels of demand at the front-end had not yet translated into core demand. This had created a reporting anomaly whereby the number of unallocated investigations currently appeared to be reducing, when in fact core demand, which was already at worst-case planning scenario, would increase from Q2 as work flowed through from GET.
- Following a detailed review of the assumptions and trajectories for 2024/25 and 2025/26 and having considered the implications for 2026/27 forecasting, the PSG requested that the Executive developed three trajectory scenarios to aid budget and business planning for 2026/27, for consideration at its next meeting in August. These included:
 - A scenario based on a flat budget with no increase in investigator capacity.
 - A stabilisation option that increases capacity to meet demand whilst maintains current backlog levels.
 - A backlog reduction scenario which would increase capacity to meet demand and reduce the volume of unallocated investigations, taking into account realistic constraints around recruitment and training.
- The next update from the PSG would be provided to the Board at its budget and business planning workshop in September.

12. The Board, having **noted** the update from the PSG, emphasised the importance of clearly communicating to stakeholders the implications of decisions made about the 2026/27 budget, particularly in relation to the options for managing the backlog of unallocated cases and controlling demand.

Item 5 - Update from Audit and Risk Assurance Committee (ARAC)

13. The ARAC Chair presented a report on key discussions, assurances and escalations from ARAC meetings held on 19 May and 18 June 2025.
14. The Board was informed of a detailed discussion held at June's ARAC meeting about GIAA's assessment of the 2024/25 annual internal audit opinion which, for the first time, had included a new 'direction of travel indicator' for contextual enhancement. The following key points were made:
- Noting that previous annual opinions had been based on the outcomes of audits over a rolling three-year period, which had shown improvement year on year since 2022/23, ARAC had sought clarification on GIAA's assessment which reported a small decline in the direction of travel within the moderate audit opinion range.
 - In response, GIAA had confirmed that its assessment of the direction of travel was not indicative of any concern, as no weakness had been identified in the 2024/25 internal audit programme. However, its assessment reflected areas within the control framework requiring further improvement. Given the size and scope of the 2024/25 internal audit programme, completion of the 2025/26 audit programme would be necessary to fully determine whether a forward direction of travel could be reported.
 - GIAA had confirmed that the OLC's reduced 2025/26 internal audit programme, which was necessitated by the affordability of an unexpected increase in GIAA's annual audit fee, would not adversely affect future audit opinions, clarifying that annual internal audit opinions and direction of travel, were based on GIAA's professional assessment of the overall control environment across the areas audited over a rolling three-year period; there was no scientific formula to determine this, and there were no areas of audit that carried more influence.

- ARAC had recommended to GIAA that its Annual Opinion Report and Annual Performance Report included an explanation of how the outcomes of audits undertaken over a rolling three-year period were taken into consideration when determining the annual internal audit opinion along with the direction of travel.
15. Discussions had taken place with GIAA regarding the OLC's 2026/27 budget planning timetable to help mitigate the risk of late notification of any changes to the internal audit fees for that year.
16. It was **noted** that the OLC retained the option to appoint an alternative provider for internal audit services.
17. The Board **noted** the update on the ARAC meetings held on 19 May and 18 June 2025.

Item 6 - Update from Public Interests Decisions Committee (PIDCo)

18. The PIDCo Chair presented a report on the actions and decisions reached at the first PIDCo meeting held on 20 May 2025.
19. In discussion, the following key points were made:
- PIDCo's first meeting had been positive and constructive. The supporting papers had been well-prepared and had contained an appropriate level of detail to facilitate informed discussion and decisions.
 - Time was dedicated during the meeting to clarifying the process for managing the public interest decisions once approved by the Committee for publication and the stakeholder and media impact.
 - Following careful consideration of the relevant facts and associated risks, the Committee had agreed that three of four ombudsman decisions recommended by the Chief Ombudsman met the criteria for publication in the public interest and formally approved them for publication.
 - The Committee acknowledged both the ambitious target set for publishing public interest decisions and the substantial effort required to prepare the decisions for it to consider and subsequently publish.

- Consideration may be given in the future to broadening the scope of the criteria for publishing decisions in the public interest. This would help ensure that a wider range of insight was made available and support the continued momentum of publications, particularly in instances where there may be an insufficient number of decisions that demonstrate seriously poor service and serious impact.
- PIDCo would reflect on the learning and impact arising from the publication of the first public interest decisions at its next meeting in August.

20. The Board **noted** the update from PIDCO.

Item 7 Chief Ombudsman's Report

21. The Chief Ombudsman (CO) presented a report updating the Board on activity and performance in quarter one across all areas of LeO's strategic and operational focus.

22. In discussion the following points were made:

- Sustained and accelerating levels of demand continued to present a significant strategic challenge, affecting LeO's capacity to reduce the queue of unallocated investigations. The implications of this were being factored into the early planning for the 2026/27 budget and business plan and would be further considered at the Board's Budget and Business planning workshop in September as part of broader discussions on performance trajectories and deliverables informed by horizon scanning.
- Substantial progress had been made in delivering the impact objective through the rollout of several strategic initiatives focussed on improving transparency and raising standards. Notable milestones included the first publication ombudsman decisions in the public interest; the publication of the next edition in the Spotlight insight series; and the pilot of best practice guidance aimed at improving first tier complaints handling.
- Additionally, tailored support had been initiated for selected legal service providers to enhance their complaints handling procedures and address any specific areas needing improvement. The effectiveness of this initiative in managing demand would be measurable, and the Board would receive updates on progress. Subject

the success of this initiative, there was potential for LeO to introduce a charge for this tailored support in the future.

- The strategic risk associated with the Government Property Agency (GPA) hub in Birmingham had been revised to reflect that Cabinet Office funding had not been secured by the GPA, along with the resulting implications for LeO's Birmingham office.
- Further engagement would be explored with the Legal Services Consumer Panel in response to the views expressed in its annual report concerning LeO's transparency initiatives and the publication of ombudsman decisions.

23. The Board **noted** the Chief Ombudsman's report.

Item 8 – Integrated Performance Report

24. The Board reviewed the integrated performance scorecard for Q1 2025/25. In discussion, the following points were made:

- Performance against all people metrics in quarter one remained stable, with no issues to escalate to the Board. Sickness absence continued to be a key areas of focus and was being actively monitored.
- Most strategic risks and issues were assessed as high or critical and remained out of tolerance levels. This was being driven by sector-led demand pressures, delays in the Ministry of Justice's approval for recruiting an interim Chief Ombudsman and Chief Operating Officer, ministerial delay in approving the 2025/26 levy and OLC's budget, and uncertainty around accommodation for the Birmingham office which had intensified following the GPA's failure to secure Cabinet Office funding.
- As a consequence of the delay in ministerial approval of the levy and OLC's 2025/26 budget, recruitment for additional investigative staff for September and October 2025 had been paused. This was expected to result in an irreversible 1% reduction in projected year end investigation output and further, more substantial impacts next year, with the possibility of further decline if the delay persisted or the budget was ultimately reduced. The October intake of investigators had also been designated to support activities arising from the LEAN review and the pause in

their recruitment would further impact overall performance delivery. The Chief Ombudsman had escalated concerns about this to the Ministry of Justice and the Board would be kept updated on the situation.

- Current demand levels had surpassed worst case scenario projections. Despite this, quarter one performance outputs had been strong, exceeding likely case scenario projections. This had been achieved despite a staffing shortfall of nine full-time equivalent (FTE) roles at the start of the year and a delay in planned recruitment in May due to delays in the Legal Services Board's (LSB) approval of the 2025/26 budget.
- Customer satisfaction and quality levels remained broadly stable in quarter one, with no new themes identified from quality assurance and customer satisfaction reviews. Despite this, there remained scope for improvement in service levels for in-depth investigations and a collaborative effort between the Quality Team and Operations Team was ongoing, with a shared focus on driving improvement.
- A review of LeO's approach to customer satisfaction had begun in quarter one and is expected to conclude by the end of the financial year. This would include a review of customer satisfaction survey questions aimed at addressing longstanding concerns that customers may conflate the outcome of their investigation with the quality of the service received. The findings of this review would help ensure that survey responses more accurately reflected the customer experience and inform improvements to LeO's service delivery processes.
- As a consequence of the sustained and increasing levels of demand and impact on the GET, customer journey times for in-depth investigations remained elevated. However, as the volume of case closures had increased, these wait times had begun to reduce.
- It was anticipated that the combined wait times and customer journey times would improve in quarters three and four, driven by the impact of activities arising from the LEAN review, although this would also be monitored and subject to further MoJ delays on the 2025/26 levy.
- End to end customer journey time for early resolution cases remained significantly below 60 days.

25. The Board **noted** the quarter one integrated performance report.

Item 9 Welsh Language Scheme

26. The Interim Head of Communications, Engagement and Impact presented a paper outlining LeO's response to the Welsh Language Scheme requirements.

27. The Board was advised that, following consultation with the Welsh Language Commissioner, the Scheme had been updated to reflect the significant changes in LeO's operations since 2011. The revised Scheme was currently awaiting approval from the Welsh Language Commissioner.

28. The Board also received LeO's annual report to the Welsh Language Commissioner, detailing how LeO had fulfilled its Scheme obligations in delivering services in Wales between April 2024 and March 2025. As the revised Scheme had not yet been approved, this report had been based on the existing version of the Scheme. The following key points were drawn to the Board's attention:

- Public awareness of LeO's service in Wales, both prompted and unprompted, was stable.
- There were no notable difference in the levels of awareness of LeO between England and Wales.
- The number of people using LeO's service in Welsh was stable but low with 57 unique visits to LeO's complaint checker, 14 unique visits to LeO's Welsh complaint form and one new complaint submission in Welsh.
- In light of this, consideration was being given to whether this accurately reflected the genuine level of demand for LeO's service in Wales and whether more could be done to improve awareness and accessibility.
- LeO would be contributing to a directory of services in response to a campaign led by the Welsh Language Commissioner, the impact of this contribution would be monitored to assess whether it raised awareness of LeO's service and prompted more contact from people in Wales.

29. In response to a question, the Board was advised that complaints submitted in Welsh were translated into English for the purpose of investigation, whilst all communication with the complainant was conducted in Welsh, using the services of an external professional translation provider. By engaging an external translation provider, LeO was able to deliver a more resilient and reliable service than relying on Welsh language speakers within its staff. Service level agreements were established with the external provider to help mitigate any potential delays arising from the translation process.
30. It was suggested that, to assess LeO's Welsh Language Scheme, there may be value in benchmarking it with other organisations in the future.
31. Following discussion, the Board **approved** LeO's 2024/25 annual report to the Welsh Language Commissioner.

Item 10 – Equality, Diversity and Inclusion Update

32. The Equality, Diversity and Inclusion (EDI) Manager presented a paper updating the Board on the progress made in delivering the 2024/25 EDI strategy and action plan and the 2025/26 EDI action plan and the key projects scheduled for delivery. The following points were drawn to the Board's attention:
- The 2025/26 EDI action plan was 31% complete and progressing on schedule. Key achievements included: The completion of the annual customer workforce and customer diversity data analysis; a successful Pride event led by the LGBTQ+ Network and a South Asian Heritage event led by the REACH Network; the appointment of two Co-Chair's to lead a new Men's Network; the appointment of a new EDI Specialist; the development of a new EDI impact framework, based on industry best practices to strengthen LeO's ability to measure and evidence the outcomes of EDI work.
 - The 2024/25 EDI action plan had been fully completed.
 - The civil service people survey score for overall inclusion and fair treatment had increased by 4 percentage points, with notable improvements recorded for disabled and ethnic minority staff.

- EDI led training, including sessions on neurodiversity for managers and vulnerable customer champion training for team leaders, ombudsman and investigators, had received an 88% average satisfaction score.
- Staff reported high levels of satisfaction with multi-disciplinary team which played a key role in supporting the progression of complex cases through the business process and contributed towards improved operational performance.
- Workforce diversity at LeO for ethnicity and disability exceeded civil service and census data benchmarks, highlighting strong progress towards the organisation's representative workforce Equality Priority Objective.
- LeO had achieved a 3% reduction in its mean gender pay gap score, outperforming both public and private sector benchmarks, reflecting ongoing progress in gender inclusivity.
- LeO had outperformed the social mobility benchmarks set by the social mobility commission and the legal sector, demonstrating that leadership positions were based on skills and knowledge rather than social background.

33. The EDI Board Sponsor and Chair of the EDI Steering Group reflected on the progress made in advancing the EDI agenda and its impact, particularly in terms of LeO's strategic approach to attracting and retaining staff and supporting vulnerable customers which had mitigated risks associated with staff attrition and had improved the quality of service provided to customers with protected characteristics, particularly disabilities. It was noted that the data collected through LeO's new EDI monitoring form would inform the ongoing development of the EDI strategy.

34. The Board discussed the link between EDI and operational performance, noting that current evidence suggests a correlation rather than causation. Links to operational performance were highlighted in the EDI update Board paper; the EDI Manager would continue to track these areas in the year ahead.

35. Consideration would be given to deepening the understanding of the EDI impact, with the aim of identifying any potential causal relationship between EDI initiatives and operational performance improvements.

36. Having reviewed the EDI statistics, the Board sought that qualitative data indicating positive progress was supported by anecdotal evidence. The EDI Manager confirmed this, citing staff contributions during safe space sessions across all staff networks and verbatim feedback from events including post training evaluations. Additionally, the EDI Board Sponsor confirmed that Co-Chairs of the staff networks had shared feedback during EDI Steering Group meetings, further evidencing the progress made. It was **noted** that the annual cycle of pre-Board sessions with the Staff Networks would commence in September.
37. In response to concerns about the cancellation of EDI initiatives in the USA and the potential implications for EDI in the UK, the OLC Chair and Chief Ombudsman had made clear the OLC/ LeO's commitment to EDI both verbally at an all staff briefing and in written communications with staff, stressing that this commitment was central to strategic aims, success and ongoing improvement. The OLC/LeO's commitment to EDI had also been communicated in discussions with the EDI Steering Group. No further concerns had been raised about this by staff.
38. It was **noted** that the OLC/LeO's commitment to EDI was firmly rooted in legislation, policy and Public Sector Duty and that its EDI objectives were integral to the OLC/LeO's strategy, operational performance and success.
39. The Board **noted** the EDI update and commended the EDI Manager for their contribution to the delivery of the EDI strategy and its positive impact.

Item 11 – Transparency Publications

40. The Board **approved** the Q1 2025/26 Board member register of interests for publication, subject to a change reported by one Board member.
41. The Board **approved** the Q1 2025/26 ombudsman and senior manager register of interest for publication.
42. The Board **approved** the Q1 2025/26 gifts and hospitality report for publication.
43. The Board **approved** the Q1 2025/26 Board member and senior manager's expenses report for publication.

ACTION: The Board Governance Manager to update the Board member register of interests to reflect the change reported by a Board member.

ACTION: The Board Governance Manager to arrange for the Q1 transparency reports to be published once updated.

Item 12 – Previous minutes and actions and matters arising

44. The Board **approved** the minutes of the OLC Board meeting held on 18 June 2025 for accuracy and for publication.

ACTION: The Board Governance manger to arrange for the minutes of the Board meeting held on 18 June 2025 to be published.

45. The Board **approved** the minutes of the ARAC meeting held on 19 May 2025 for publication.

ACTION: The Board Governance manger to arrange for the minutes of the ARAC meeting held on 19 May 2025 to be published.

46. In response to a question relating to the ongoing action 5, paragraph 21 from the April Board meeting, the CO confirmed that further consideration would be given, with the OLC Chair, to how focus on Value for Money (VFM) could be further enhanced in strategic reporting. A further update on this action would be provided at September's Board meeting.

47. The Board **noted** the update on actions from previous meetings.

48. The Board **ratified** a decision made by the OLC Chair out of committee in June 2025, in line with delegated authority from the Board, to approve the OLC's 2024/25 Annual Report and Accounts.

49. The Board **ratified** a unanimous decision made out of committee to approve the appointments of three applicants to the Ombudsman role to commence in post on 1 July 2025 and to proactively appoint a fourth applicant should a vacancy arise within the next six months.

Item 13 – Redactions and non-disclosure report

50. The Board **approved** the items identified for redaction and non-disclosure in the July Board pack.

ACTION: The Board Governance Manager to publish the July Board papers in line with the redactions and non-disclosure approved by the Board.

Item 14 – Board effectiveness

51. Patricia Tueje and Steve Pearson were appointed strategy champions for this meeting and provided feedback on which session had worked well strategically and why; which paper had been the most useful strategically and why; and where there was learning and value in doing things differently in the future to occupy a more strategic space. The following points were made:

- Overall, the Board had considered a range of key strategic issues at this meeting, particularly those relating to the challenges of demand and the progress being made towards achieving the impact objective.
- The best session strategically had been the risk workshop. The insights provided by Board members had been particularly valuable.
- The best papers strategically had been on the Chief Ombudsman's report and the integrated performance report. Both provided detailed content, with the format of the integrated performance report being particularly effective in combining statistical data with supporting narrative.
- To occupy a more strategic space there may be value and learning in introducing more Board workshops; these would offer valuable opportunity for the Board and Executive to break into smaller groups to explore broader perspectives and a wider range of ideas on key strategic issues.

Item 15 – Any other business

52. It was noted the use of WhatsApp groups for work-related discussions were not permitted.

53. An up to date list of Board members' contact details would be circulated by the Board Governance Manager.