

Mr Steve Green
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17 September 2015

Dear Steve,

Office for Legal Complaints (OLC) performance

I wanted to thank you and your colleagues for an insightful discussion at our Board meeting last week.

You provided my Board with a comprehensive overview of your challenging operating environment, your critical pressure points and a sense of the key milestones ahead. It was helpful, also, to take some time to reflect on the impact that decisions taken in the past have had on both our relationship and the Legal Ombudsman scheme's performance.

Your candour allowed for robust debate and we have reflected on that and on the material provided to date to meet the Section 120 and 121 requirements placed on OLC on 3 June 2015.

We were assured of your Board's commitment, insight and passion and, indeed of its vigour in getting to grips with prevailing performance and strategic governance challenges. As I said in closing the session, however, we remain very concerned about current Legal Ombudsman scheme performance trends. Timeliness and unit cost, on current measures, both appear to be deteriorating. Whilst we heard your rationale for those trends and the interventions you have in place to reverse them, it would not be accurate to say that my Board is reassured yet of the robustness of the plan for trend reversal. We also noted that quality measures remain less than ideal.

We welcomed, therefore, your assertion that performance trends will be reversed by the end of the calendar year. It is to be hoped that the interventions planned will come into swift effect so that the OLC Board can extract itself from the detail of operational management and revert to a role where it holds the executive to account for delivery and provides challenge and insight to their work.

I do want to reiterate our continued support for the important work your Board is doing in ensuring the Legal Ombudsman scheme delivers the full suite of anticipated benefits to consumers, to the legal profession and ultimately to civic society. Our ambition for the scheme is, I know, shared and I hope we can continue to work closely in delivering that.

We have some important milestones ahead. In November, you are scheduled to return to our Board with your draft business plan and budget for 2016/17. This meeting also provide an opportunity for discussion on the Section 120 report due from you on 1 November outlining your proposals for a revised performance management framework and associated governance arrangements (both to be operational from 1 April 2016). The two are closely aligned and I think it is timely that we will see them together. Monthly reports against targets will of course need to continue.

Looking beyond that, I know we also expect to receive your Annual Report and Accounts for 2014/15 in due course and before laying.

Please share this letter with your Board and executive. It will be published on our website with other material relating to these targets in due course.

Yours sincerely

A handwritten signature in black ink, appearing to read "Mike.", with a stylized flourish above the first letter.

Sir Michael Pitt
Chairman