

Minutes of the 142nd Meeting of the Office for Legal Complaints (OLC)

Wednesday 22 October 2025

<p>Present</p> <p>Elisabeth Davies, OLC Chair</p> <p>Elaine Banton, items 1 to 8</p> <p>Georgina Philippou</p> <p>Rachel Cerfontyne</p> <p>Hari Punchihewa</p> <p>Patricia Tueje</p> <p>Alison Sansome</p>	<p>In attendance</p> <p>David Peckham, Interim Joint Chief Executive</p> <p>Steve Pearson, Interim Joint Chief Executive</p> <p>Blessing Simango, Head of Finance, Procurement and ICT</p> <p>Mike Harris, Head of Communications, Engagement and Impact</p> <p>Zoe Grainger Head of People Strategy and Culture</p> <p>Laura Stroppolo, Head of Programme Management and Assurance</p> <p>Sally Berlin, Independent Service Complaint Adjudicator, item 7</p>
<p>Minutes</p> <p>Kay Kershaw, Board Governance Manager</p>	

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 conflicts of interest.

Item 2 – 2026/27 Budget and Business Plan

5. Following discussions at the Board’s workshop in September, the Executive had further refined and developed the budget and business planning proposals for 2026/27 and the consultation document.
6. The Board reviewed the 2026/27 Budget Acceptance Criteria (BAC), welcoming its new streamlined format and accessibility. Feedback and recommendations were made to enhance the clarity and presentation of some of the information within the document.

7. The Board also reviewed the 2026/27 budget and business plan consultation document, noting its alignment with previous consultation templates, alongside the inclusion of new questions to seek stakeholders' views on demand and transformation. Feedback and recommendations were made to enhance the clarity of one consultation question and to consider the inclusion of two additional questions.
8. The Head of Communications, Engagement and Impact noted the Board's feedback and recommendations. Subject to these changes being made, the Board **approved** the 2026/27 BAC for submission to the Legal Services Board and **approved** the 2026/27 budget and business plan consultation document.
9. The updated BAC and budget and business plan consultation document would be shared with the Legal Services Board (LSB) by the 29 October 2025, for consideration by the LSB Board at its meeting on 27 November 2025.
10. In the intervening period, a meeting would be taking place with the Ministry of Justice (MoJ) on 29 October to discuss the BAC, aiming to mitigate any potential delay in the 2026/27 budget approval process. Additionally, a meeting would be taking place with the LSB Executive on 19 November to discuss the BAC and address any questions.
11. The budget and business plan consultation would be launched on 4 November 2025, closing on 16 December 2025. Internal and external stakeholder consultation events were being planned.
12. A verbal update on the key themes emerging from the consultation would be shared with the Board at its meeting in December, followed by a formal paper outlining the consultation feedback to be presented at the Board meeting in January 2026.

Item 3 – Joint Interim Chief Executive's Report

13. The joint Interim Chief Executive's presented a report updating the Board on activity and performance in quarter two across all areas of LeO's strategic and operational focus.
14. In discussion, the following points were made:
 - Demand continued to rise sharply, with new complaints received in quarter two increasing by 8% compared to quarter one and to over 24% compared to the

same period in the previous year. As a consequence, the demand forecast had been revised to nearly 13,000 complaints, more than double pre-pandemic levels.

- Rising levels of demand remained a key concern for the Executive Team, particularly in light of the potential for mass claims on the horizon. Striking the right balance between forecasting, mitigation measures and strategic planning to address this strategic issue continued to present a significant challenge.
- Performance had remained within projected ranges. However, the delay by the Ministry of Justice (MoJ) in approving the 2025/26 budget had resulted in a pause on planned recruitment intended to mitigate the impact of rising demand. As a result, performance in some areas, including the front end, had moved towards the lower end of projected ranges.
- Unallocated investigations had temporarily dropped to below 3000. Following LeO's ability to draw on its 2025/26 budget and recruit additional front- end resource, the flow of cases into investigations was expected to increase, leading to a rise in the number of unallocated investigations as the year progresses and an increase in customer journey times.
- The increased flow of cases into investigations would also impact other operational areas, including the Ombudsman and Early Resolutions Teams.
- People and culture had remained a key area of focus, with priorities centred on recruitment, sustaining stability in relation to attrition and absence management, and enhancing LeO's culture.
- IT and digital transformation progressed at pace once LeO was able to draw on its 2025/26 budget. Co-Pilot licences had been acquired and were due to be rolled out to all staff, with efficiency gains anticipated. Staff had attended sessions to familiarise themselves with the Artificial Intelligence governance framework and their responsibilities when using Co-Pilot. Additional efficiency gains have been realised through the implementation of front-end automation for case triage, and further efficiencies are anticipated through the development and subsequent introduction of the AI writing tool.
- Work to deliver the strategic impact objective had progressed at pace, with a significant volume of activity delivered by a relatively small team. This included the

publication of Public Interest Decisions (PIDs); development of the Model Complaints Resolution Procedure; provision of Tailored Support to service providers; responses to consultations; publication of Spotlight insight articles and remedies guidance; as well as media engagement to raise the profile of LeO's work and highlight sector led issues relating to demand.

- Quality and customer satisfaction rates had remained stable and consistent with previous quarters, reflecting high levels of confidence in the work delivered by the General Enquiries, Ombudsman and the Early Resolution Teams. While quality and customer satisfaction at the investigation stage had continued to improve steadily, it remained a key focus area for enhancing service delivery to LeO's customers. All additional work pilots had been monitored against customer satisfaction and quality standards, and any associated risks were assessed by the Legal Team.
- The Executive had continued to explore and implement initiatives to drive operational efficiencies within the limits of available resources, scheme rules, the OLC's strategic risk appetite and the constraints of the Legal Services Act. Without significant fundamental changes, it was considered unlikely that any further substantial efficiencies could be realised.
- The Board requested sight of LeO's response to the HM Treasury consultation on the Review of the Financial Ombudsman Scheme, noting that any changes made to Financial Ombudsman Scheme may have implications for the Legal Ombudsman Scheme considering the similarities in the legislation underpinning both organisations. The Executive would monitor the outcome of this consultation.

ACTION: The Head of Communications, Engagement and Impact to arrange for LeO's response to the HM Treasury consultation on the Review of the Financial Ombudsman Scheme to be shared with the Board.

15. The Board **noted** the Joint Interim Chief Executive's report.

Item 4 – Integrated Performance Report

16. The Board reviewed the integrated performance scorecard for Q2 2025/25.

17. In discussion, the following points were made:

- Performance against all people metrics had remained stable and within tolerance in quarter two.
- Improved sickness absence was attributed to the effective collaboration between line managers across the organisation and the HR team. Their joint efforts enabled closer monitoring and more frequent engagement with staff, supporting a safer and healthier return to work. Reasonable adjustments were considered as part of this approach. It was confirmed that sickness absence would continue to be monitored closely.
- Attrition remained well below the interim target of 19%. This was credited to the strength of the employee value proposition and recent enhancements to the induction process which had been positively received by staff. It was acknowledged that further work was needed to reduce attrition towards a more typical target of 10%. Consideration would be given to reclassifying attrition from a strategic risk to an operational risk subject to the availability of further evidence and assurance.
- To support this, and LeO's broader cultural development, 'Let's Talk' sessions were being held with staff across all LeO hubs to better understand their experiences and identify opportunities for further organisational improvement.
- Due to the MoJ's delay in approving the OLC's 2025/26 budget a temporary hold was placed on operational expenditure, resulting in the forecast year-end position falling outside the 1% MoJ tolerance threshold. This spending pause led to reduced cost-per-unit measures across all operational areas, with the exception of early resolutions. In that area, resources had been intentionally redirected from investigations to manage the increase in demand and to improve the flow of cases into unallocated investigations. Since being able to draw on the approved budget, mitigation measures had been implemented to bring the financial position back within the MoJ's tolerance level by year-end.
- Following discussions at July's risk workshop, the strategic scorecard had been updated to include key person and digital transformational change strategic risks.

- Although the number of strategic risks assessed as high or critical had decreased in quarter two, three risks had remained outside tolerance levels: Leadership resilience; budget variance; and failure to meet business plan and customer expectations. The leadership resilience and budget variance risks were expected to be within tolerance by year-end, but the risk relating to absorbing increasing sector led demand was expected to remain outside tolerance levels. These risks would continue to be closely monitored.
- Given the lease for LeO's Birmingham office was secure until 2029, the accommodation risk had moved to a tolerable level. This follows confirmation from the Government Property Agency (GPA) that all clients previously identified for relocation to a new GPA hub were to remain in their current location until a funding decision was made as part of the next spending round. This risk would be reviewed again after a scheduled meeting in December 2025 with the MoJ and GPA.
- The strategic risk associated with failing to meet business plan improvements in customer experience was driven by the increasing levels of demand.
- Consideration would be given to whether mass claims should be captured as a standalone strategic risk or incorporated into an existing one.
- The internal audit of IT operational delivery had received a substantial rating, and the casework quality audit was in the fieldwork stage.
- Customer experience was on a positive trajectory, but it was acknowledged that further work remained necessary to build on this progress.
- Customer journey time and investigator productivity had both declined in quarter two but were expected to rise in quarter three as more cases progress into the investigation stage. This shift was anticipated to lead to an increase in early resolution cases in quarter three.
- The Board considered the link between Ombudsman decisions and levels of customer satisfaction and dissatisfaction with LeO's service, questioning whether further steps could be taken to enhance the management of customer expectations, beyond the measures already in place, and noting that in some instances, customer expectations remained firmly held despite clear

communication about LeO's remit and limitations. The Board was advised that LeO's approach to customer satisfaction was under review, with recommendations identified to strengthen insight and support service improvements.

18. The Board **noted** the quarter two integrated performance report.

Item 5 – Update from the Audit and Risk Assurance Committee

19. The Chair of the Audit and Risk Assurance Committee (ARAC) provided an update to the Board on the ARAC meeting held on 6 October 2025.

20. In discussion, the following key points were made:

- An informative deep dive of financial delegations had been undertaken, with a recommendation made for LeO's managers with delegated budgets to undertake further training for on the principles of managing public money.
- Having considered a report on the strategic risks and issues, ARAC had agreed to escalate the three strategic risks that were outside tolerance levels to the Board for further consideration.
- Noting earlier discussions about the risks relating to leadership resilience and budget variance that were expected to be within tolerance by year-end, concerns persisted about the strategic risk relating to the failure to meet business plan and customer expectations remaining outside of tolerance at year-end.
- Views were shared on whether the current tolerance level for this strategic risk remained appropriate, particularly in light of sector led demand being forecast to continue to rise over the remainder of the year, or whether it should be revised. Noting that risk tolerance was aligned to the OLC's annual risk appetite, which had been agreed at July's risk workshop, it was suggested that an alternative approach may be to consider developing a clearer narrative to explain the nature of the risk and the mitigations within the control of the OLC/LeO.
- It was subsequently **agreed** that the rationale for any revision to this risk tolerance and associated risk appetite would be considered further at December's Board meeting.

ACTION: Board Governance Manager to update the Board forward plan to include a discussion at December's Board meeting on the rationale for revising the approach to the management of the risk tolerance and risk appetite for the strategic risk related to failing to meet business plan and customer expectations.

- ARAC received assurance from the Government Internal Audit Agency (GIAA) that the internal audit plan for 2025/26 remained on track for completion within the agreed timescales. GIAA had invited LeO /OLC to participate in two cross-MoJ audits focussed on risk controls and second line of defence. While the outcomes of this would be reported as part of a broader cross-departmental report, it was hoped that participation would provide valuable additional assurance. Clarification had been sought from GIAA on whether the findings would inform its annual audit opinion.
- ARAC had reviewed a report on financial governance and had discussed the forecast budget variance and the planned mitigations aimed at bringing the 2025/26 budget within the MoJ's tolerance level at year-end.
- The Committee also considered a reports covering: Lessons learned from the 2024/25 annual report and accounts process; cyber security and business continuity, noting that business continuity plans had been integrated into the critical incident policy and that cyber essentials compliance was pending; information rights and security incidents, which had remained stable and consistent with previous quarters; and a revised whistleblowing policy.

21. The Board noted the update from ARAC.

Item 6 – Update from the Public Interests Decisions Committee

22. The Chair of the Public Interests Decisions Committee (PIDCo) provided an update to the Board on the PIDCo meeting held on 4 August 2025.

23. In discussion, the following key points were made:

- In view of anticipated future budgetary constraints and the limited scope for further efficiencies, the publication of ombudsman decisions was considered invaluable as the insights generated continued to support sector-wide improvements, helping

to reduce demand for LeO's service and improve the experience of those using legal services.

- PIDCo's role within the insight and impact strategy was continuing to evolve, with further reflection being given to what the Committee hoped to achieve by publishing decisions and the broader moral and legal implications of doing so. Consideration was also being given to publishing decisions that highlighted recurring issues and themes.
- In the future, PIDCo may explore the potential to publish decisions demonstrating good service, however the current publishing policy was only focussed on the publication of decisions involving consumer detriment.
- Feedback on the publication of ombudsman decisions remained positive.
- LeO was on track to meet its commitment to the Legal Services Board (LSB) regarding the number of ombudsman decisions to be published in 2025/26. It was noted that, as this work progresses, the number of suitable decisions available each quarter may decline. Should this occur, it would be brought to the attention of the LSB.

24. The Board noted the update from PIDCo.

Item 7 – Interim Service Complaint Adjudicator's report

25. LeO's Service Complaints Team is responsible for investigating and reviewing complaints about the service provided by LeO to its customers, as distinct to complaints made about an Ombudsman's decision. Stage three service complaints are escalated to the Independent Service Complaint Adjudicator (SCA) for consideration. The SCA used their observations to make recommendations for service improvement.

26. The SCA presented their interim report, summarising the findings from nine stage three service complaints considered between April and September 2025. The following key points were made:

- The nine complaints considered represented approximately 1% of all ombudsman decisions made during the same period.

- The Service Complaint Team demonstrated a consistently high standards and a strong commitment to learning and service complaint improvement.
- Due to the specific circumstances of one stage three service complaint, the SCA's decision had partially differed to the outcome reached at stage two.
- A recommendation was made to consider the introduction of an aged case review process for the oldest investigations.
- A recurring theme identified was that some complainants held unrealistically high expectations of LeO's service, beyond what could reasonably be delivered, even by better resourced organisations.
- Reasonable adjustments were found to be effectively managed in all the cases reviewed.
- LeO's approach to regular cyber security training was effective in maintaining awareness.

27. In discussion, the SCA clarified that while LeO's guidance distinguishes service complaints from dissatisfaction with case outcomes, some complainants still conflate the two. The Service Complaints Team actively manages customer expectations and guide service complaints appropriately, but an occasional overlap was inevitable given the nature of customer dissatisfaction. The SCA confirmed that they maintained clear boundaries and reviewed only matters within their jurisdiction.

28. The Board discussed whether more could be done to manage customer expectations and whether sharing guidance earlier in the process might help clarify the scope of service complaints. It was noted that consideration had been given to this but there had been concern that it could prompt undue expectations of issues arising later in the process. LeO would continue to take all reasonable steps to manage expectations and clearly communicate the scope of the service complaints process and the adjudicators' role.

29. In response to a question, the SCA **confirmed** that they could provide the Board with assurance on the service complaint process.

30. The Board was advised that, following a review of LeO's service complaint process which had included benchmarking with other ombudsman schemes, the Executive had

concluded that the process remained effective and proportionate. Consideration was being given to commissioning case dip-sampling to provide additional assurance.

31. The Board **noted** the SCA's interim report and the valuable insight and assurance it provided.

Item 8 – Transparency Publications

32. The Board **approved** the Q2 2025/26 Board member register of interests for publication.

33. The Board **approved** the Q2 2025/26 ombudsman and senior manager register of interest for publication.

34. The Board **approved** the Q2 2025/26 Board member and senior manager's expenses report for publication.

35. The Board noted that there had been no entries added to the gifts and hospitality report since it had last been presented to the Board in July 2025.

ACTION: The Board Governance Manager to arrange for the Q2 transparency reports to be published once updated.

Item 9 – Previous minutes and actions and matters arising

36. The Board **approved** the minutes of the ARAC meeting held on 17 June 2025 for publication.

ACTION: The Board Governance Manager to arrange for the minutes of the ARAC meeting held on 17 June 2025 to be published.

37. The Board **noted** that at the time of writing the Previous Actions report, the minutes of the September Board meeting had not been finalised and therefore the action log was incomplete.

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

39. Noting that Board paper templates now included information on Value for Money (VFM), completing an action from the April Board meeting, it was recommended that future

substantive papers included narrative broken down into the individual components of VFM.

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

Item 10 – Redactions and non-disclosure report

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

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

Item 11 – Board effectiveness

42. Rachel Cerfontyne and Mike Harris 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:

- The best paper and session strategically had been on the 2026/27 Budget, Business Plan and BAC. Discussions had been strategically focussed on the future direction and the short and longer term risks and implications for the organisation.
- Recognising the range and complexity of overlapping strategic challenges faced by the OLC/LeO, and the limited time available for collective discussion, it was felt that there may be value in reflecting further on how Board sessions and papers were structured to support effective strategic dialogue and decision making.
- In light of the Board's strategic progress, it was suggested that the question of whether it was operating strategically may no longer be necessary. It was proposed that attention was turned to the future development of the Board's effectiveness, particularly strengthening how it functioned as a group, as

individuals, and in collaboration with the Executive to maximise collective strengths.

43. In response to feedback from the September Board meeting on the 2025 Board effectiveness review, the OLC Chair reported that funding was being sought to support Board development and training initiatives. The Board forward plan had been updated to include a training session as part of December's Board meeting.

44. As part of the development of the OLC's 2027/30 Strategy, the interim Joint Chief Executives held an initial meeting with an external consultant to outline the strategic challenges and begin shaping the strategy session for February's Board workshop.

Item 12 – Any other business

45. An update was provided on the overnight accommodation and arrangements for the Board workshop that was taking place at LeO's hub in Leeds in February 2026.

46. It was confirmed that case fees would next be discussed by the Board at its meeting in April 2026.