

Minutes of the fifty-fifth meeting of the

Office for Legal complaints (OLC)

Monday 19 May 2014

12.30pm – 15:30pm

Baskerville House, Birmingham

Present:

Steve Green, Chair
Tony Foster, member
Stella Manzie, member
Professor Philip Plowden, member
Karen Silcock, member
David Thomas, member
Maureen Vevers, member

In attendance:

Adam Sampson, Chief Ombudsman
Rob Hezel, Chief Operating Officer
Alison Robinson, Head of Policy and Communications
Freda Sharkey, General Counsel

Apologies:

Rosemary Carter, member

Board Secretary:

Helen White

Preliminary issues:

The quorum requirements for the Board meeting were met.

There were no declarations of interest.

Item 1 - Welcome and apologies

1. The Chair welcomed and thanked those in attendance. The Chair noted apologies from Rosemary Carter.

Item 2 - Minutes of the previous meeting

2. The minutes of the meeting held on 14 April 2014 were approved.

ACTION:

- The Board Secretary to publish the approved minutes of the meeting held on 14 April 2014.

Item 3 - Matters arising and outstanding action points

3. The outstanding action points were discussed. It was noted that comments had been received from members on the Annual Report, which were fed into Policy and Communications.

Item 4 - Comments received regarding items presented for information

4. The items presented for information were noted. No comments had been received in advance of the meeting for circulation.

Chief Ombudsman's Report

5. The transitional arrangements for the Head of Policy and Communications role were discussed. A full specification had been given to the agency for the interim candidate and members felt it was important that this included policy experience. The Chair felt it was important to have a Board Member involved in the selection for the interim and the permanent role. The Chair will speak to the Chair of RemCo and advise accordingly.

ACTION:

- The Chair to speak to the Chair of RemCo about the selection panel for the Head of Policy and Communications interim and permanent roles.
6. The Board asked for clarification about progress in relation to the designation of the ICAEW as an approved regulator and licensing body. The Board noted following discussion, that plans were in hand to ensure clarity of arrangements around complaints to coincide with the timetable.
 7. Stella Manzie passed on her thanks to Baljit Kaur for the excellent work done recently for the Ombudsman Association.

Chief Operating Officer's report

8. The COO confirmed that the budget for the design and fit out for the new office is approximately £600k. The COO reported that the MoJ have been contacted with a view to their facilities team supporting the fit out of the new building.

Finance Report

9. The COO reported that there is currently an underspend on staffing levels. The latest recruitment campaign for Investigators has resulted in 6 external and 4 internal offers. The COO confirmed that a full review is to be undertaken on the latest recruitment campaign to review whether a more flexible workforce is needed as the CMC programme approaches. It is acknowledged that a cycle of regular recruitment is needed. It is noted that there are a number of other similar organisations moving to the West Midlands.

KPI Dashboard

10. The Chair confirmed that a more detailed review for the KPI's will be held at the end of each quarter. Discussion took place around the timeliness target and how staff cover is arranged to cover peaks.
11. Discussion took place on the Ombudsman work in progress numbers. The COO was confident that these numbers will decrease. The CEO reiterated that until such time as the two additional Ombudsman are recruited, this area continues to be a risk. Work is being done by the CEO to see what else can be done in the short term.

Corporate Risk Register

12. Karen Silcock reported that discussion was held in the Audit and Risk Committee around the risks faced by the organisation due to the number of major projects scheduled to commence in the autumn. The members agreed that the correct staffing for these projects needs to be monitored to ensure risks do not compound.

Item 5 – IT Disaster Recovery Options Paper

13. The COO reported that IT Disaster Recovery is currently flagged as a high risk in the risk register. Discussion was held around the four options identified to mitigate the risk. Having considered and discussed the options, the members agreed that work continue to accelerate the disaster recovery into the Cloud service rather than invest in the old system. The agreed timescales for this move are September 2014.

Item 6 – Business Transformation Update

- 14.** Maureen Vevers updated the members on the meeting held with management to review the programme board and workstream charters for the Business Transformation programme. This will ensure the workstream leads are clear on the tangible objectives and deliverables for each workstream. The resourcing for the programme needs to be managed to ensure timescales are met. Discussion took place around apportionment of costs to ensure transparency when the CMC project starts. The Board reiterated the importance of there being no cross-subsidy between the legal and claims management jurisdictions. It was suggested that internal and external auditors are engaged to verify the processes to be implemented.
- 15.** Discussion took place around how the business transformation programme feeds into the business strategy. This will be discussed in more depth at the strategy session being held in September. From this a draft business strategy will be formulated for the next three years.

Item 7 – CMC Project Update

- 16.** The CEO provided members with an overview of the approach to the CMC set up. The Chair reported that Stella Manzie had been assigned as the Board member dedicated to the CMC project.
- 17.** The Chair confirmed that he would write formally to the Ministry of Justice to request formal approval to begin budget spend on the CMC project in accordance with the start-up budget.

ACTION:

- The Chair to write to the Ministry of Justice to request formal approval to begin budget spend on the CMC project in accordance with the start-up budget.
 - The Head of Policy and Communications to look at whether the scheme rules need to be changed and consideration for this process needs to be added to the timetable.
- 18.** Discussion took place around the business processes to be implemented for the CMC project. It was acknowledged that these will be similar to the current processes as statutory jurisdiction for both come under the same Legal Services Act so the key stages need to be similar.
 - 19.** Discussion took place around the recruitment needs for the project. The members requested that the wider staffing for the project needs to be presented to RemCo as soon as possible.

ACTION:

- CEO to discuss the staff plans for the CMC project with RemCo as soon as possible.

20. The CEO discussed the recruitment for the Head of Claims Management and an additional Lead Ombudsman and indicated his intention to discuss them with the Chair of RemCo.

ACTION:

- CEO to discuss the recruitment for the Head of Claims Management and an additional Lead Ombudsman with the Chair of RemCo.

21. Discussion took place on the segmentation of brand separation risks. The CEO will give this idea further consideration.

22. The CEO was asked to provide members with a full set of updated project paperwork to include project plans linking in with the Transformation Programme.

ACTION:

- The CEO is to provide members with a full set of updated project paperwork to include project plans linking in with the Transformation Programme.

Item 8 – OLC Annual Report

23. The Head of Policy and Communications presented the updated OLC Annual Report, which incorporated members' changes. The Report was approved by the Board, subject to minor amendments discussed at the meeting.

Item 9 – BIS Consultation Update

24. Nicola Sinclair joined the meeting to update the members on the proposed Legal Ombudsman response to the BIS Consultation and call for evidence in relation to the implementation of the EU ADR Directive on alternative dispute resolution and the online dispute resolution regulation. A working group had been set up to agree the key principles and this work informed the paper presented to the OLC. Meetings have also taken place with key stakeholders, and these discussions have also informed the proposed response.

25. The members approved the structure and key messages outlined in the document with the minor amendments discussed at the meeting. Nicola Sinclair was requested to refine and flesh out the document, with final approval of the response to be given by the Chair and the Chief Ombudsman, but with an opportunity for OLC members to comment on the revised response. It was agreed it provides a good framework and the OLC agreed with its strategic focus.

ACTION:

- Nicola Sinclair to refine the consultation response paper with the amendments discussed at the meeting and recirculate it to the Board, with final approval of the response to be given by the Chair and the Chief Ombudsman.

Item 10 – Section 120 Damage Based Agreements

26. Nicola Sinclair presented the interim report on evidence from complaints to the Ombudsman about Section 120 Damage Based Agreements which is due to be submitted to the Legal Services Board in early June 2014 following its earlier request under Section 120 of the Legal Services Act 2007 to provide a detailed report in this area.
27. Members noted that the terms of the Section 120 notice had been met barring some few areas where changes had been agreed with the Legal Services Board. The members approved the content of the report, with a few minor amendments as discussed in the meeting. It was noted that there was little of substance to report, due to the nature of the questions asked, and that the cost incurred to interrogate and collate the systems to compile the report was perhaps out of proportion to the insight gained.
28. The Chair will write a covering letter to be submitted to the Legal Services Board with the report, submitting it formally and seeking a conversation about the ongoing project and whether there was a different approach where the two organisations could collaborate to ensure outcomes could be met in a different way. This report will be discussed further at the next meeting with the Legal Services Board.

ACTION:

- Nicola Sinclair to refine the interim report with the amendments discussed at the meeting and, with the final approval of the Chair and the Chief Ombudsman, submit this report to the Legal Services Board to meet the terms of the Section 120 request by the agreed deadline of 2 June 2014.

Item 11 – Quality

29. The CEO presented the latest Quality reports to the Board. He stressed that these were being presented to provide assurance to the Board on the Quality strategy.
30. Discussion took place on the service complaint data and it was agreed that this should be presented on a half yearly basis.
31. Members requested that Quality data be presented on a quarterly basis, outlining lessons learned and guidance. The next update is to be scheduled for October 2014.

ACTION:

- The Board Secretary to ensure Quality is to be added to the OLC Board agenda in October 2014.

32. The members expressed their thanks to the Quality team for the extremely valuable data included in the reports.

Item 12 – Any other business

33. No other business was raised. The Chair declared the meeting closed.

Next meeting

34. The next OLC meeting will be held at 11.30 pm on Mon 16 June 2014 at Baskerville House, Birmingham.