

<i>Meeting</i>	OLC	<i>Agenda Item No.</i>	4
		<i>Paper No.</i>	90.3
<i>Date of meeting</i>	12 September 2018	<i>Time required</i>	15 Minutes

<i>Title</i>	Executive Report
<i>Sponsor</i>	Rob Powell, Chief Executive and Rebecca Marsh, Chief Ombudsman
<i>Status</i>	OFFICIAL
<i>To be communicated to:</i>	Members and those in attendance

Executive summary
<p>This paper updates Board on key issues arising since the July Board meeting. Financial issues are covered in the finance paper.</p> <p>A separate report on performance and KPI tolerances appears on today's Board agenda.</p> <p>This paper provides a consolidated executive view, comprising separate reports from the CEO and Chief Ombudsman, supported by a summary of our meetings with key stakeholders, as set out in Appendix 1.</p>
Recommendation/action required
Board is asked to NOTE the issues highlighted in the paper.

12 September 2018

Chief Executive and Chief Ombudsman executive report

1. Activity on Chief Ombudsman priorities

Despite the challenges of summer leave, performance has seen a continued steady improvement and has been the ongoing focus:

- we are seeing a shift to steadier improvement in output across all the teams;
- old system cases are closing and as the proportion of current work on the new system increases, the quality and speed of closure becomes more achievable;
- there is sustained high performance in the legacy supervision team, with high numbers of informal resolutions and the other supervision teams are performing well;
- the learning arising has been translated into training materials and is being steadily rolled out across the wider business, the modules delivered so far have been universally well received;
- the shift in improvement arises from the ongoing change in management focus to case progression, with appropriate levels of case holding based on complexity, as well as the training and changes to the front end;
- the Management Team is driving a project to improve individual/team performance and build a high performance culture; and
- challenges in fully implementing the front-end aspect of the process are being addressed and, combined with the increased pull through of new cases as a result of the main business as usual improvements, will directly impact the numbers of cases accepted, bringing them back into line with forecasts.

2. External affairs update

Appendix 1 summarises stakeholder meetings since the last OLC meeting. Wider stakeholder issues appear in the separate horizon scan paper. Key activity included:

- developed and published a revised signposting report - received good coverage on social media and in trade press;
- presented at a well-attended Society of British and Bangladeshi Solicitors event;
- responded to the FCA consultation on the regulation of CMCs; and
- laid the OLC's annual report and accounts before Parliament on 19 July - a note of the coverage in the trade press was circulated.

3. Modernising LeO update

Programme Board met in July and August. The focus has been on reducing the scope of Phase 2 of the programme. As well as good progress with a number of IT-related 'better

service' projects, reported under the IT update, we have updated the benefits realisation framework, finalised project briefs and agreed the approach to the Gateway 5 review.

4. IT update

There were two outages since the last report:

- on Sunday 29 July a three hour outage prevented CMS users connecting to the document library due to security certificate renewals needing manual renewal; and
- a three hour outage on Tuesday 7 August which impacted the ability of staff to create documents, caused by third party issues with the Document Core Pack (CMS add-on software) supplier failing to apply new licences correctly purchased.

Significant progress has been made with the prototype for the Customer Assessment Tool and we expect to have gone live with it by early October, subject to user testing.

We have been informed of Microsoft's 31 January deadline to apply the mandatory v9 upgrade to our case management systems. Having been working to an assumption that it would be 31 March, this has required re-working of elements of existing plans for inter-dependent activities (CMS2 enhancements and CMS1 decommissioning). We are now working to have all cases closed or transferred to CMS2 no later than mid-December to facilitate safe decommissioning of CMS1 in good time for the mandatory upgrade.

The BI/MI project has kicked off and phase one (the core solution and some reports) should be completed by the end of November.

Infrastructure improvements are progressing. SharePoint and SQL servers that underpin CMS have been bolstered and replacements of on premise switches are in progress.

5. SIRO and GDPR update

Following the move to GDPR, reported security incidents increased although their frequency appears to have reduced recently. The main theme has been the use of incorrect postal/email addresses. We have revised relevant user guidance.

A new Data Protection and Compliance Officer, Christine Manise, joined us in August, and is reviewing and streamlining our processes for subject access and FOI requests.

6. HR update

Significant casework, sickness and turnover

- July's annual sickness rate was 4.1%, similar to the previous two months and comparable period last year; long-term sickness increased slightly to 2.6%; rolling annual voluntary turnover is 19.7% which continues to reflect the peak in Q3 '17-18;
- there is a high volume of ongoing casework; and
- our pay remit submission for 2018-19 was approved by RemCo in August and has been submitted to the MoJ for ministerial approval.

Recruitment

- Three sandwich students from Birmingham City University join us on 10 September.
- We have successfully recruited an IT Governance Assistant (apprentice) and short-term IT support cover over the summer.
- We have run a number of internal campaigns, all on a secondment basis until 31 March 2019, which are due to conclude towards the end of September.

Reward & recognition – Celebrating success

The scheme was launched in July. We received 22 nominations for the first quarterly awards, including 3 teams. We confirmed recipients in early September and are on track to implement recognition vouchers and the employee savings portal by 1 October 2018.

Learning and development

Activity this month includes:

- Mental Health, vulnerability and dealing with challenging behaviour for Q1 starters;
- a leadership development coach working with our Senior Ombudsmen, Operations managers and Team Leaders;
- Team Leaders attending a Courageous Conversations masterclass; and
- all investigators and L1 ombudsmen attending effective telephone skills training.

Project RACE

We received a report from Project RACE, the specialist MoJ team following focus groups to allow staff to express their perceptions of the challenges and experiences of Black and Ethnic Minority across LeO. Project RACE specialists will present the report to Management Team and we will report our action plan to RemCo in November.

7. CMC transition

- Although LeO may not fund transition costs, MoJ have confirmed we should proceed with time-critical work on transition which is underway on data transfer scoping. We are finalising the appointment of a supplier to produce the transfer agreement.
- We have reforecast the CMC budget in light of significant reductions in demand, and are moving a number of staff into the legal jurisdiction, some into permanent roles and others without prejudice to their options at the point of transition.
- FOS have undertaken to confirm the location of CMC work by September/October.
- A separate report on today's agenda covers CMC enforcement issues post-transition.

8. Legal update

We have circulated a legal update separately under legal privilege.

Appendix 1 – list of key external meetings and events

Date	Meeting	Scope/key issues
02/07/2018	CEO attendance at Association of Chief Executives event, <i>Protecting your organisation from Judicial Review</i>	Learning points from Judicial Review cases and principles to help reduce risks to public bodies.
03/07/2018	CEO Strategic supplier review meeting with Version 1	Strategic overviews from both organisations, discussion about current partnership and contracts, service performance and future priorities
03/07/2018	Chair and Chief Ombudsman meeting with new Chair of LSCP	Introductory meeting with new Chair
12/07/2018	CEO and Head of HR conference call with Rood Lane, Occupational Health provider	Strategic business challenges for LeO, the role of Occupational Health and project to better manage reasonable adjustments
26/07/2018	Chair, CEO and Chief Ombudsman meeting Ed Nally and Geraldine Newbold, Chair and CEO of the Solicitors' Disciplinary Tribunal visit to LeO	General catch-up on shared issues, including Modernising LeO and IT developments. They met with the Chair, CO and CEO, as well as having a wider intro to the business
26/07/2018	CEO telephone call with Alison Wedge, MoJ Deputy Director, Head of MoJ ALB Centre of Expertise	Short general catch-up and update following publication of the OLC's annual report and accounts
06/08/2018	CEO attendance at joint meeting with the Public Guardian, CCRC CEO and Regional Director of HMCTS	Discussion of shared issues and challenges
28/08/2018	CEO regular catch-up call with Neil Buckley, CEO of the Legal Services Board	Performance, 2019-20 budget acceptance criteria, MoU, September 6 way meeting, Scheme Rules, CMC transition and Board effectiveness review
30/08/2018	CEO meeting with Yvonne Dowie-Shosanya, Talent Lead to Project Race, MoJ ALB Centre of Expertise	Discuss the outcomes of the Project RACE focus groups and action planning