

**Minutes of the Ninety Eighth Meeting of the
Office for Legal Complaints (OLC)**

Monday 26 September 2019

10:30 – 14:20

Present:

Wanda Goldwag, Chair

Lis Bellamy

Rod Bulmer

Rebecca Hilsenrath

Shrinivas Honap (items 1 to 7)

Annette Lovell

Jane Martin

Board Secretary:

Kay Kershaw

In attendance:

Rebecca Marsh, Chief Ombudsman

Brendan Arnold, Director of Corporate Services

Steve Pearson, Head Ombudsman (items 4 to 7)

Mariette Hughes, Head Ombudsman (item 4 to 7)

Sarah Ritzenthaler, Parliamentary and Policy Officer
(items 7 and 8)

Siobhan Fennell, Head Ombudsman (item 7)

Marcus Passant, Head of IT (item 7)

Alex Moore, External Affairs Team Leader (item 7)

Preliminary issues:

The Board meeting was quorate.

Item 1 – Welcome, apologies and declaration of conflict of interest

1. The Chair welcomed attendees to the meeting.
2. There were no apologies.
3. The Chair reported a potential conflict of interest in agenda item 8 and any resulting discussions regarding developments in the property sector relating to leasehold issues.
4. Jane Martin reported that she had been appointed as a Member of the Advisory Board of Welsh Ombudsmen.

ACTION: Board Secretary to update the Board Member Register of Interests.

Item 2 – Executive report

5. The Chief Ombudsman presented her executive report, advising that improving the customer experience through driving improvement in delivery and reducing the front-end wait continued to be her key priority.
6. The Chief Ombudsman reported on extensive scrutiny and oversight of the organisation that had taken place over the summer by the Ministry of Justice (MoJ) and Legal Services Board (LSB) and how this had culminated in a Discovery Day

attended by MoJ officials and LSB Directors which enabled them to gain a better understanding of the organisation and its work.

7. The targeted focus on driving performance has been challenging for all staff, in particular the Ombudsmen, Managers and HR Team, as they seek to support underperforming colleagues. The Board was assured that the HR approach was robust and well managed; that the current attrition rates were not unexpected at a time when the organisation was going through a rapid period of change and that recruitment activity continued in order to maintain the required levels of operational staffing.
8. The Board discussed the apparent disconnect in regard to the expectations of new recruits and the job they had applied to do. They noted that Ombudsmanry was very different to other professions and the impact this might have on their expectations of their role. They acknowledged that the organisation was not currently able to offer the holistic lifestyle set out in the employee proposition due to its focus on performance improvement and how this might also impact on the attrition rates. The Board was assured that organisational learning continued to inform changes to address attrition rates.
9. The Board **noted** the executive report.

Item 3 – Finance report – August 2019

10. The Director of Corporate Services (DCS) presented a paper reporting on the financial position at the end of month 5 (August 2019) and a commentary on the key issues in the management accounts.
11. At the end of August, an underspend of £69k against the reforecast at the end of June was reported. Additional recruitment to Operational roles is being organised in order to absorb this underspend.
12. Consultation within the organisation has commenced to inform the preparation of the draft 2020/21 budget.
13. The Board **noted** the finance report.

Item 4 – Performance report

14. The Head Ombudsman, Steve Pearson, presented a paper setting out an update on performance through August 2019.
15. He reported that performance throughout July and August had continued on a positive trajectory with closures exceeding target and the Pre-Assessment Pool continued to reduce. All KPIs agreed in the 2019/20 Business Plan are being achieved and are on course to achieve target.
16. The Board noted that staff were working to tight deadlines and were concerned that staff were being adequately supported at this challenging time. The Board was assured that the Quality and Assurance Framework ensured that staff received the appropriate support to help them meet their deadlines and that daily team 'huddles' were having a positive impact on morale.
17. The Board discussed the reasons why the June closure target had not been met and the lessons learnt from it.

18. A Board Member suggested that it would be helpful if future performance reports included projected performance at year end.
19. The Board **noted** the performance report.

Item 5 – Towards a revised KPI framework

20. The DCS reported that the process for preparing the Strategy, Business Plan, Budget and People Plan to inform the 2020/21 planning cycle had been launched.
21. As part of this work, the KPI framework is to be revised and would include an end to end KPI, in line with conversations with the MoJ and LSB.
22. The Board welcomed the introduction of this new end to end KPI and recommended that the number of KPIs reported to the Board be limited to between 5 and 10.
23. The Board discussed a draft paper setting out the proposed timeframe and actions that are to be progressed in order to bring LeO's performance into an acceptable position and put forward suggestions for improvement.
24. The Board thanked the Executive for this paper, noting its transparency and how it reflected the progress that the organisation has made.

The Chair of ARAC requested that a paper setting out 'Performance on a Page' so that messages would be available for NED's when meeting stakeholders. The DCS said this was already planned.

25. The Board **noted** the information set out in the paper on Towards a KPI Framework.

Item 6 – Mediated Solutions update

26. A short presentation was given by Head Ombudsman, Mariette Hughes, to update the Board on the progress being made on the mediated solutions front-end initiatives that were currently being trialled and the lessons learnt so far from the trial.
27. There are three mediated solutions being trialled: Mediation, Shuttle and Nudge. Early indications suggest that there may be some value in building Nudge into the business process, but there is no indication at this stage that there would be any value in introducing the other mediated solutions being trialled.
28. A full report on the results of the trial will be presented at the October Board meeting.

ACTION: Board Secretary to note on the Board forward plan.

29. The Board **noted** the update on mediated solutions.

Item 7 – Discussion on the OLC's 2020/23 strategy

30. Board and Members of the Management Team took part in a discussion to inform the development of OLC's 2020/23 strategy.
31. Comments were noted and will be circulated to the Board out of Committee for further feedback

32. The OLC Strategy, Business Plan and Budget will be tabled at the October Board.

Item 8 – Horizon Scanning

33. The Parliamentary and Policy Officer presented July and August's horizon scan.
34. The paper highlighted announcements made by the LSB in regard to public legal education initiatives and decisions on transparency, standard of proof and internal governance rules; renewed debate around SRA policies; developments in the property sector; and comments on organisations in the ombudsman sector. With parliamentary debate ongoing in regard to the handing of Brexit, the paper also looked at projections for the legal services market.
35. The Chief Ombudsman reported on plans to arrange a round table event to discuss the findings set out in the interim report on the UCL's review of the Legal Services Regulation.
36. The Board **noted** the horizon scan.

Item 9 – Previous minutes

37. The minutes of the OLC Board meeting held on 17 July 2019 were **approved** for accuracy and **approved** for publication.

ACTION: Board Secretary to publish the minutes of the OLC Board meeting held on 17 July 2019.

38. The minutes of the RemCo meeting held on 9 May 2019 were **approved** for publication.

ACTION: Board Secretary to publish the minutes of the RemCo meeting held on 9 May 2019.

Item 10 – Outstanding actions from previous meetings

39. The Board **noted** the update on the actions from previous meeting.

Item 11 – RemCo update

40. The Chair of RemCo provided an update on the items discussed at the last RemCo meeting on 4 September which included: the draft People Plan; the RemCo Terms of Reference (ToRs); proposals for LeO's Celebrating Success; Reward and Recognition Framework for 2019/10; an update on the pay remit; and an update on the HR interventions that had taken place since Q1 in regard to managing performance.
41. She reported that there had been a greater focus on people issues at this meeting and the combination of a well-developed People Strategy and Plan and an updated Terms of Reference would ensure that people remained the main focus of future meetings.
42. The Committee continues to prioritise effective recruitment and stressed that it did not want to see an underspend reported at the end of the year. The Committee is keen to have a better understanding of why attrition rates are high.
43. The DCS advised the Board that the MoJ now advertises LeO's vacancies; this has opened up the recruitment market for the organisation.

44. The Board discussed the pros and cons of targeted graduate recruitment.

Item 12 – RemCo Terms of Reference

45. Further to a decision made by RemCo on 9 May 2019, the Committee’s Terms of Reference (ToRs) have been reviewed and amended. A draft of the updated ToRs were presented to RemCo at its meeting on 4 September and, subject to a minor amendment relating to quoracy, were approved for presentation to the OLC Board for formal approval and adoption.

46. Following discussion the Board **approved** the revised RemCo ToRs.

ACTION: Board Secretary to publish the revised RemCo ToRs.

47. The RemCo Chair sought clarification on whether the OLC’s Rules of Procedure could be amended so that quoracy at OLC Committee meetings could be two Board Members instead of the three members as currently stated.

48. The DCS agreed to look into this and report back.

ACTION: The DCS to look into whether the OLC Rules of Procedure could be amended to allow quoracy of committee meetings to be two Members instead of three.

Item 13 – September Board paper redactions and non-disclosures

49. The Board reviewed a paper setting out the redactions and items for non-disclosure proposed in respect of the September Board papers.

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

ACTION: Board Secretary to publish the September Board papers subject to the approved redactions and items for non-disclosure.

Item 14 – Board effectiveness review 2018/19: update on actions

51. The Board was presented with an update on the progress made against the Board Effectiveness 2018/19 action plan.

52. The Board put forward suggestions to assist with the development of an annual Board development plan and a programme of more information Board work in order to build a more collegial feel.

53. The Board **noted** the update on the actions arising from the Board effectiveness review 2018/19.

Item 15 – Any Other Business

54. The Board was reminded that the next OLC/ BSB Board to Board meeting had been arranged for 7 July 2020 at the BSB between 11:30 and 13:00.

55. The Board was reminded that the Matthew Hills and David Eveleigh would be attending the October Board meeting for the update on performance and to provide an update from the LSB.

56. The Board was advised of minor amendments that had been made to the OLC Rules of Procedure to reflect current Board membership.