

June 2011

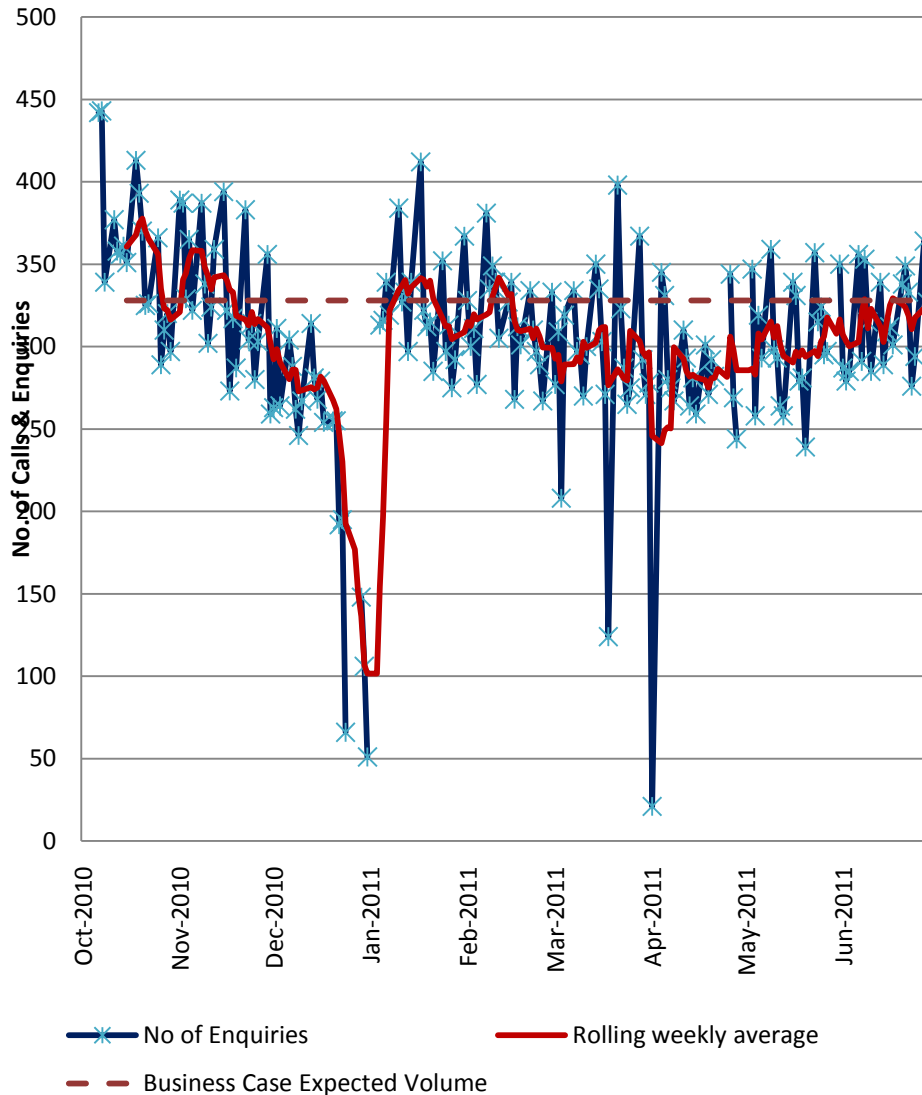
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# Key Performance Measures

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LEGAL  
OMBUDSMAN

# Call Volume Activity - Last 12 Months



**Definition:** This chart shows the daily volume of calls, letters and e-mails over the last 12 months (blue line) together with a rolling weekly average which smooths out the natural daily variations (red line). The dotted red line shows the contact volumes that were anticipated in the original business plan.

**Commentary:** Contact volumes continue to run at around the expected levels. While volumes remain a little below the level anticipated in the business plan this is within the expected range of activity.

Looking forwards we will be developing our forecasting capability as we obtain more data around the seasonality of contact volumes and patterns. Once we have this forecast in place we will extend the chart to show the forecast for the coming 6 months.

Method of contact by the complainant remains stable at around 70% by phone, with the remainder split equally between e-mails and letters.

	Q3 2010	Q4 2010	Q1 2011	Q2 2011
Service Level	82.3%	77.6%	82.3%	TBA

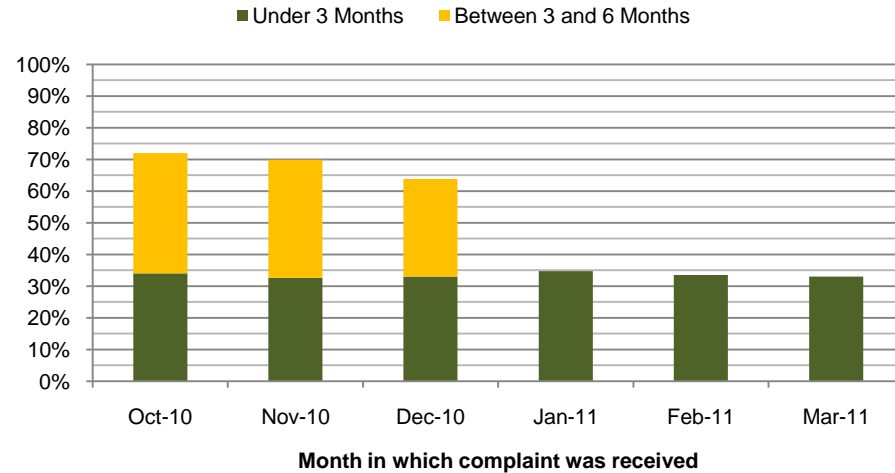
# KPI Measure: Timeliness

**Definitions:** The proportion of cases resolved by timeframe chart shows, as at the end of June 2011, the proportion of the cases which have been resolved within 3 months and within 6 months of the initial complaint being received. The Work in Progress chart shows the number of live cases (actively being worked on), resolved and open cases (where an ombudsman decision or informal resolution has been achieved, but the case has not been closed in the case management system), and unallocated cases (where the case has not yet been allocated to an investigator). **Note:** the IT system is currently unable to report accurately on returning cases e.g. cases where we have initially closed the case as premature (not yet complained to the Lawyer).

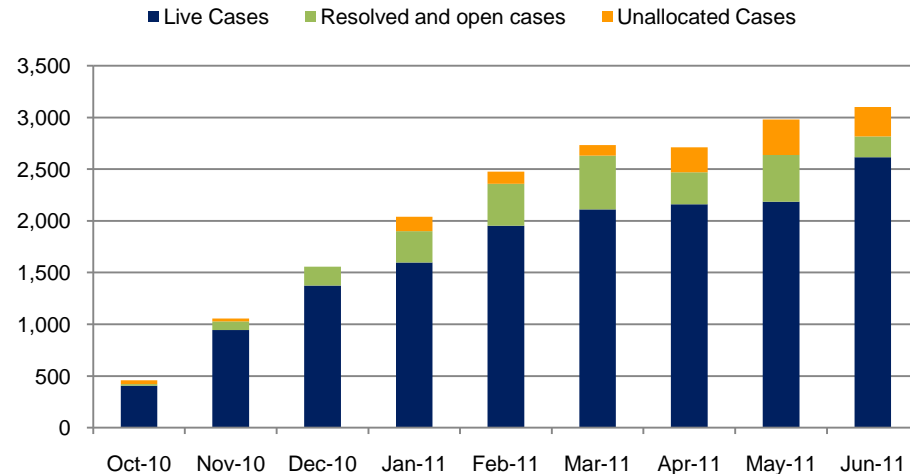
**Commentary:** LeO is currently reporting that it is resolving on average 33% of cases within 3 months and on average 68% of cases within 6 months. This results in the level of work in progress being higher than anticipated.

There are range of underlying causes for the longer lead times including the experience and confidence of the new staff, teething problems with the IT systems, some glitches with the business process (e.g. enforcement of remedies) and issues in getting complete data including intervened firms from the SRA. While the organisation is still new we would not expect to be achieving our long term timelines goal. Management are taking active steps to improve timeliness through review and improvement to the business process, recruitment has been resumed.

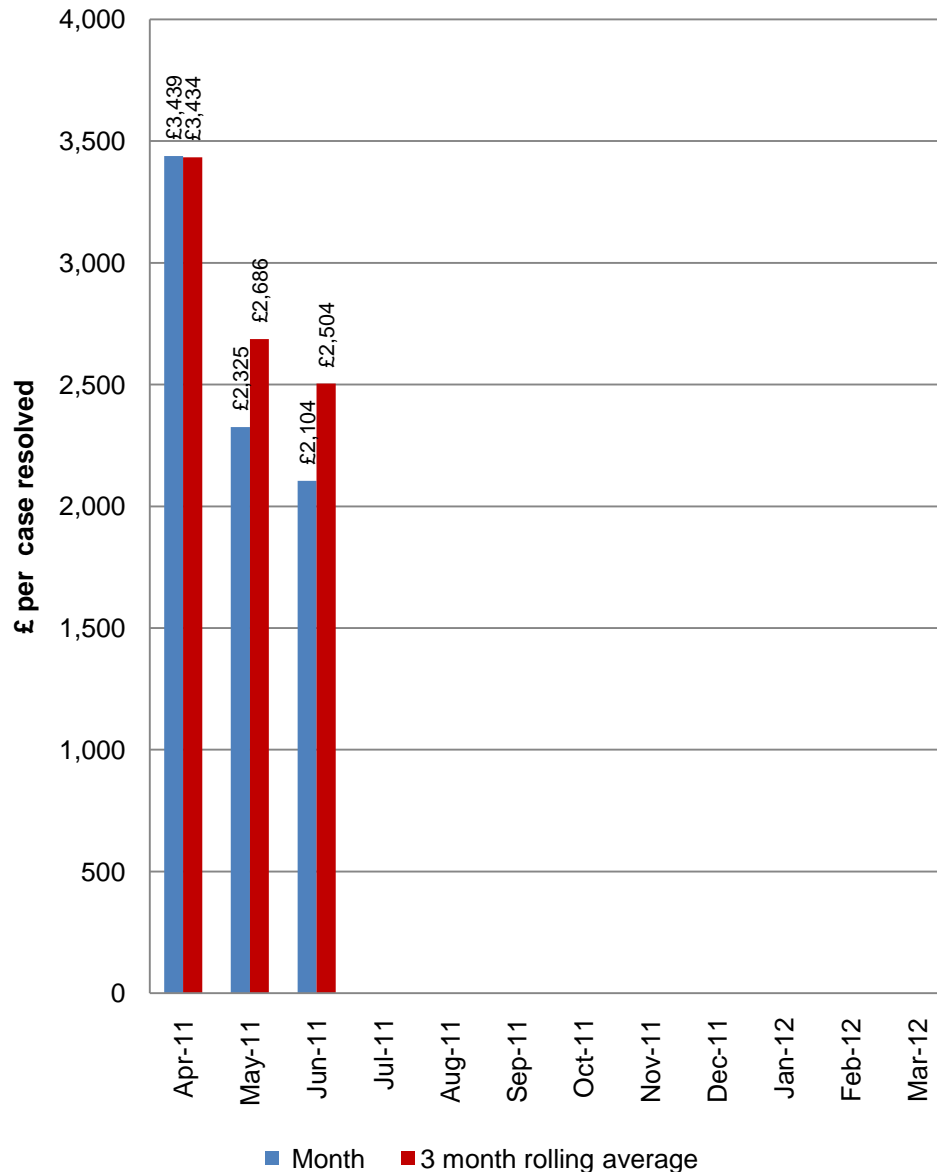
Proportion of cases resolved by timeframe



Work in Progress at month end



## Unit Costs 2011-12



**Definition:** Unit cost is measured as the total cost of the Legal Ombudsman for the period divided by the number of cases resolved in the period. A rolling 3 month average is also used to smooth volatility in any one month.

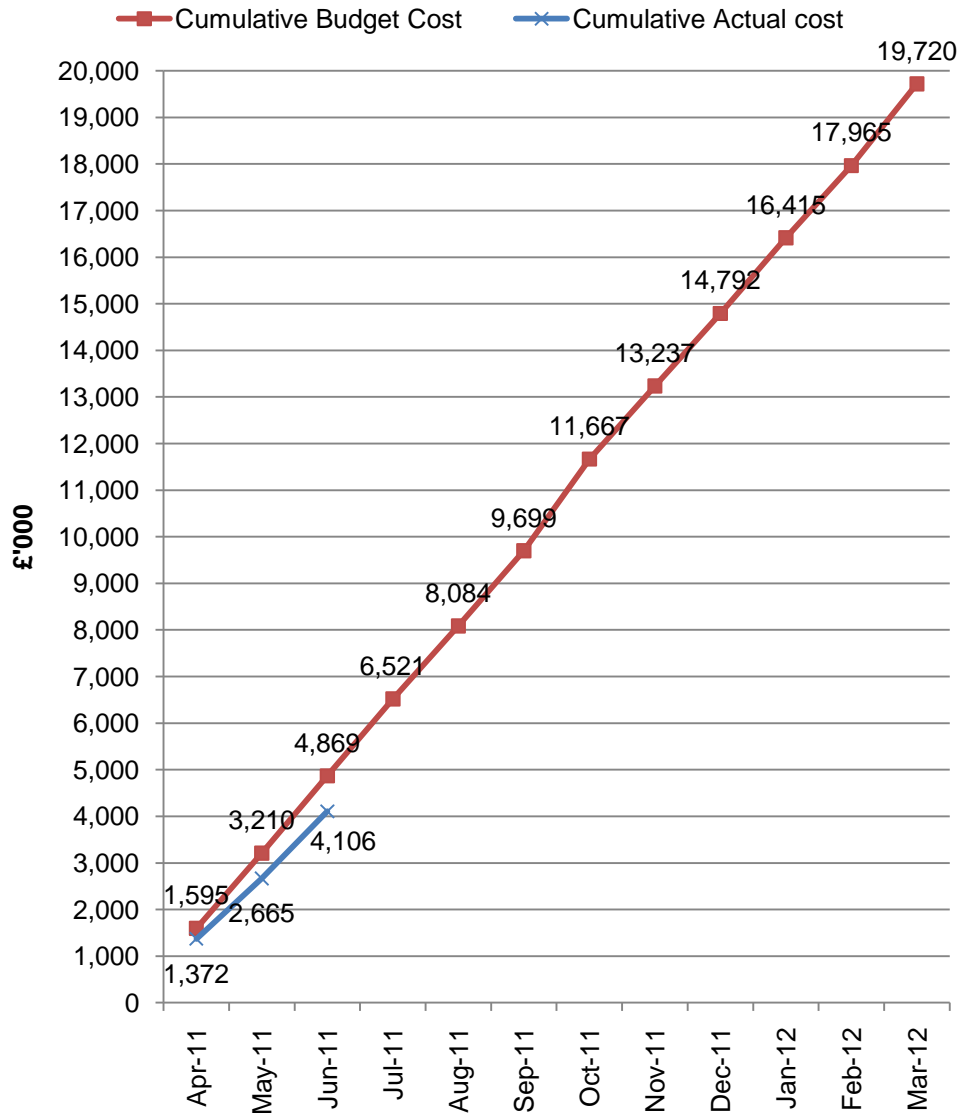
**Commentary:** Our unit cost remains higher than we wish it to be. While the reduction is being driven by the increasing number cases resolved, the number of cases being resolved remains below the level expected at this stage.

The lower resolution rates are being driven by two principal factors;

1. A lower number of cases than anticipated in our original planning assumptions; and
2. The length of time that it is currently taking to resolve cases.

Planned recruitment will increase total costs in the short term, initially putting upward pressure on unit cost. Increasing business process efficiency and capacity will then increase the rate of resolution of cases in the medium term leading to a reduction in unit cost over the medium and longer term.

# Actual Cost vs Budget 2011-12



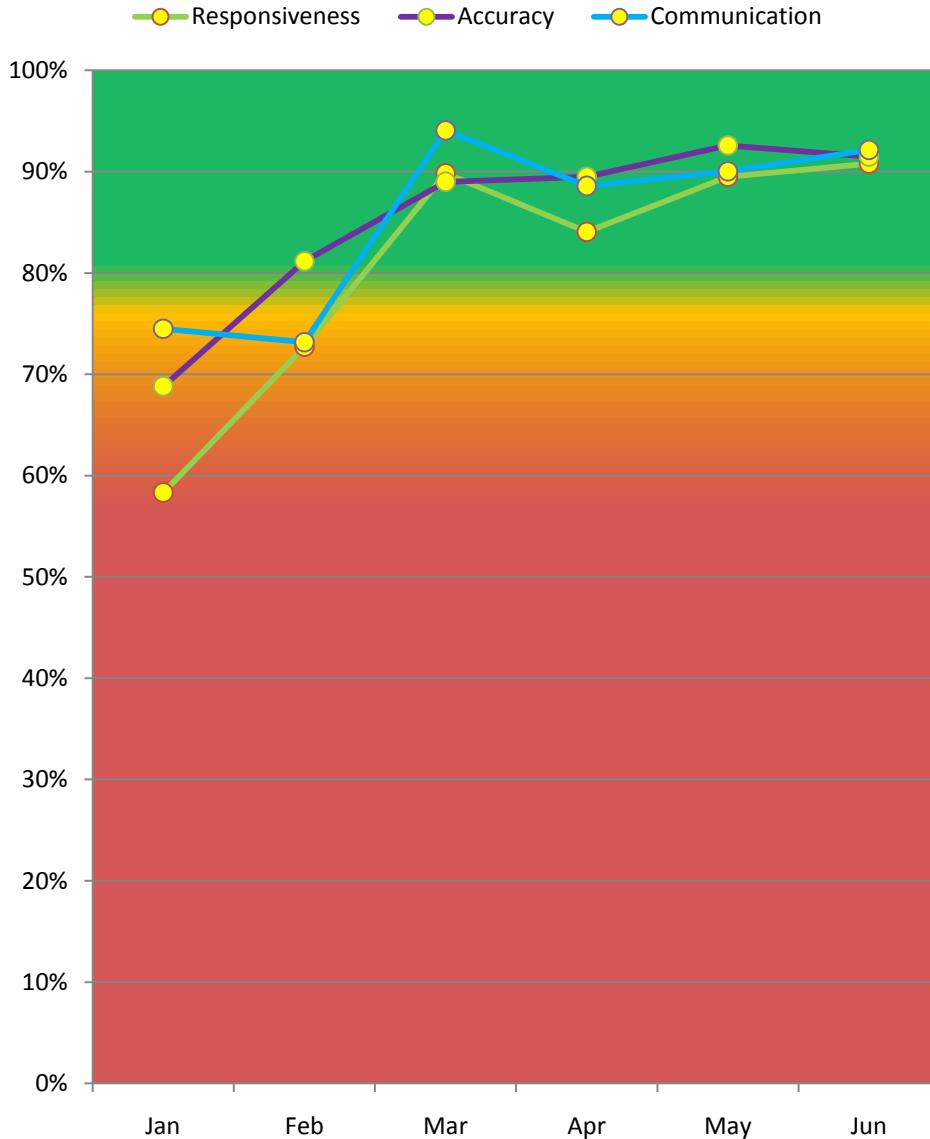
**Definition:** Cost is defined as the total cost of the Legal Ombudsman including all overheads and depreciation.

**Commentary:** We continue to run significantly below budget. This is driven by two principal factors;

1. Headcount is 13% below budget
2. Various costs such as legal, professional and training costs have been phased evenly over the year. We have yet to experience any substantial legal challenge and additional training is now likely to be incurred later in the year.

The breakdown of costs vs. budget is discussed more fully in the board finance paper.

## AC Call Quality by Theme



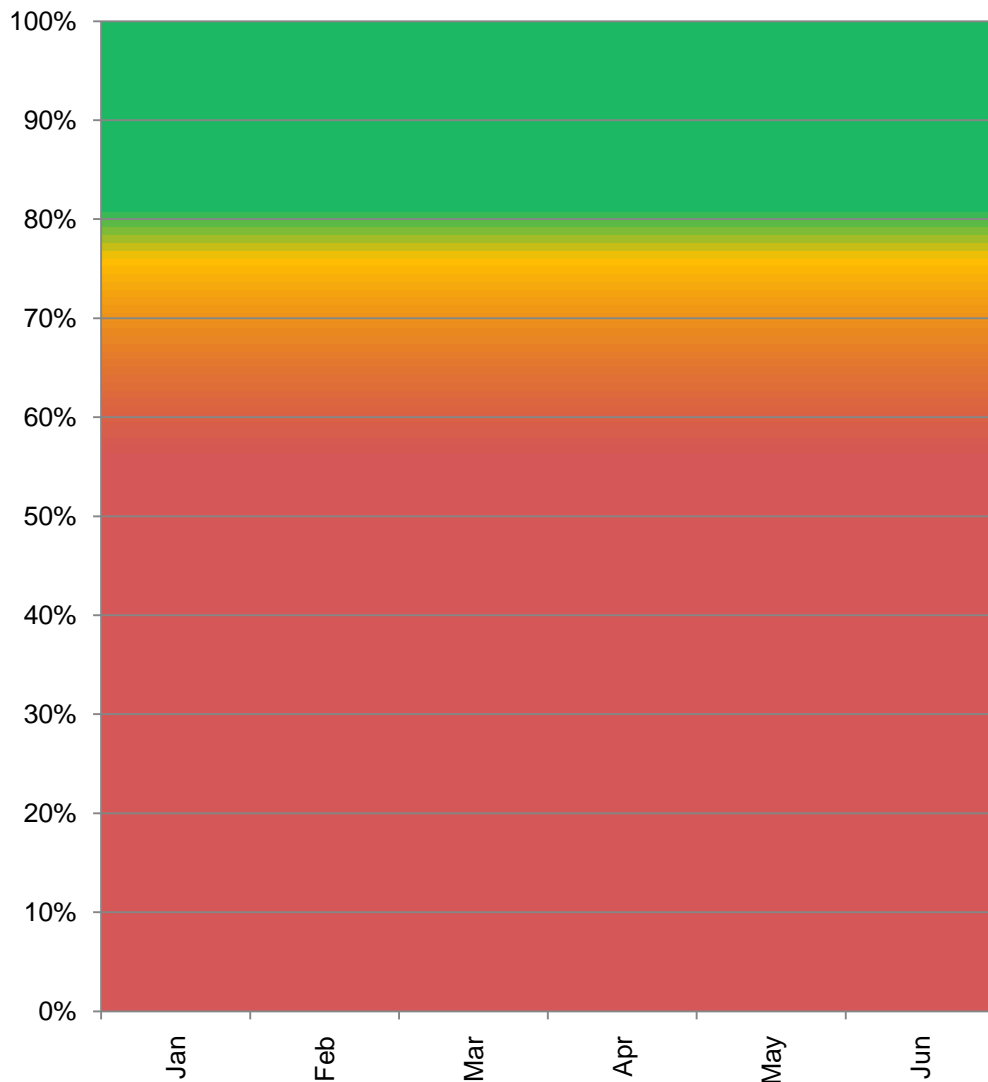
**Definition:** Our call quality is monitored through the monthly review of two calls per assessor in our assessment centre, and one call per investigator when they rotate into the assessment centre.

The quality review focuses on three quality areas (Responsiveness, Accuracy and Communication). We have set a target of exceeding 80% on all areas.

The results of the reviews are fed back to each individual so that they can identify where they need to improve and develop their skills.

**Commentary:** The 3 quality measure scores have improved over the pilot period and are within the acceptable range. Management in the Assessment Centre feel that the review scoring fairly reflects the quality of calls reviewed. The process remains new and activity to improve consistency of scoring and to improve the forms is ongoing.

## Resolution Centre Case Quality



**Definition:** Our case quality is monitored through the monthly review of two resolved cases per investigator.

The quality review focuses on three quality areas (Responsiveness, Accuracy and Communication). We have set a target of exceeding 80% on all areas.

**Commentary:** Our pilot process for case file reviews gave scores that were much higher than management believe quality to be. While we believe the review process and the feedback it provides is itself beneficial, we do not think that it is appropriate to publish the scores at this stage. As a result we have revised the quality review forms and have been re-piloting the evaluation methodology during June and July. We hope to be able to implement formal quality measurement from August onwards and will display this on a chart (as shown) in a similar manner to the Assessment Centre call quality.

## KPI Measure: Customer satisfaction

**Definition:** Our customer satisfaction levels will be assessed through consumer surveys over the year, and in the number and nature of complaints about us by users of the service. The results of these surveys will be summarised and the key messages identified, together with an overall assessment of what actions, if any are to be taken as a result of the findings.

**Commentary:** We are in the process of commissioning our initial satisfaction survey which will provide the first direct customer feedback on quality.

## KPI Measure: Combined Quality

**Definition:** The definition of the combined quality measure has not yet been set

**Commentary:** We plan to set the definition for the combined quality measure once we have established the subsidiary measures.

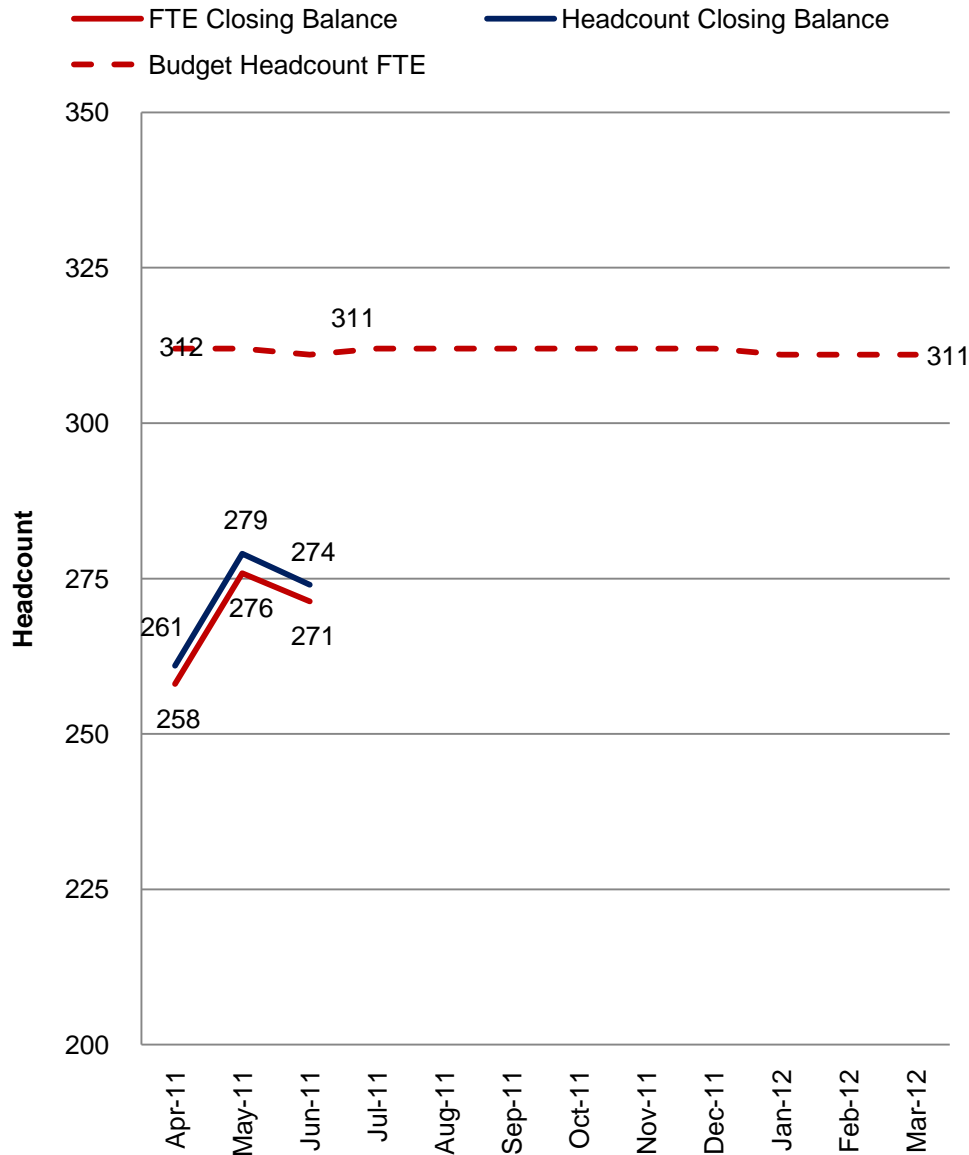
## KPI Measure: Judicial Reviews

**Definition:** The number of Judicial Reviews where a decision on a case has been formally challenged and where a court date has been set.

**Commentary:** We do not have any judicial reviews pending or currently threatened.



## Headcount vs Budget 2011-12



**Definition:** The chart shows our actual headcount in heads and as FTE heads, and compares this to our budgeted FTE heads for the financial year.

**Commentary:** We had no joiners and five leavers in June.

Our headcount remains 40 heads (13%) below budget, primarily in operations.

We have resumed active recruitment for 20 interim investigators and 7 interim assessors to address the backlog and higher than anticipated WIP while business process efficiency is improved. We will also be recruiting permanent investigators and assessors in September to start at the end of 2011 in order to maintain sufficient operational resources to meet demand.