

Minutes of the Eighty-Second Meeting of the

Office for Legal Complaints (OLC)

Friday 8 September 2017

14:15 – 16:00 am

Legal Ombudsman, Birmingham

Present:

Wanda Goldwag, Chair
Caroline Coates
Bernard Herdan
Rebecca Hilsenrath
Michael Kaltz
Tony King (via Skype)
Jane McCall

In attendance:

Nick Hawkins, Chief Executive
Kathryn Stone OBE, Chief Legal Ombudsman
Rob Powell, Director of Corporate Services
Simon Tunnicliffe, Head of Operations
Siobhan Fennell, Senior Ombudsman (item 5 only)

Board Secretary:

Helen White

Preliminary issues:

The Board meeting was quorate.

Item 1 – Welcome and apologies

1. The Chair welcomed attendees to the meeting and noted this would be Nick Hawkins' last meeting as CEO.
2. The Chair noted that she and ARAC members were making good progress to have Rob Powell awarded Accounting Officer status from 5pm on Friday 29 September.
3. Members noted two changes in the Board's declarations of interests which would be formally reported at the October meeting.

Item 2 – Minutes of the previous meeting

4. The minutes of the meeting held on 12 July 2017 were approved for publication.

ACTION:

- **The Board Secretary to publish the approved minutes of 12 July 2017.**

Item 3 - Matters arising and outstanding action points

5. Members noted the update on action points from previous meetings.

Item 4 - Comments received regarding items presented for information

6. The items presented for information were noted.

Chief Executive's Report

7. The Chief Executive reported that the LSB would be considering a request to access the inflationary uplift applied to the OLC's budget at their forthcoming Board meeting and that OLC attendance was not required at the meeting.
8. Rebecca Hilsenrath questioned the impact on staff of the intranet transition from Nyll to LINK. It was agreed that competing priorities had meant communication could have been better and the executive would ensure feedback was taken into consideration when planning future projects.

Chief Legal Ombudsman's Report

9. The CLO updated members on developments since her paper was written on Scheme Rule 6.2 and noted that a decision was required in respect of the application of this Rule for complaints brought by third parties.
10. It was noted that this issue had now been brought to Board three times.
11. The CLO recommended that as there was no longer an intention to consult on changes to the wider Scheme Rules, it was now appropriate to issue a position statement on the approach to third party complaints. [REDACTED]
[REDACTED] **FoIA exempt s.42**
12. It was noted that approximately £4,500 was received per month from case fees where beneficiaries are complainants, (circa £54k p/a).
13. [REDACTED] **FoIA exempt s.42**
14. The CLO recommended that the Board approve the postponement of charging case fees and that further discussion would be held after the OLC Board meeting with Caroline Coates.
15. It was agreed that case fees would continue to be recovered [REDACTED]
[REDACTED] **FoIA exempt s.40** If further Board

approval was required before the December Board meeting, the CLO would update the Board via email correspondence.

16. The Board supported the CLO's recommendation to postpone any further discussion on Scheme Rules, unregulated providers and SME until such time as the wider landscape permits.
17. The Board approved the Inclusive Service policy statement.
18. The Board approved the consultation response to Money Saving Expert, subject to minor amendments being made.

Director of Operations Report

19. The OLC Chair stated that whilst Members welcomed the report, she would value more analysis and trends in future reports.
20. The Director of Operations reported that he had spent time with MoJ Analytical Services to investigate support they could offer in the development of a more sophisticated operational resource and forecasting model.
21. It was agreed that the executive should continue to investigate all options for future modelling including MoJ Analytical Services, and also investigate the hiring of a contractor to undertake this work.
22. Jane McCall noted that work had been done on analysis of productivity and when the work in progress would reduce. The Director of Operations reported that an increase in volumes and case complexity was affecting levels of work in progress.
23. The Director of Operations updated members on discussions being undertaken to pilot a flexible delivery partner model to support investigations during periods of peak activity.
24. Bernard Herdan, RemCo Chair, questioned the rationale for this option rather than employing more staff. The Director of Operations reported that the external organisation would resolve a fixed number of cases at a fixed cost per case and increase our ability to flex resources to meet demand.
25. The CEO noted that OLC and MoJ approval would be required before the decision to go ahead with the pilot.

ACTION:

- **The CEO to progress the pilot project and share the terms of reference and service level agreement to the Board.**
26. It was agreed that following completion of the pilot, the CEO would present the findings to the OLC Board.

ACTION:

- **After the completion of the pilot, the CEO to present the findings to the OLC Board.**

27. Tony King noted that FOS had used a similar model and suggested the CLO engage with Caroline Wayman at FOS.

ACTION:

- **The CLO to engage with Caroline Wayman at FOS about their use of a similar delivery model.**

Director of Corporate Services Report

28. Members noted the DCS Report.

29. The DCS updated the Board on progress with the case management system development. He stated there had been some technical challenges and issues with the quality of development by our supplier which had led to the timetable being revised to allow more time to achieve the necessary quality.

30. He stated that as a result of these issues, the current plan saw a full cut across to the new business model, case management system and telephony in late January.

31. The DCS reported that a preferred supplier had been identified for the telephony procurement. MoJ approval was now awaited.

32. Discussion took place on the estates strategy. The DCS reported that this being discussed with Staff Council on 13 September and would be reviewed by RemCo on 20 September after which wider staff engagement would commence.

33. The DCS recorded his thanks to Nick Hawkins for his help and support over the last year, and his advice since confirmation of his appointment as his successor.

34. The OLC Chair reported that she had been working with the DCS and CEO on the development of a number of options for a new structure. She stated the working assumption had been that there would not be a replacement for the DCS role. She reiterated that she did not wish to fundamentally change the structure until the recruitment of a CLO. She stated that it was likely there would be a gap between Kathryn Stone's departure and the arrival of a new CLO, and it may therefore be necessary to look at an interim structure. It was noted that first proposals would be shared with RemCo on 20 September. The OLC Chair assured members that nothing would progress without RemCo and Board oversight.

Finance Report

35. Members noted the Finance Report.

36. The DCS reported that there was a forecast overspend against the IT budget as a result of one-off costs, which could be absorbed but would leave the budget in the legal jurisdiction extremely tight.
37. The DCS reported that he would need to amend the Scheme of Delegation before he took up the Accounting Officer role, and this would be brought to the October Board for approval.

ACTION:

- **The DCS to amend the Scheme of Delegation for approval at the October OLC Board.**

38. Jane McCall thanked the Finance team for their work to develop more robust forecasting.

Item 5 – Operational Data Project

39. Siobhan Fennell joined the meeting to outline the work being undertaken by the Operational Data Project.
40. The CLO reported that the team had agreed to take a step back to look at the whole organisation and how it used its data to achieve more robust and reliable data that the Board could have confidence in. She reported that previous assurance mechanisms had not been as robust as they needed to be.
41. Siobhan reported that the team were prioritising each data source according to risk. One of the first areas reviewed was data being shared with regulators as it was considered high risk.
42. The OLC Chair queried how much of the checking was manual and how much automated. Siobhan Fennell stated that the specification for the new case management system included significantly increased automated validation checks.
43. Jane McCall stated that the team were taking a very logical approach and rightly focussing on operational case management areas. She queried whether there were plans to look at the broader data sets as there could be potential issues.
44. Siobhan Fennell stated that broader data sets were not currently included as the project was focussing purely on operational data.
45. Bernard Herdan queried how the team were controlling requests for data. Siobhan Fennell responded that her role was a gatekeeper to look at the cost and benefit of each data request.
46. Board members thanked Siobhan Fennell for her comprehensive update.

Next meeting

47. The next OLC meeting would be held on 11 October 2017 in Birmingham.