

**Minutes of the fifty-first meeting of the**

**Office for Legal complaints (OLC)**

**Monday 20 January 2014**

**11.30am – 15.30pm**

**Baskerville House, Birmingham**

**Present:**

Elizabeth France, Chair  
Tony Foster, member  
David Thomas, member  
Professor Mary Seneviratne, member  
Margaret Doyle, member  
Rosemary Carter, member  
Karen Silcock, 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  
Stephen Green, OLC Chair designate  
Paul Partridge, Head of Finance (item 7)

**Apologies:**

None

**Acting Board Secretary:**

Janet Edwards

**Preliminary issues:**

The quorum requirements for the Board meeting were met

**1. Welcome**

The Chair welcomed members and the Chair designate, Steve Green, in attendance as an observer.

The Chair reported that there was not yet a permanent appointment to the OLC secretary role and thanked Janet Edwards for her ongoing assistance in coordinating papers and providing support to the OLC. The Head of Finance and General Counsel were asked to review and update members' register of interests

and hospitality register and circulate prior to the February meeting and their publication.

The meeting also agreed that it would retain its March OLC meeting. This would allow time to continue key business and to mark the departure of those OLC members whose terms end on 31 March.

**ACTION:**

OLC Chair to plan the March meeting, with members.

Head of Finance and General Counsel to review and update members' register of interests and hospitality register and circulate prior to the February meeting.

**2. Minutes of the previous meeting**

The minutes of the meeting held on 16 December were approved subject to minor amendments.

**3. Matters arising and outstanding action points**

The OLC members noted progress had been made against most actions from previous meetings.

There was discussion of the way in which the OLC should prepare for the BIS consultation on how it should implement the EU ADR Directive. Members had a range of views and the meeting asked the Chief Ombudsman to work with a small group of members to refine and develop an OLC position in advance of the BIS consultation.

**ACTION:**

Chief Ombudsman to coordinate a small working group of OLC members to refine and develop an OLC position in order to inform a response to the imminent BIS consultation on implementation of the EU ADR Directive.

**4. Comments received regarding items presented for information**

**Chief Ombudsman's Report**

The Chief Ombudsman outlined that progress had been made in reducing the work in progress for the Ombudsman team and that this was an area being actively managed.

Members discussed progress in relation to the Institute of Chartered Accountants for England and Wales (ICAEW) application to become an approved regulator/ licensing body and noted the implications for the Legal Ombudsman, with the likelihood of additional complexity in deciding jurisdiction. The meeting noted the executive continues to work to clarify the arrangements with the ICAEW and the Legal Services Board. The OLC made clear that it took the view that decisions should give as wide an access to redress as was consistent with the law and accepted that this might increase the risk of judicial review.

**ACTION:**

Head of Policy and Communications to update the OLC on developments with the ICAEW.

**Chief Operating Officer's report**

Members noted that the annual staff survey had been completed and the Chief Operating Officer was asked to circulate the full report to members of the Remuneration Committee as soon as practicable.

Members also indicated they were pleased to see that progress was being made in procuring a new IT system. The Chief Operating Officer was asked to share detailed information about the proposals to the nominated OLC representative prior to the procurement decision meeting.

**ACTION:**

Chief Operating Officer to circulate the full staff survey report to members of the Remuneration Committee as soon as practicable.

The Chief Operating Officer was asked to share detailed information about the IT system proposals to the nominated OLC representative prior to the procurement decision meeting.

**Finance report**

Members noted the Finance report. There were no questions.

**KPI Dashboard**

Discussion focussed on Ombudsman case numbers, noting the Chief Ombudsman's earlier update that this was an area being actively managed. The meeting noted that the projections indicated that the scheme would resolve around 8,000 cases this financial year, which was in line with projections and unit cost calculations.

## **5. Claims Management**

The Head of Policy and Communications updated members following discussions with the Ministry of Justice and the Claims Management Regulator about steps required for implementation. A number of statutory instruments were required to commence redress powers in this area, and the timing of these was currently being mapped and risks identified to allow a decision to be taken about a start date for the new scheme. Next steps involved the Ministry of Justice liaising with Treasury around financial powers, and a further update would be available for the next OLC meeting.

### **ACTION:**

Head of Policy and Communications to update the OLC at its February meeting.

## **6. Third party complaints**

The OLC noted that, following its discussion at the November OLC meeting, further work to clarify the scope of a small stakeholder group focusing on practical issues around potential third party complaints had taken place with the Legal Services Consumer Panel. Subject to some small amendments to clarify the definition of third party complaints, the OLC agreed the terms of reference for the group, asking it to identify the pros and cons of LeO handling complaints from third parties in specific sets of circumstances and to provide a report for OLC consideration later in the year, noting that no review of the scheme was currently scheduled. The Head of Policy and Communications was asked to commence work in this area with the Legal Services Consumer Panel.

### **ACTION:**

The Head of Policy and Communications was asked to commence work in this area with the Legal Services Consumer Panel.

## **7. Corporate risk register**

Members noted updated corporate risk register. Head of Finance reported that the register had been discussed at the earlier audit and risk meeting.

Some concerns were expressed that due to the implementation of the new case management system the design and implementation of an independent disaster and recovery solution has been delayed. The Chair requested that consideration be given to putting in place an interim independent disaster recovery solution.

Chair of the Audit and Risk committee thanked the Head of Finance and his team for their work on the new format of the register. Members agreed that it provided much greater clarity.

**ACTION:**

Chief Operating Officer to consider putting in place an interim independent disaster recovery solution.

**8. Audit and Risk update**

The Chair of the Audit and Risk Committee provided members with an oral update. It was proposed that the time was right to go out to tender for an internal audit provider. Members agreed the proposal.

**ACTION:**

Chief Operating Officer to initiate tender process for an internal audit provider.

**9. General Counsel quarterly report and case for publication**

Members noted the report prepared by General Counsel. There were no new issues to cause concern.

**10. Open session of the OLC: strategy and business plan engagement**

The OLC welcomed 16 external stakeholders from a range of consumer groups, legal professional bodies, regulators and legal and claims management service providers to debate and discuss its draft strategy and business plan and raise any other questions or issues with OLC members. Discussion focused on the goals in the draft plan, with stakeholders debating the tension between quality, timeliness and cost in running such a front line service. The recent developments in relation to claims management complaints were also raised by stakeholders, and adding this into next year's plans was an important change to be made to the draft strategy. Stakeholders generally were keen to have clarity around timeframes and a start date, and were keen to have a better understanding of cost implications and how this would new area might impact on LeO's current work with legal complaints.

**11. Any other business**

The RemCo Chair requested that the RemCo meeting dates were added to the OLC meetings calendar.

**ACTION:**

Secretary to add the dates

**Next meeting**

**12.** The next OLC meeting will be held on 24 February 2014 at Baskerville House, Birmingham.