

To:	Legal Services Board	Agenda Item: 5
Date of Meeting:	23 March 2017	Item: Paper (17) 11

Title:	Office for Legal Complaints (OLC) performance reporting requirements
Workstream(s):	Performance, evaluation and oversight
Author / Introduced by:	Julie Myers, Corporate Director Jenny Prior, Business Planning Associate
Status:	Official

Summary:

In **June 2015**, the LSB exercised its statutory powers in relation to the performance by OLC of its functions and imposed **reporting requirements** under S120 of the Legal Services Act 2007 (the Act) and **performance targets** under S121. These were designed to respond to the increased risk environment in which the OLC found itself operating at that time.

The LSB **performance targets** under S121 from OLC ceased in March 2016 and, in April 2016, imposed **revised reporting requirements** under S120. These revised requirements sought: monthly reports from OLC against the OLC's own performance framework for timeliness, cost and quality; and quarterly narrative reports describing the OLC's assessment of LeO performance with clear time-bound information on action proposed where the OLC found that LeO performance did not meet the OLC's expectations. The latter requirement also expected the OLC to provide reports on trends observed and any analysis which identified the cause of those trends in performance.

OLC provided reports to the agreed deadlines and these have all been provided to the Board during the course of the year.

Additionally, non-executive level quarterly reviews of performance have continued throughout the year currently through respective Chairs.

The current S120 reporting requirements are due to expire on 31 March 2017 and the Board will wish to consider its future approach to assuring itself of the performance of the OLC in administering the Legal Ombudsman (LeO) scheme including whether to retain, revise or remove the current S120 reporting requirements.

Recommendation(s):

The Board is invited to:

- a) consider its approach to OLC assurance of LeO scheme performance including the use of statutory powers in relation to OLC as set out in this paper; and
- b) delegate authority to the Chairman to write formally to OLC on this basis.

Risks and mitigations	
Financial:	None
Legal:	The use of formal LSB powers has to be proportionate.
Reputational:	[REDACTED]
Resource:	Maintaining statutory requirements carries a small increase in resource requirement but is manageable at present.

Consultation	Yes	No	Who / why?
Board Members:	x		Informal discussion with Mike Pitt, Terry Babbs
Consumer Panel:		x	
Others:			

Freedom of Information Act 2000 (Fol)		
Para ref	Fol exemption and summary	Expires
Risks and mitigations: reputational	Section 36(2)(c): Information likely to prejudice the effective conduct of affairs	
Para 14 Para 26, first and second sentence Para's 27, 34, 36, 38	Section 36(2)(b)(ii): Information likely to inhibit the exchange of views for purposes of deliberation	

LEGAL SERVICES BOARD

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Office for Legal Complaints (OLC) performance reporting requirements Executive Summary

Purpose

1. The current S120 reporting requirements imposed by the LSB on OLC are due to expire on 31 March 2017. The Board needs to consider its future approach to assuring itself of the performance of the OLC in administering the Legal Ombudsman (LeO) scheme including whether to retain, revise or remove the current S120 reporting requirements.

Recommendation

2. The Board is invited to:
 - a) consider its approach to OLC assurance of LeO scheme performance including the use of statutory powers in relation to OLC as set out in this paper; and
 - b) delegate authority to the Chairman to write formally to OLC on this basis.

Background

Board's use of statutory powers in June 2015

3. In March 2015, in response to a discussion on the risk faced by LSB as a consequence of OLC performance, the Board asked the Executive to consider how it might use its statutory powers under the Act in relation to the OLC and its role to administer the Legal Ombudsman (LeO) scheme. Subsequently at the Board's meeting in May 2015, the Board decided to exercise its powers under S120 and S121 of the Act in relation to OLC, setting trigger thresholds for OLC reporting to LSB and a request for a report on improved performance measurement. These requirements were issued in June 2015.
4. These included:
 - **S121 performance targets** requiring OLC to ensure that it met certain targets in administering the Legal Ombudsman scheme. These were based on OLC's own performance reporting framework
 - **S120 reporting requirement** requiring OLC to provide LSB with a monthly report on those targets with a written explanation where any was missed and details of timetabled remedial action to bring performance back into compliance. OLC was also required to report on the governance arrangements it had put in place to ensure its administration of LeO allows for effective monitoring of performance against current OLC KPIs and LSB targets.

- **Section 120 reporting requirement** requiring OLC to provide interim and final reports on; a comprehensive framework of KPIs and performance measures to apply to LeO from April 2016; rationale for the proposals; and proposals for the performance monitoring governance arrangements that will apply from 1 April 2016.

Board's use of statutory powers in April 2016

5. In March 2016, informed by deliberations of a Board sub-group, the Board considered the reports it had received from OLC since June 2015. The Board agreed with the sub-group's proposition that the prescriptive S121 targets be removed and that revised S120 reporting requirements, in order to ensure continued transparency of performance in terms of quality, timeliness and cost, be kept in place. The revised requirements were designed to allow the LSB to remain strategic, rather than be immersed in detail. The focus was to be less on the precise nature of any target but instead be aimed firmly at the OLC Board's response to scheme performance trends, requiring the OLC to report self-critically on its performance in administering the Legal Ombudsman scheme.
6. In agreeing this approach, the minutes of the March 2016 meeting report the Board recognising *"that it must act proportionately in imposing statutory requirements and that reporting did represent an additional burden on the OLC, but was cognisant of the importance of encouraging greater transparency and the need to ensure improvements in performance. It was expected that the nature of the reporting required by LSB would not be dissimilar to the information that the OLC would require to administer the Ombudsman scheme effectively."*

OLC compliance with S120 reporting requirements to 31 March 2016 and performance summary during that period

Monthly reporting

7. LSB required OLC to report the following information monthly for its legal jurisdiction:
 - Timeliness statistics showing the actual and percentage numbers of cases resolved within 56 days, 90 days, 180 days and 12 months (measured from the point at which a complainant agrees the nature of the complaint to the point at which it is resolved)
 - Unit cost statistics showing the unit cost per case per rolling quarter. This should be calculated in accordance with the currently agreed methodology¹ but may also be presented alongside OLC's proposed new measure.
 - Quality statistics. These should be calculated in accordance with the currently agreed methodology but may also be presented alongside OLC's proposed new measures².
8. The OLC has provided these reports to LSB and they have been reported to the Board as annexes to CEO reports. **Annex A** provides a summary of the statistics

¹ That is, the methodology used for unit cost reporting from June 2015 to March 2016

² That is, the methodology used for quality reporting from June 2015 to March 2016

reported each month. This shows the average number of cases resolved within 90 days over the 11 months at circa 46% - with a high of 50% in June 2016 and a low of 43.2% in April 2016.

9. The cost per case per rolling quarter has shown a steady reduction over the last year with only a slight increase again in the last few months. The high costs shown early in the year, peaking at £1,961, are largely down to the large one-off costs of buying out the flexible benefits scheme.
10. In regards to the quality statistics, the percentage of complainants and service providers satisfied with the service, regardless of outcome, has stayed very steady throughout the year at around 60%. However, we will not receive the quality results of the final quarter until April.
11. The number of cases accepted for investigation over the past 12 months has been consistently ahead of budget with the latest figures showing 413 cases ahead of budgeted year to date. This is partly due to an increase in work being processed at the Assessment Centre which has been working through a significant backlog. The clearing of this backlog created a 'bulge' of cases that caused a number of queues and other backlogs throughout the Scheme's process and could be tracked via its effects on the reporting targets.

Quarterly reporting

12. LSB required OLC to provide the following information quarterly for its legal jurisdiction:
 - The OLC's assessment of LeO scheme performance over the preceding quarter
 - Any trends identified and the root cause analysis underlying them
 - Where performance over the quarter has failed to meet the OLC's expectations for the scheme, clear, time-bound information on action proposed to improve performance and the expected impact
 - Reports in future quarters should describe the impact that such action previously reported under the bullet above has had.
13. The OLC provided a quarterly report in July 2016 (for quarter 1 2016/17), October 2016 (for quarter 2 2016/17) and January 2017 (for quarter 3 2016/17). The January 2017 report is attached to this paper at **Annex B**. The two prior quarterly reports have been reported to the Board as annexes to CEO reports.
14. [REDACTED]

OLC assessments of LeO scheme performance

15. Typically, OLC has reported that scheme performance has been in line with its expectations even where performance has not achieved OLC KPIs ie this has

been in line with the OLC's understanding of the prevailing performance of LeO and the operating context. Whilst descriptive of LeO performance, the reports have not always done justice to the extent of OLC scrutiny and assessment of scheme performance that has been apparent from Chair and CEO attendance at OLC meetings and from the Chair's quarterly performance meetings.

16. The most recent report concludes that the initiatives outlined in the report "*are contributing to the steady, incremental gains that are now impacting positively on the service which is being provided to all of our customers.*"

Any trends identified and the root cause analysis underlying them

17. Reports have touched on reasons for performance trends. For instance, in quarter 3, OLC report that their expectations on timeliness continue to be impacted by the reducing but still significant level of unallocated cases. With regard to quality, the OLC has been able to draw on internal customer satisfaction surveys to highlight that lack of updates is an important driver of complainant dissatisfaction.

Clear, time-bound information on action proposed to improve performance and the expected impact where performance has not met expectations Future reports to describe impact of these initiatives

18. In response to feedback on the extent to which the first quarter report addressed this, OLC introduced a table format for this aspect of the report in quarters 2 and 3. These tables summarised the various initiatives that were introduced to improve performance.
19. The quarterly reports described the initiatives initiated each month, the expected benefit and, in some cases, the point at which the benefit was expected to be realised. The quarter 3 report indicated which initiatives from previous quarters had been incorporated into business as usual and the results that had been achieved from them.
20. The objective behind this quarterly reporting requirement was to allow LSB to assess the extent to which OLC understood the impact and effectiveness of the initiatives its executive had put in place. The style and presentation of this table have not, in the event, added greatly to our understanding of initiatives at LeO, in particular, the OLC Board papers that we receive already provide a richer picture of what is being done by LeO and how it is responding to the oversight of the OLC. Importantly, these Board papers provide more useful detail on the more holistic 'Modernising LeO' plan, rather than on more short-term interventions.

Reflections on performance reporting since April 2016

21. As rehearsed above, an objective of the performance reporting requirements was to inform the Board's ongoing need to be assured that the OLC is performing its statutory functions to an appropriate standard.
22. There is absolutely no doubt that the monthly S120 performance reports from OLC have been invaluable in **providing transparency** about LeO's performance against OLC's own performance framework. Without it, performance data for the scheme would not have been in the public domain for 2016/17. (The LeO website contains performance data for a number of past years but, as regards KPIs and data for 2016/17, states "*We're currently updating these, please check back soon.*") These monthly reports, combined with the quarterly performance reports

provided by the LeO executive to the OLC, have enabled LSB to probe OLC as to its approach to performance oversight.

23. The S120 quarterly reports, however, have provided much less valuable information and have not been as effective as we would have hoped in meeting the Board's aspiration that the OLC would report self-critically on its own performance in administering the scheme.
24. As such, the most useful information on OLC 'grip' has come from other forms of interaction such as:
- Chair/CEO attendance at OLC Board meetings
 - OLC attendance at LSB meetings including for budget discussions
 - CEO attendance at OLC Audit and Risk Assurance Committee meetings
 - Board level performance reviews
 - Chair to Chair meetings including annual performance appraisal and objective setting
 - CEO to CEO/Chief Legal Ombudsman meetings
 - LSB member visits to LeO
 - Working level contacts
 - Sight of OLC Board papers
 - Informal intelligence from stakeholder contacts including regulators, representative bodies and Ministry of Justice.
25. These latter activities have been most useful in enabling the a richer picture of the OLC's performance in holding the LeO executive to account and in setting the strategic direction for the scheme to be developed.

Relationship impact of performance requirements

26. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] To

reinforce this, in November 2016, the LSB Chair sent the following message to the Chief Legal Ombudsman for inclusion in all LeO staff bulletin:

"My thanks to the OLC Board and the staff of LeO for the vital work you do to resolve complaints and build confidence in legal services. The last few years have been challenging and I am very grateful for the efforts you are making in relation to the quality, cost and timeliness of casework.

For some time, regular reports from OLC on its oversight of LeO's performance have been made to the LSB under s120 of the Legal Services Act. Recently performance appears to be stabilising and, based on conversations with Steve Green and the top team, the organisation is beginning to turn the corner. I look forward to a sustained upturn in performance over the next few months when, if so, it would be possible for me to recommend to my (LSB) Board that s120 reporting can be suspended. I hope this positive message is encouraging and will be well received by all concerned."

27. [REDACTED]

28. None of this is reported as justification for removing, revising or retaining requirements but it is just to explain the climate they have generated.

OLC's own plans for performance management

29. The performance management framework for LeO formed part of its consultation on its draft Strategy and Business Plan for 2017 – 20. The final draft received as part of the OLC's budget submission makes clear that one of the organisation's strategic objectives will be to "*modernise LeO to deliver continuous improvement in performance and customer services and embed the right leadership, culture, skills, technology and ways of working*". In 2017/18, LeO plan to implement new business processes and a new staffing model, alongside testing and rolling out a new case management system. Existing KPIs will be maintained but there will be a transition to a new Balanced Scorecard by April 2018. The current KPI framework is at **Annex C**.

30. The Plan also describes the organisation's proposals for developing its performance management framework. These warrant more detailed consideration and would be a valuable area for Board to Board discussion in due course. (See OLC budget paper - strategy and plan annex pages 19 – 21).

Additional context for discussion

31. There have been a number of developments affecting OLC's operating environment since April 2016 including:

- Development of the Modernising LeO programme which LeO describe as follows: "*This will develop a more integrated, end-to-end process to better serve our customers, implement a new staffing model and drive new business processes that underpin the new case management system we are developing. In the first phase of the programme, we are improving our under-performing IT infrastructure and devices, and will update our intranet and website. The second phase of the programme will allow us to develop a much more capable website and explore opportunities to offer alternative ways for customers to interact with our service, for example by considering a web based portal.*"
- In June 2016, the return of Accounting Officer delegation to LeO's Chief Ombudsman from the Permanent Secretary.
- A fully refreshed senior management team, completed with the appointment of Rob Powell as Director of Corporate Services.

32. Looking ahead:

- Steve Green will step down as Chair on 31 March 2017 and, pending all necessary approvals, a new Chair will be in post imminently
- The imminent agreement of a tripartite operating protocol between OLC, LSB and MoJ will embed the need for a coordinated approach to OLC oversight by LSB and MoJ

- In April 2017, we expect to see the outcome of the Tailored Reviews of OLC and LSB which may include reflections and recommendations on the relationship and respective performance of functions
- The forthcoming transfer of the claims management complaints jurisdiction to the Financial Ombudsman Service.

Assurance on OLC performance “grip” from 1 April 2017

33. The executive has reflected carefully on the experience of the past 12 months and the information gleaned from the statutory reporting requirements and the other avenues for assurance insight.

34. [Redacted]

35. The most valuable information – for both the LSB and the wider sector – has been the routine reporting of performance against the OLC’s own performance management framework and the placing of that information into the public domain. The executive recommends that this performance reporting requirements continues on a quarterly basis.

36. [Redacted]

37. Looking ahead, the Board may see benefit in exploring previously recommended actions such as Board to Board sub-groups and continuing the programme of Board member visits to LeO.

OLC views on this approach

38. [Redacted]

Recommendation

The Board is invited to:

- a) consider its approach to OLC assurance of LeO scheme performance including the use of statutory powers in relation to OLC as set out in this paper; and
- b) delegate authority to the Chairman to write formally to OLC on this basis.

11.03.17

Annex A

Summary of monthly performance reports – June 2015 to March 2016

	Target	06/15	07/15	08/15	09/15	10/15	11/15	12/15	01/16	02/16	03/16
Time	60%	57.1%	52%	49%	49%	48%	48%	56%	48%	44%	40%
Unit cost	£1750	£1709	£1724	£1770	£1865	£1903	£1761	£1660	£1587	£1598	£1547
Quality	40%	61%	61%	58%	58%	58%	55%	55%	55%	55%	

Summary of monthly performance reports – April 2016 – February 2017

	Target	04/16	05/16	06/16	07/16	08/16	09/16	10/16	11/16	12/16	01/17	02/17
Time	60%	43.2%	44.9%	50%	47.1%	53%	47%	43.4%	43.4%	46.3%	48.5%	46%
Unit cost	£1750	£1900	£1961	£1734	£1680	£1584	£1583	£1368	£1401	£1403	£1433	£1555
Quality	40%	60%	60%	60%	62%	62%	62%	60%	60%	60%	tbc	tbc

30 January 2017

Section 120 Quarterly Performance – Q3

The logo for the Legal Ombudsman features the word "LEGAL" in a bold, pink, sans-serif font. A large, elegant, pink cursive flourish is positioned above the letters "L", "E", and "G". Below "LEGAL", the word "OMBUDSMAN" is written in a black, all-caps, sans-serif font.
LEGAL
OMBUDSMAN

1. Introduction:

1.1. The purpose of this report is to provide the Legal Services Board (LSB) with an overview of the performance of the Legal Ombudsman (legal jurisdiction) for quarter 3 (2016/17). This is in line with your requirements of Section 120 of the Legal Services Act 2007, as outlined in paragraph 3 of Appendix A to your letter dated 11 April 2016.

1.2. The report provides an assessment of the performance of the scheme, focusing in particular on three key areas:

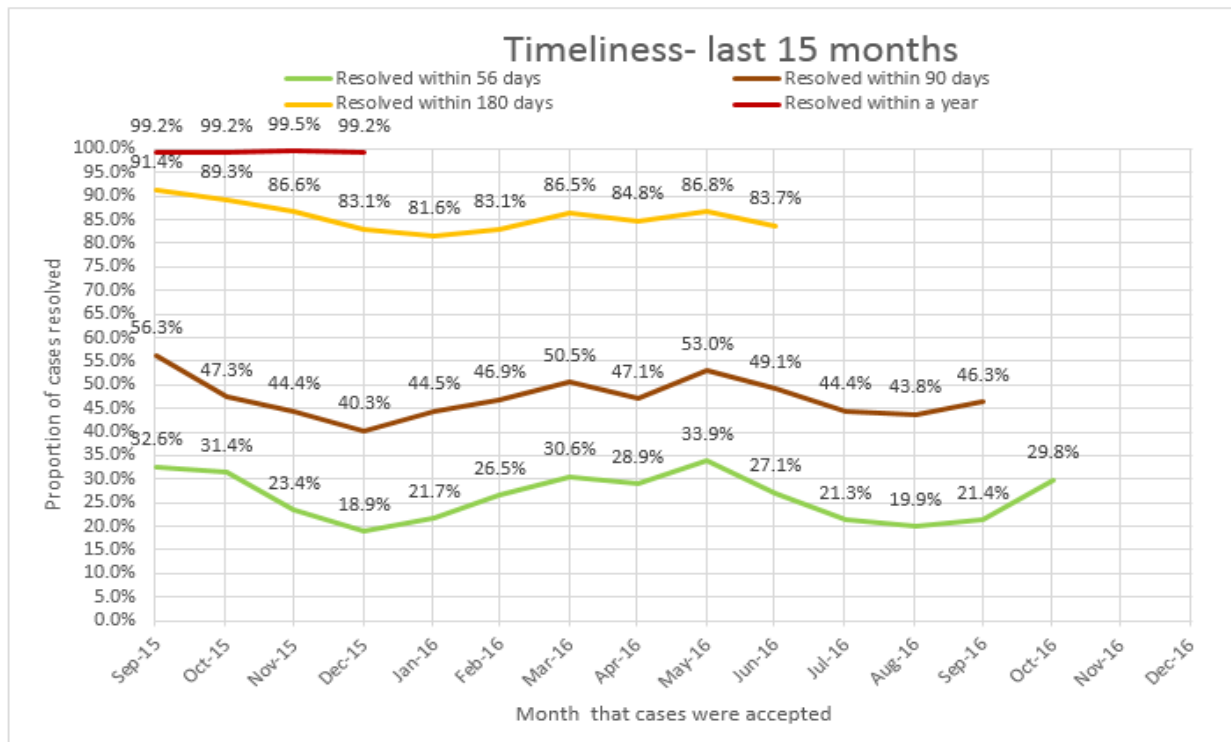
- Timeliness
- Quality
- Costs

1.3. The report also provides an update in respect of the actions and interventions that have taken place or are planned, to improve performance in areas where the Office for Legal Complaints' (OLC) expectations have not been met.

2. Timeliness:

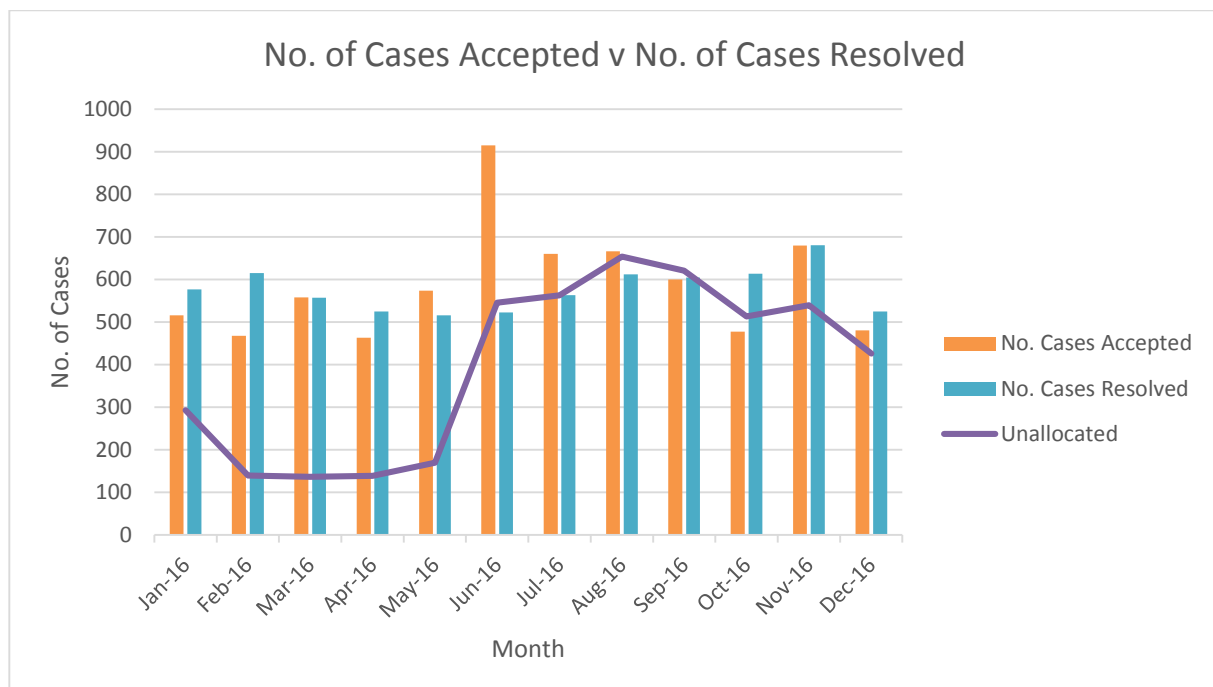
2.1. During quarter 3, timeliness performance has remained broadly consistent and in line with the OLC's expectations. Timeliness performance is illustrated in the graph below (figure 1).

Figure 1 – Legal Jurisdiction Timeliness Performance



- 2.2. Figure 1 illustrates that performance against the 180 day target has decreased slightly in December, however, this was in line with expectations due to the large amount of cases accepted in June (as previously reported), now impacting the 180 day target.
- 2.3. Figure 1 also illustrates that performance against the 90 day timeliness target has remained consistent during the period, but is still below the OLC's target of 60%.
- 2.4. The OLC's expectations on timeliness continue to be impacted by the reducing but still significant level of unallocated cases. The OLC acknowledges the impact that the measures being taken to rectify these issues are having. This is evidenced in the graph in figure 2 which shows that the number of cases resolved exceeded the number of cases accepted every month during quarter 3.
- 2.5. Implementation of a targeted approach to allocations has seen the unallocated work reduce significantly, from approximately 620 at the beginning of quarter 3 to approximately 470 at the beginning of quarter 4, reflected in the graph in figure 2.
- 2.6. The OLC welcome not only the sustained reduction in this area, but also the further reduction that is forecast by the end of quarter 4. This will inevitably impact positively on timeliness performance.
- 2.7. In the last quarterly report to the LSB, the absence of suitable oversight measures at the assessment stage of our process were outlined. Appropriate measures have now been introduced to provide sufficient oversight of this work, and the OLC are assured that the actions taken will mitigate the potential reoccurrence of the backlog position we experienced in the Assessment Centre during the summer.

Figure 2 – Number of Cases Accepted / Number of Cases Resolved / Unallocated Cases



2.8. The impact of the large number of cases accepted for investigation in June continues, however, the number of unallocated cases is reducing, as outlined in paragraph 2.5.

2.9. In October 2016 a triage system was introduced within the investigation process. The objectives of triage are to:

- review case complexity;
- assess vulnerability of complainants;
- identify easy resolutions;
- request tailored evidence.

The triage system has now been included as business as usual within the investigation process. The triage process allows work to commence on a case much earlier, impacting positively on the customer experience and ultimately timeliness performance. At the end of quarter 3, there were 2202 active cases within the system, however 856 of these were received prior to the implementation of the triage process, and therefore have not been triaged. All cases assigned to Investigators after the middle of November have been triaged. The timeline provided in figure 4 provides an indicative picture of the difference the triage process has made to the customer experience. Once a case is 'in triage', activity on the case is underway much quicker, and the active periods within the lifetime of a case (reflected in green) are significantly greater than the inactive periods. This means that specific evidence is available on the case as soon as it is allocated to an Investigator, and the investigation can progress without needing to wait for evidence (in the majority of cases).

Figure 3 – Indicative timelines for investigation process – original system



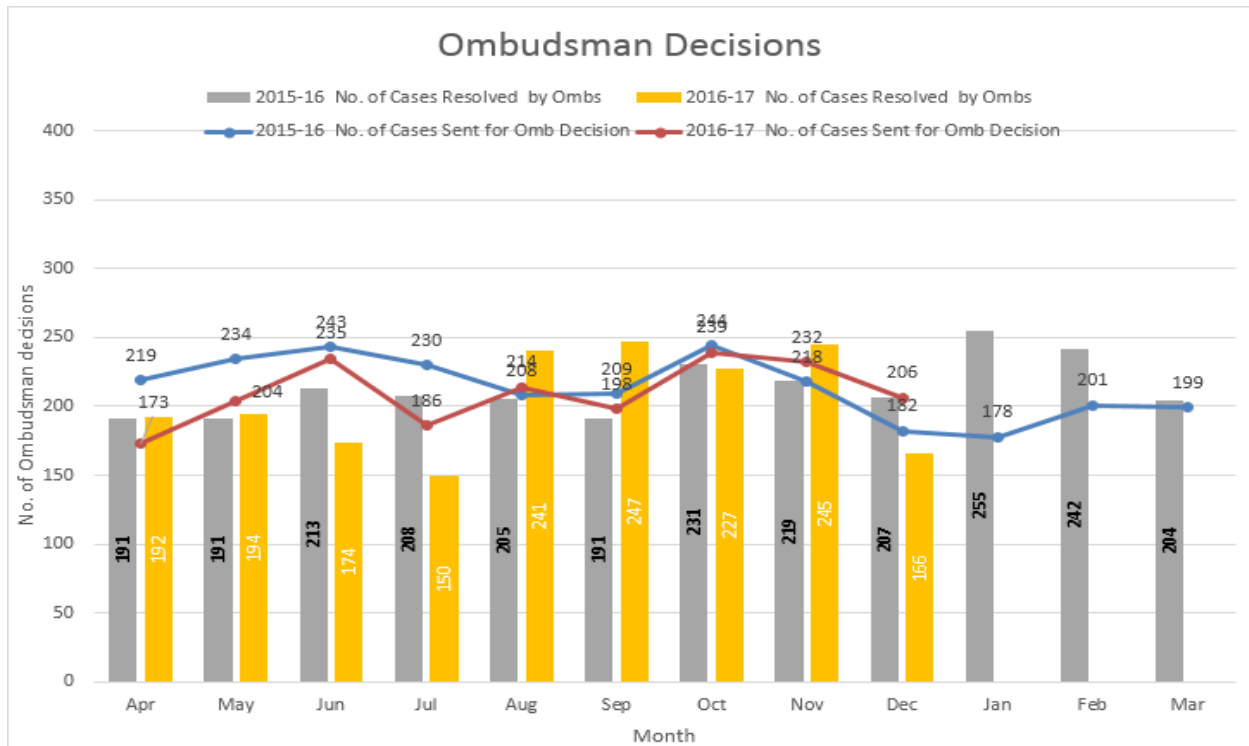
Figure 4 – Indicative timeline for investigation – triage system



2.10. The graph in figure 2 is also indicative of the incremental improvement in productivity within the Resolution Centre since June, which can in part be attributed to increased staffing levels, the triage process, and other initiatives outlined in section 5.

2.11. The OLC welcome the sustained improvement in the number of informal resolutions achieved during the quarter. They attribute this to initiatives such as triage and the telephone project which, drives Investigators to use the phone wherever possible during the course of their investigations.

Figure 5 – Ombudsman Decisions / Productivity

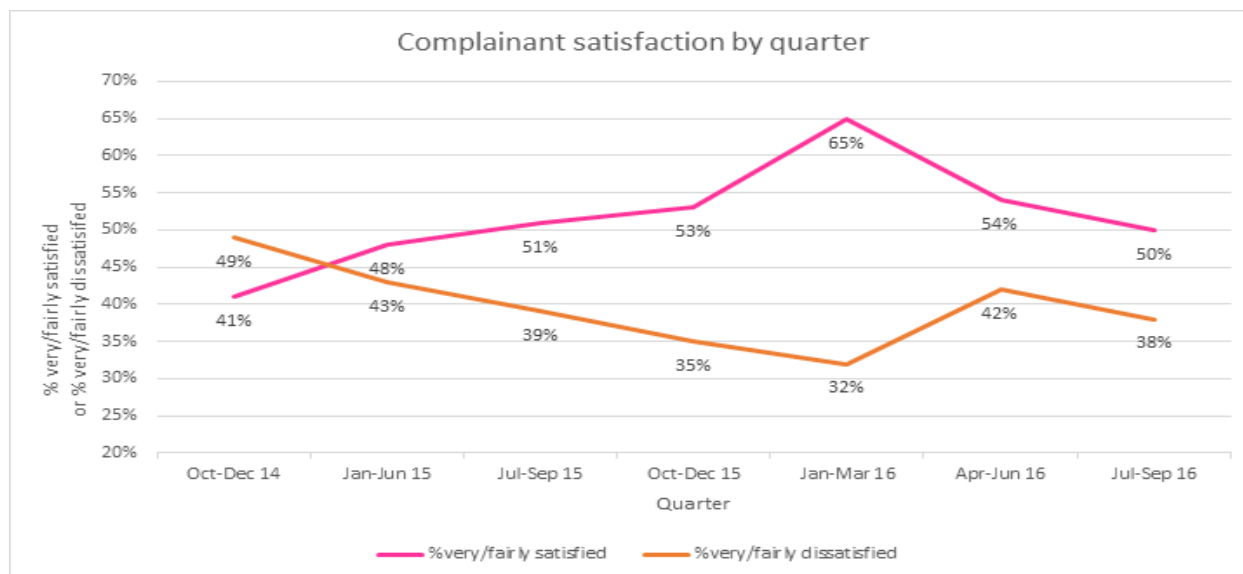


2.12. A significant amount of work has taken place since quarter one to reduce the work in progress at the final stage of our process (Ombudsman Decision). The Ombudsman team have sustained the improvements that were made in respect of the number of cases awaiting a final decision, which has remained consistent throughout the quarter at approximately 220. The number of decisions made in December was less than previous months, however, this was as a result of Ombudsmen being involved in the induction of new starters and launching the new knowledge strategy. This was in line with our expectations. The next stage in the process is to implement a project to reduce the number of send backs and provisional decisions, outlined in section 5. This will in turn improve productivity and performance against timeliness measures.

3. Quality:

3.1. The overall satisfaction with our service at the end of the process has improved slightly from 60% in quarter 1 to 62% in quarter 2. However, complainant satisfaction results have reduced from 54% in quarter 1 to 50% in quarter 2. The overall satisfaction level has been impacted positively by an increase in service provider satisfaction, increasing from 71% to 83%.

Figure 6 – Complainant Satisfaction Results



3.2. The internal customer satisfaction surveys continue to provide a rich source of data to inform service improvement. Complainants cite lack of updates as a dissatisfaction driver, and as a result of this the flexibility of our ‘in process’ surveys has allowed us to introduce a new question to explore this further. The results have shown that complainants are far less happy with the frequency of updates in comparison to service providers. However, it is anticipated that this will improve following the introduction of the various initiatives to improve performance at the investigation stage of the process. We will maintain focus on quality and monitor performance via the internal quality review process, and amend or introduce additional questions within the ‘in process’ surveys in order to provide a more granular view of performance.

4. Costs:

4.1. The OLC Board’s expectations on costs are currently being met and no interventions are planned or expected in this area.

5. Actions Taken / Planned:

5.1. A number of initiatives that have been introduced to improve performance were outlined in the previous quarterly Section 120 report. The aim of these initiatives are to:

- reduce the backlog by a structured allocation process;
- increase the capacity to investigate more cases capitalising on the return of our control over our resources, ongoing recruitment and continuing to recruit flexibly, together with the controlled use of overtime;
- increase the efficiency of the investigation process;
- maintain an adequate throughput of Ombudsman decisions.

Following formal review, a number of these initiatives are now business as usual within the investigation process, these are highlighted in the table below:

Month	Initiatives Implemented	Benefit / Result
Feb-16	Recruitment - Tranche 1 (Assessors - 11, Investigators - 12) Start date 11 April Active date 2 May Capacity date 27 June,	Improve efficiency Reduce unallocated Positive impact on timeliness Positive impact on customer satisfaction Closure benefit seen from August
Jul - 16	Reduce Ombudsman WIP Recruit Senior Ombudsman - July Withdraw Ombudsman from teams and allow to focus on final decisions – August / September Focussed management of Ombudsman – August / September Reintegrate Ombudsman within teams - Oct	Positive impact on timeliness Positive impact on customer satisfaction Reduce Ombudsman WIP (reduced by 1/3 during August / September but slight increase following Christmas) WIP August 320 WIP currently - 240
Aug-16	Investigator overtime	Reduce / manage unallocated Positive impact on timeliness and customer satisfaction The 11 Investigators working overtime have increased their closures by 25% in Q2 and Q3, when compared with Q4 (15/16) and Q1.
Aug-16	Continuous recruitment commenced Recruitment - Tranche 2 (Assessors - 7, Investigators - 6) Start date 7 November Active date 28 November Capacity date 23 January 2017	Improve efficiency Reduce unallocated Positive impact on timeliness and customer satisfaction Closure benefit seen from March 2017
Sep-16	Customer focus initiatives - Telephone, Effective Progression, Implemented – October Support tools cascaded – Mid October Initial review – December	Improve quality Positive impact on customer satisfaction Positive impact on timeliness through increased informal resolutions and more timely responses Review indicates: Significant increase in number of initial contacts via telephone. Positive impact on informal resolutions in Q3 Now BAU

Oct-16	Increase Flexible Ombudsman Resource Additional external Pool Ombudsman recruited – November Internal Pool of development Ombudsman - November	Reduction in Ombudsman WIP Positive impact on timeliness and customer satisfaction Additional 53 decisions in Q3 Now BAU (when required)
Oct-16	Unallocated initiative - 13 week programme of allocations to ensure that the number of cases allocated exceeds the number of cases accepted, in turn reducing the unallocated backlog	Positive impact on timeliness and customer satisfaction Unallocated Oct – 620 (34 days) Unallocated forecast end Q3 – 490 / Actual – 475 Unallocated forecast at end of Q4 – 380
Oct-16	Triage Review case complexity Assess vulnerability of complainants Identify easy resolution, Request tailored evidence if necessary	Reduce unallocated Positive impact on timeliness Improve quality Positive impact on customer satisfaction Reviewed Dec – now BAU.
Jan-16	Modified hours project Short term project to assess the impact of investigators working into the evening (8pm) on closure numbers, specifically informal resolution. Findings to be used to inform permanent alternative working pattern and access to different labour market.	Reduce unallocated Positive impact on timeliness Improve quality Positive impact on customer satisfaction Early indication of positive impact on Informal resolutions and customer satisfaction Formal review March 2017
Jan-16	Initiative to reduce the number of cases that are sent back to Investigators by the Ombudsman for further investigation. Focussed around: Appropriate feedback on all send backs Coaching and involving Team Leaders in the outcome for discussion at one to ones. Formal refresher training to include: <ul style="list-style-type: none"> • Evidence handling / sharing • Agreeing complaints, • Managing expectations • Considering the comments from parties • Presenting a case for decision 	Increase Ombudsman productivity / number of final decisions per month Positive impact on timeliness and customer satisfaction. Review to be completed end of Q1 17/18

Initiatives highlighted in grey in the table above indicate that they have either ended or are now business as usual (BAU).

6. Conclusion:

- 6.1. The initiatives outlined above are contributing to the steady, incremental gains that are now impacting positively on the service which is being provided to all of our customers. As this report shows, the appetite for new thinking and new ways of working remains strong among the LeO Leadership Team.

- 6.2. The OLC are reassured that all of the improvements are sustainable and are now being managed in a manner which will allow them to blend into the wider modernisation programme. This encompasses both the operational business process and IT / Case Management System and will commence in the new business year. Whilst not the subject of this report, detailed planning and preparation for that programme continues apace.

Annex C – current LeO KPIs

Objective	KPI
Improve our efficiency	
Improve timeliness	% legal cases resolved within 56 days, 90 days, 180 days and 365 days (35%, 60%, 90%, 100%)
Deliver to approved budget	Legal expenditure against agreed budget Cost per complaint (£57) Cost per legal investigation (£782)
Implement agreed changes to our jurisdiction	
Continued effective operation of CMC jurisdiction	CMC expenditure against budget Cost per CMC investigation (£1,040) % CMC cases resolved within 56, 90 and 180 days (60%, 90%, 100%)
An improved complaints handling system	
Improve complaints handling system – outcomes and service quality	Overall customer satisfaction at initial contact stage (90%) Overall customer satisfaction with investigation stage (65%) Overall customer satisfaction irrespective of outcome (40%) Outcomes of internal quality reviews
Disseminate what we have learned more widely	
Deliver policy and research	Policy and research delivery against plan and expenditure against budget Provision of learning and development to profession (number of hours)