

Minutes of the 132nd Meeting of the Office for Legal Complaints (OLC)

Thursday 25 April 2024

<p>Present</p> <p>Elisabeth Davies, Chair</p> <p>Jane Martin</p> <p>Rachel Cerfontyne</p> <p>Hari Punchihewa (items 1-5 and 8-13)</p> <p>Patricia Tueje</p> <p>Dale Simon</p> <p>Alison Sansome</p> <p>Apologies :</p> <p>Martin Spencer</p> <p>Minutes</p> <p>Kay Kershaw, Board Governance Manager</p>	<p>In Attendance</p> <p>Paul McFadden, Chief Ombudsman</p> <p>Steve Pearson, Deputy Chief Ombudsman and Head of Complex Cases</p> <p>Blessing Simango, Head of Finance, Procurement and IT</p> <p>Laura Stroppolo, Head of Head of Programme Management and Assurance</p> <p>Debra Wright, Head of People Strategy and Services</p> <p>David Peckham, Head of Operations, Business Transformation and Intelligence</p> <p>Stephanie Godbold, Head of Communication, Engagement and Impact</p> <p>Susan Bradford, Service Complaint Adjudicator (item 7)</p>
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Item 1 – Welcome, Apologies and Declarations of Interest.

1. The Chair welcomed attendees to the meeting.
2. Apologies were noted.
3. The meeting was quorate with a lay majority.
4. There were no declarations of interest reported.

Item 2 – Draft 2023/24 Annual Report and Accounts

5. The Board was updated on the progress that had been made to date on preparing the 2023/24 Annual Report and Accounts (ARA). The following key points were made:
 - Board members had been invited to comment by email on the proposed key messages for inclusion in the ARA in lieu of the Board workshop in February. Further comments were now being invited now that Board had had the opportunity to view those messages in situ.
 - A draft governance statement had been shared with the MoJ.
 - The MoJ was aware of the timeline for the production of the ARA and ministerial sign off; further discussions on this would take place with the MoJ at the next bi-monthly Business Assurance meeting.

- The requirements set out in the government's financial reporting manual (FreM) dictated the length and content of the ARA; the duplication of some content was therefore unavoidable.
- The production of the annual report document, including graphics and visuals, had been outsourced to the in-house design agency for government and agencies, reflecting LeO's absence of specialist resource. The Head of Programme Management and Assurance would share the ARA inclusive of graphics and visuals with the Board ahead of the June Board meeting if time allowed.

ACTION: The Head of Programme Management and Assurance to share the ARA inclusive of graphics and visuals with the Board ahead of the June Board meeting if time allows.

- LeO had outsourced the initial drafting of the ARA, with review and refinements then carried out by the LeO team, and external proof reading was built into the schedule.
 - Lessons learned from the 2022/23 Financial Statements audit had been taken into consideration and additional checks had been implemented to mitigate the risk of any late stage audit queries arising this year.
 - The Financial Statements audit was due to commence on 29 April and conclude on 24 May.
6. In response to a question, the Board was advised that a response was awaited from the MoJ about the potential impact of pre-election restrictions on the ARA process should a general election be announced.
 7. Having sought to understand the intended audience for the ARA, the Board was advised that the audience for the OLC's ARA was Parliament and anyone else with an interest in the LeO Scheme. Reporting for a multiplicity of audiences, whilst also complying with the mandatory requirements of FreM, meant that the ARA was a lengthy document.
 8. The Board's feedback on the tone, content and length of the ARA was sought, the following points were made:
 - The ARA included a level of detail and explanatory narrative that may not be necessary for its audience who would be more interested in the impact of what had been achieved and less interested in how it had been achieved. Unnecessary detail and explanatory narrative should be removed and any necessary detail should be presented more succinctly. Information providing context and scene setting should be moved to the foreword.
 - On the other hand, it was recognised that the majority of readers would only read specific sections of the ARA rather than the whole report, this should be taken into consideration to ensure that the final report would be coherent to them.
 9. Board members were asked to report any inaccuracy in the information reported in the ARA relating to their attendance at Board meetings in 2023/24 and to follow up on any specific points with the Executive team within the next week.

ACTION: Board members to report any inaccuracies in the information reported in the ARA relating to their attendance at Board meetings in 2023/24 and to follow up on any specific points with the Executive team no later than 10 May.

10. Reporting on the next steps, the Board was advised that:

- The ARA would be updated to reflect the Board's feedback.
- Quality assurance checks would be undertaken to ensure the accuracy of the data and narrative.
- The ARA would be updated as much as possible before being shared with the External Auditors prior to the commencement of the audit of Financial Statements.
- The next iteration of the ARA would be shared with ARAC for consideration at its next meeting in May, where an update on the Financial Statements audit would also be provided.
- External Auditors would produce a Management Letter following the conclusion of the Financial Statements audit, this would be considered by ARAC at its meeting on 13 June.
- The Board's approval of the ARA, subject to assurance being provided by ARAC, would be sought at the Board meeting on 13 June.
- Once approved, the ARA would be signed by the Accounting Officer and sent to the printers on 14 June.
- The ARA would be laid in Parliament on 27 June.

11. Board **noted** the progress that had been made on the 2023/24 ARA and the next steps that would be taken.

Item 3 – Chief Ombudsman's Report

12. The Chief Ombudsman's (CO) report focussed on the new strategic objectives and enablers.

13. The Board's attention was drawn to the following key points:

- The Executive would be considering how best to integrate more of a focus on the strategic risks and issues into future CO reports.
- There was a clear alignment between the 2023/24 ARA and the CO report from a performance and customer experience perspective and a clear sense that 2023/24 had been a year of two halves in which LeO's agile response to attrition, Scheme Rules changes and demand had underpinned a strong year end position.
- Attrition was on a downward trajectory.
- Following the implementation of the new Scheme Rules time limits, demand had stabilised with a 2% decrease in new complaints received in 2023/24 compared to 2022/23.
- Customer journey time continued on a downward trajectory. In 2023/24, 46% of complaints had been resolved within 90 days compared to less than 10% in 2021/22.
- The analysis of unverified quarter four data for quality and customer experience indicated that LeO continued to deliver good performance on wider aspects of customer experience including quality and customer satisfaction, but there had been a dip in quality performance in investigations. Following the verification of this data, the Executive would take action to mitigate any emerging risks as required.

- Following its approval of the OLC's 2024/25 budget, the LSB had written to outline the key areas of OLC performance it would be maintaining interest and focus on during the year. The Executive was considering how best to keep the Board informed and assured on these key areas.
 - Progress was being made on building resource and increasing stakeholder engagement in line with the OLC's new strategic aims to improve learning, insight and first tier complaints handling.
14. Board members were invited to provide feedback on the tone, placement and level of detail in the CO report. In addition to providing feedback on the language used in the CO report and the style of writing, the following points were made:
- The CO report should have a greater focus on exception reporting and the matters concerning the Executive, and less of a focus on what had been achieved. This would help the Board to better understand any tensions and risks between the competing strategic priorities and the areas that required a greater Executive focus.
 - The CO report should focus on relevant key issues and data at the relevant point in the report and there should be less information on process.
15. Mindful of the CO report's wider audience, the CO **agreed** to reflect on the Board's feedback and give further consideration to the language and style of writing and consider whether the level of detail in the CO report could be better balanced to meet the needs of the Board and its wider audience
- ACTION: The CO to reflect on the Board's feedback on the CO report and give further consideration to the language and style of writing and consider whether the level of detail in the report could be better balanced to meet the needs of the Board and its wider audience.**
16. A discussion took place about predicting future demand for LeO's service in which the Board was advised that regular horizon scanning and engagement with regulators provided insight on developments within the legal sector and their potential impact on short, medium and long term demand. Whilst it was sometimes difficult to correlate what was happening within the legal sector with the potential impact on demand for LeO's service, all available data was being used to forecast and manage future demand as well as possible.
17. The Head of Operations, Business Transformation and Intelligence reported on a recent forecasting workshop where consideration had been given to ways of further reducing the queue for investigations through efficiencies and working with the sector to manage and reduce demand. Another workshop was planned to consider the 2023/24 complaints data and how it could be used to improve legal services which in turn would have an impact of demand for LeO's service.
18. In line with the OLC's new strategic objective, engagement with the sector was increasing. This strategic engagement would provide opportunities for LeO to share learning, insight and best practice to help improve legal services and to gather intelligence on what was happening within the sector to help predict future demand for LeO's service.
19. The Board would discuss the implications of LeO becoming an Alternative Dispute Resolution (ADR) entity at its meeting in October.
20. The Board **noted** the Chief Ombudsman's report.

Item 4 - Integrated Performance Dashboard report

21. The CO presented the Integrated Performance Dashboard Report and balanced scorecard which provided a summary of performance against agreed key indicators, targets and RAG ratings against agreed tolerance.

22. The following key points were drawn to the Board's attention:

- The balanced scorecard had been updated in response to the Board's previous feedback. Capturing the direction of travel indicators had been challenging and the Executive recognised that combining them with the RAG ratings may have caused some confusion. Further consideration would be given to presenting this information more clearly in the future.
- In response to the Board's previous feedback, the Executive had endeavoured to strengthen the exception reporting whilst also ensuring that the report was balanced with other relevant information.
- Information on the strategic risks and issues had been included in the report to highlight the risk trends over the last quarter. The Board was reminded that the Q4 quality data was unverified.
- The Executive continued to reflect on previous Board feedback about whether customer journey time should be reported in the 'customer experience' or 'enablers' quadrant of the balanced scorecard.
- A proposed new approach to risk reporting which would incorporate risk appetite and tolerances into the risk matrix would be presented to ARAC in May for feedback ahead of the Board's risk workshop in July.
- At the Board's Risk workshop in July, the Board would be asked to agree the risk appetite and tolerances for the 2024/25 strategic risks and to consider what risk information should be included in future Integrated Performance Dashboard reports.

23. In response to a question, the Board was advised that the white RAG/Trend boxes stating 'N/A' in the balanced scorecard related indicators with new targets that had been introduced during 2023/24 where tolerances had not yet been agreed; tolerances would be agreed at the July Board workshop.

24. Subject to ongoing discussions and agreement with the MoJ and LSB, the Executive hoped to be able to align the balanced scorecard indicators with a revised Agreed Data Set (ADS) to ensure a 'single version of the truth' and more strategic performance reporting.

25. Board members provided further feedback on the balanced scorecard; the following points were made:

- Overall, the balanced scorecard included all the right indicators to meet the Board's needs.
- The combined RAG/Trend indicators, including unit cost and reasonable outcome had caused some confusion. To provide a clearer indication of whether performance had improved or not, it was recommended that the RAG/ Trend indicators were separated and different headings were used to provide more clarity on performance trends as distinct to reporting trends.
- Board members stressed the importance of ensuring the data in the balanced scorecard was accurate.

26. The CO **agreed** to give further consideration to the feedback provided on the balanced scorecard and also consider whether the addition of a key might help the reader to better understand the data in the balanced scorecard.

ACTION: The CO to give further consideration to the Board's feedback on the balanced scorecard and whether the addition of a key would help the reader to better understand the data in the balanced scorecard.

27. It was recommended that information on the timescales for mitigations and an assessment of their impact should be included in future Board updates on strategic risks and issues.

ACTION: The Head of Programme Management and Assurance to include information on the timescales for mitigations and the assessment of their impact in future Board updates on strategic risks and issues.

28. The Board **noted** the Integrated Performance Dashboard Report.

Item 5 – Update from RemCo

29. The RemCo Chair presented a report highlighting key points of discussion, decisions and actions from the RemCo meeting held on 20 March 2024.

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

- RemCo had considered reports on HR people metrics; the progress made against the 2023/24 People Strategy, the Civil Service Survey Results, and Health and Safety Compliance and had approved the new 2024/27 People Strategy, noting its alignment to the 2024/27 OLC Strategy. There had been no areas that required escalation to the Board for specific action or oversight.
- RemCo's annual meeting with Staff Council (SC) had also taken place on 20 March 2024. This had been a positive meeting, with open and reflective discussions about the refresh of SC and the Civil Service People Survey.
- SC members had provided feedback on the length of time it had taken to conclude the SC refresh and the levels of engagement with the Executive since the Covid-19 pandemic. RemCo had noted that the time taken to refresh SC had been unavoidable because the work had been undertaken simultaneously with a larger piece of work to refresh the other Staff Networks, and that the introduction of a communications framework and a regular meeting schedule would ensure an increased level of engagement between the Executive and SC in the future.
- Since RemCo's March meeting, a corporate representative had been elected to SC and plans had been put in place to recruit a lead SC representative and for training to be delivered to all SC members.

31. The Board had welcomed the SC refresh and the actions being taken to ensure unity, clarity and purpose for SC members.

32. The OLC Chair shared feedback from the Co-Chairs of the Staff Networks about the positive transformation of LeO's culture and what it meant to them to work at LeO.

33. The Board had been pleased to note the assurance received by RemCo on the alignment of the 2024/27 People Strategy to the 2024/27 OLC Strategy.

- 34.** The Board welcomed the planned introduction of an apprenticeship framework and how it would help to mitigate strategic attrition risks by attracting new staff to the organisation and supporting career pathways and development for existing staff.
- 35.** The Board sought assurance on whether HR resource would be sufficient to deliver the 2024/27 People Strategy. In response, the Board was advised that HR resourcing had been targeted at roles that were key to the delivery of the People Strategy. The appointment of HR Business Partners already had a positive impact on the delivery the People Strategy and plans were in place to renew efforts to recruit to the remaining HR posts to provide further resilience within the HR team.
- 36.** The Board **noted** the update from RemCo.

Item 6 – 2023 Civil Service People Survey

- 37.** The Head of People Strategy and Services presented paper on the high-level results of the 2024 Civil Service People Survey. The following points were drawn to the Board’s attention:
- The headline findings of the survey had been shared with the Board at its meeting in December 2023 and January 2024.
 - The detailed analysis of the findings had been shared with RemCo at its meeting in March 2024 and had since been shared with staff.
 - Despite regular staff communications to raise awareness of the survey, the response rate had been lower than the previous year. Consideration was being given to what more could be done to increase the response rate of future surveys.
 - There had been a small decrease in the survey scores for some of the core themes compared to the previous year, however the scores overall remained higher than in 2021. The survey scores for the core themes of learning and development and organisational objectives and purpose had increased compared to the previous year.
 - The scores for questions relating to bullying and harassment and discrimination had decreased slightly compared to the previous year. Safe space sessions had taken place with Staff Networks to gain insight on the reasons for this. The CO had issued a zero tolerance statement to re-iterate LeO’s position on bullying and harassment.
 - There had been an increase in the employee engagement and satisfaction scores from disabled and LGBTQ+ respondents compared to the previous year. Safe space sessions with staff networks were planned and would provide insight on the reasons for this; the learning would inform EDI strategy.
 - Manager led team sessions were planned for May, these would provide further insight on the reasons underpinning the survey results. Additional feedback would be sought on what makes staff stay at LeO; this information would inform the further development of LeO’s Employee Value Proposition and the People Strategy.
- 38.** Whilst recognising the need to give the Civil Service People Survey result due importance, the Board also acknowledged the survey’s limitations, including its lack of flexibility, the length of time it takes for staff to complete it, and the skewed results arising from respondents not being required to complete all the questions.

39. Considering that this survey was an imperfect mechanism for gauging the views of staff, LeO was considering supplementing the insight it provided by introducing shorter, more frequent, pulse surveys.
40. In response to a question, the Board was advised that safe space sessions with staff networks and manager led team sessions would provide further insight on whether there was a correlation between lower response rates and levels of staff motivation.
42. The Board **noted** the update on the Civil Service People Survey results.

Item 7 – Service Complaints Adjudicator’s 2023/24 Annual Report

43. The Independent Service Complaints Adjudicator (SCA) presented their Annual Report for 2023/24, reporting that they had observed a high standard of service complaint investigation with pro-active measures being taken to address some of the issues that had been raised. The following key points were drawn to the Board’s attention:
 - The number of service complaints escalated to stage 3 of the service complaints process had increased compared to the previous year, although the proportion of complaints escalating from stage 2 to stage 3 had actually reduced.
 - More service complaints had been responded to at stages 1 and 2 of the service complaints process compared to the number of new complaints received.
 - The backlog of service complaints had reduced. In time, this would lead to a reduction in the number of complaints about unreasonable delays in the service complaints process which compound the initial service complaint.
 - Dissatisfaction with the compensation offered at stage 2 had been a common reason for service complaints being escalated to stage 3 of the service complaint process. In the majority of cases, the SCA had agreed with the compensation that had been offered earlier in the service complaint process and only in a small number of cases had made alternative recommendations.
 - In a small number of cases, the SCA had upheld complaints that had not previously been upheld in earlier stages of the process.
 - A notable proportion of stage 3 service complaints had been received from vulnerable customers. In the majority of cases, the SCA had found that a satisfactory standard of service had been provided, with reasonable adjustments made and acted on.
44. In discussion, the Board noted the progress that had been made in reducing the backlog of service complaints, the ongoing measures in place to reduce it further to within acceptable levels and the pro-active steps that had been taken to address service complaint issues at the earliest opportunity instead of waiting for the complaint to be escalated through the service complaint process.
45. When alternative recommendations had been made by the SCA in response to a stage 3 service complaint, the original findings and conclusions of the stage 1 and 2 service complaints were reviewed by the Service Complaints Team, areas for improvement were identified and the approach to service complaints was reviewed accordingly.
46. A discussion took place about the measures that had been introduced to ensure that customers with vulnerabilities were supported throughout the business process and the assurance received from the SCA’s findings on stage 3 service complaints raised by vulnerable

customers. It was noted that the service complaints backlog meant that complaints reviewed by the SCA were historic and were not reflective of the current approach to supporting customers with vulnerabilities.

- 47. The SCA confirmed that there had been fewer stage 3 service complaints in 2023/24 from customers who had wanted their lawyer complaint re-investigated.
- 48. In response to a question from the OLC Chair, the SCA **confirmed** that the Board should take assurance from the findings detailed in their annual report.
- 49. The Board **noted** the Service Complaint Adjudicator's Annual Report.

Item 8 – Attrition workshop

- 50. Board members attended an attrition workshop to consider what more could be done to address the strategic attrition risks. The themes and actions arising from the Board's discussions would be collated and circulated out of committee to the Board.

ACTION: The Head of People Strategy and Services to circulate the themes and actions arising from discussions at the Board's attrition workshop to the Board.

Item 9 – Transparency Publications Report

- 51. The Board **approved** the Q4 2023/24 Board member Register of Interests for publication.
- 52. The Board **approved** the Q4 2023/24 Ombudsman and Senior Manager Register of Interest for publication.
- 53. The Board **approved** the Q4 2023/24 Board member and senior manager's expenses report showing the cumulative position for the year for publication.
- 54. The Board **noted** that there had not been any entries to the Gifts and Hospitality Register since it was last presented to the Board in January 2024.

ACTION: The Board Governance Manager to arrange for the Q4 transparency reports to be published.

Item 10 - Previous Minutes; Matters Arising and Previous Actions

- 55. The minutes of the OLC Board meeting held on 30 January 2024 were **approved** for accuracy and **approved** for publication.
- 56. The minutes of the RemCo meeting held on 16 November 2023 were approved for publication.

ACTION: The Board Governance Manager to arrange for the minutes of the Board meeting held on 30 January 2024 and the minutes of the RemCo meeting held on 16 November 2023 to be published.

- 57. The Board **noted** the update on the actions from previous Board meetings.
- 58. Considering that a further set of ombudsman decisions would be presented to the Board in October 2024, the Board **agreed** that action 11, paragraph 71 from the December Board meeting should be closed.

ACTION: The Board Governance Manager to close action 11, paragraph 71 from the December Board meeting.

59. There were no matters arising for discussion.

Item 11 - Board Paper Redactions and Non-Disclosure Report.

60. The Board **noted** and **approved** the items identified for redaction and non-disclosure in the April Board pack.

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

Item 12 – Board Effectiveness

61. Jane Martin and Blessing Simango were appointed strategy champions for this meeting and were asked to provide feedback on which session had worked well strategically and why; which paper had been 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.

62. The following points were made:

- The best sessions had been the attrition workshop and the Chief Ombudsman's report. The attrition workshop had provided an opportunity for the Board and Executive to fully explore this strategic issue by delving into the root causes, considering the strategic and operational implications and the potential short and long term solutions. The session on the Chief Ombudsman's report had framed the key strategic points for the Board to consider.
- The best paper had been the integrated performance report. This had provided clear information that was aligned to the key strategic risks and issues and the wider agreed data set. This, when read in conjunction with the CO report, enabled the Board to raise pertinent questions about the data and focus more strategically.
- There would be learning and value in the Board adopting a workshop approach in the future when considering other key strategic matters. This would provide the Board time and space to delve more deeply into key matters whilst maintaining focus at a strategic level.

63. Further feedback was provided on Board effectiveness; the following points were made:

- There would be value in reviewing the way some of the Board papers, including the Chief Ombudsman's report, were written to provide more clarity and focus on the strategic aims, objectives, risks and issues. This would help the Board gain a better understanding of what was helping and what was hindering the organisation in meeting its strategic objectives.
- Talent management and succession planning was identified as an area for further strategic Board focus.

Item 13– Any other business

- 64.** The OLC Chair thanked Jane Martin, the OLC’s longest serving Board member whose term of office ended on 30 April, for their service to the OLC Board and wished her well for the future.