

<b>To:</b>	Board	
<b>Date of Meeting:</b>	30 September 2010	<b>Item:</b> Paper (10) 64

<b>Title:</b>	Reporting Legal Ombudsman performance
<b>Workstream(s):</b>	2c – Improving service by resolving complaints effectively
<b>Introduced by:</b>	Julie Myers, Corporate Director julie.myers@legalservicesboard.org.uk / 020 7271 0059
<b>Author:</b>	<b>Cover note:</b> Karen Marchant, Corporate Affairs Associate karen.marchant@legalservicesboard.org.uk / 020 7271 0054 <b>Annex A:</b> Elizabeth France, Chair, Office for Legal Complaints
<b>Status:</b>	Protect

**Summary:**

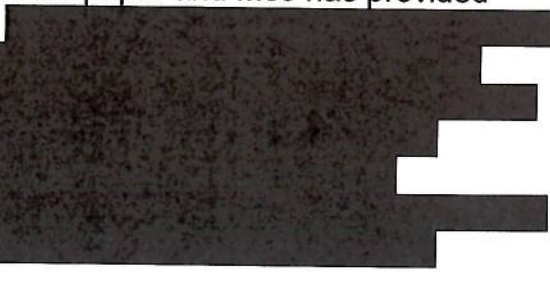
Under the Legal Services Act 2007 (**'the Act'**) the Board may set or direct the Office for Legal Complaints (**OLC**) to set performance targets. The Board received an update at its 7 September meeting from the Chair of the OLC, Elizabeth France, about progress that the OLC had made in the development of a performance reporting framework for the Legal Ombudsman (**LeO**), which is due to start accepting complaints on 6 October.

The Board agreed that a formal report about OLC performance reporting, endorsed by the OLC Board, would be submitted by the Chair of the OLC for consideration at this meeting. That report is attached at **Annex A**. This cover note provides a short assessment of the paper in relation to the assurances sought by the Board from the OLC.

**Risks and mitigations**

<b>Financial:</b>	N/A.
<b>FoIA:</b>	To be agreed with OLC.
<b>Legal:</b>	N/A.
<b>Reputational:</b>	Some stakeholders may have expected the LSB to set specific KPIs for the OLC rather than agreeing a generic performance framework for LeO. However, reputational damage is only likely to occur if LeO performance is not seen to be adequate.
<b>Resource:</b>	N/A.

Consultation	Yes	No	Who / why?
<b>Board Members:</b>	✓		An earlier draft of Annex A was reviewed by Board Members Bill Moyes and Steve Green, whose comments have been reflected in the paper attached. Timing of delivery of the final OLC paper has not allowed for subsequent review.

<b>Consumer Panel:</b>	✓	The paper has been sent to the Panel, whose comments will be provided orally at the meeting.
<b>Others:</b>	Ministry of Justice ( <b>MoJ</b> ) – Elizabeth Gibby attended a meeting to discuss the first draft of the paper and MoJ has provided comments on <b>Annex A</b> . 	

<b>Recommendation(s):</b>
The Board is invited: <ul style="list-style-type: none"> <li>(1) to note the paper; and</li> <li>(2) to endorse the performance reporting framework for Legal Ombudsman (<b>Annex A</b>).</li> </ul>

## LEGAL SERVICES BOARD

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### Reporting Legal Ombudsman performance

#### Executive Summary

#### Recommendation(s)

The Board is invited:

- (1) to note the paper; and
- (2) to endorse the performance reporting framework for Legal Ombudsman (**Annex A**).

#### Background

1. Section 121 of the Act states that the Board may: '(a) set one or more performance targets relating to the performance by the OLC of any of its functions, or (b) direct the OLC to set one or more performance targets relating to the performance by the OLC of any of its functions.'
2. In our Memorandum of Understanding (**MoU**) with the OLC, we are clear that while the primary responsibility for the performance management of the OLC will be discharged by the OLC Board, performance targets for the OLC will be set following consultation with the LSB both about their form and content.
3. To this end, the OLC Chair provided the Board with an update on the development of the OLC's performance reporting framework when it met on 7 September. It was agreed that a formal report about OLC performance reporting, endorsed by the OLC Board and including current assumptions on case volumes, would be presented for endorsement on 30 September to the LSB Board. That paper is at **Annex A**. This cover note assesses the OLC submission in light of the discussion and matters agreed by the Board on 7 September.

#### LSB assessment

4. The Board's key concern has been to ensure that a framework is in place from day one that enables the OLC to robustly justify that the new dispute resolution system is better, cheaper and quicker than the current complaint handling arrangements. To this end, the Board sought particular assurance from the OLC that from 6 October – when the LeO opens – there will be a performance framework in place that measures timeliness, cost efficiency, quality and satisfaction.
5. The Executive believes that the performance framework proposed in the paper meets the Board's requirements. In particular, the paper commits the OLC to:
  - (broadly) seek to demonstrate that the new scheme is cheaper and speedier than the previous arrangements

- communicate from day one to consumers that most complaints will be resolved in three months
- report on satisfaction levels from three months following the opening date (the earliest point at which this data is likely to be available given the speed of resolution commitment)
- measure both client and lawyer satisfaction with the service
- provide initial performance data at the joint Board meeting in December
- review the performance measures in July 2011 in order to inform the targets to be included in the draft OLC Business Plan to be consulted on in autumn 2011.

6. The paper also states that LeO will communicate information about cost, efficiency and quality on its website. The Board may wish to use the December meeting as an opportunity to discuss with the OLC how it intends to measure what learning is being made by the profession as a result of this information.

**Key risks**

7. In our Business Plan 2010/11, we committed to agree and monitor performance targets with the OLC and said that 'before the OLC opens for business in October 2010, the LSB will agree a suite of key performance indicators with the OLC and will monitor them on an agreed basis.'

[Redacted]

8. [Redacted]

- [Redacted]
- [Redacted]

9. [Redacted]

23.09.10

**Reporting Legal Ombudsman Performance**

[REDACTED]