

Meeting	OLC Board	Agenda Item No.	3
		Paper No.	120.2A
Date of meeting	26 May 2022	Time required	15 mins

Title	Performance
Sponsor	Sandra Strinati, Chief Operating Officer
Status	OFFICIAL / OFFICIAL SENSITIVE

Executive summary
<p>The slide deck attached shows the achievement against key performance indicators for April of 2022/23. It links also to:</p> <ul style="list-style-type: none"> - the Agreed Data Set for April which was published on 18 May: and <p>Key points for the OLC Board to note:</p> <ul style="list-style-type: none"> - April case closures were 714 against a Business Plan assumption of 772 - 2nd highest closure performance since modernising LeO - April 22 closures are 24% up on April 21 - Front End Team achieved 415 - assumption 270 - Established investigator resource is 48% down on same period last year, currently 49.35 FTE - 28% shorter journey time for low complexity cases in the early initiatives – 37 days from point LeO receives all paperwork - Pre Assessment Pool (PAP) below 22/23 Business Plan level (5646 v 5981) - Third consecutive months reduction in PAP - Core demand is stable - FET and BAU combined productivity for est. investigators 8.57 - Attrition, maternity leave and sick absence are running ahead of business plan assumptions. Factors contributing to attrition are job market picking up, and salaries that are not competitive compared to other employers. LeO's continued focus on operational performance variation has an impact also, probationers not reaching the requirements and some for whom working from home didn't suit their circumstances - When comparing the 1st 6 months 21/22 to 2nd 6 months, on a monthly average LeO are closing 9% more cases. This has been completed with 29% less established resource est resource when comparing April – Sept 21 to Oct 21– March 22.
Recommendation/action required
Board is asked to note the paper.

26/05/2022

OLC Board Operational Performance - 2022/23 YTD to YE

In month headlines April 2022

PAP volume - 5646

PAP BP assumption for Apr 22 - **5981**

792 of these cases are currently in the early proportionality closures.

Current Average 92.7% conversion rate to close as early closure.

Current Projected PAP size for end of year is **2733** against expectation of 3109

Closures

BP assumption - 772

Achieved - 714

Early closures assumption - 270. Achieved - 415

Variance to Business Plan 7.5% variance

Customer Journey Times

Target in days - Low 325, Medium 500 and High 500

Achieved - in month Low 211, Medium 388 and High 629

Closing 3 high complexity cases have increased the CJT for high complexity cases.

Productivity

Productivity est investigators BP assumption - 5.8

Achieved 4.07 on post investigation closures only

If we include the early closures, productivity increases to 8.57

Next cohort on course to become established is the July 21 cohort

FTE

Recruitment model expected 45 est FTE

Actual est FTE 47.21 (excluding LTS/MAT Leave)

split between new and established investigators is now **66%** non-established and **34%** established

Summary

The progress made from the second half of 21/22 is continuing with the **2nd highest** closure performance since the modernisation of LeO. This has been achieved despite April having the least amount of working days of any month in 2022/23. We expected to have closed **772** cases, instead we delivered **299** investigation closures plus **415** early closures, therefore total closures were **714**.

To add context, in April 2021 LeO closed 541 cases with 95.24 established investigators. The start to this year represents a 24% increase in outcomes on last year, with only 49.35 established investigators - 48% less than 21/22.

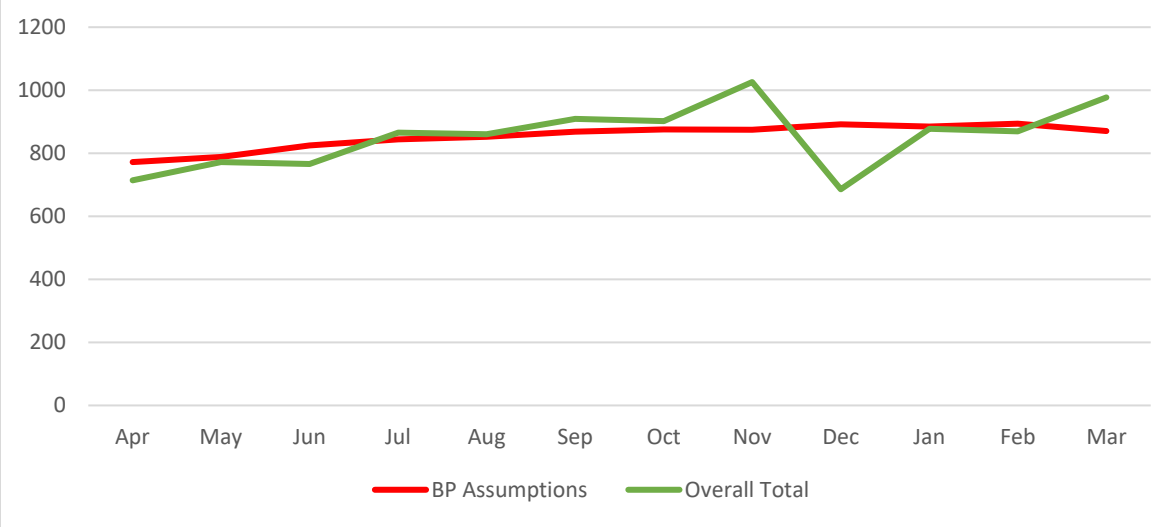
The PAP has reduced again for the 3rd month in a row to 5646. This is a 5.6% reduction of the BP target (5981) which puts us ahead of our year end position.

Likely case scenario currently shows that LeO will end 23/24 year well within the range of the 600-1000 working PAP as stated in our Business Plan .

Closures 2022/23 YTD & Forecast

22/23	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
BP Assumptions	772	788	825	844	853	869	876	875	892	885	894	871	10244
Cases closed after investigation	299	502	475	574	570	618	611	735	395	587	578	686	6632
Early Closures (FET)	415	270	291	291	291	291	291	291	291	291	291	291	3595
Overall Total	714	772	766	865	861	909	902	1026	686	878	869	977	10227

22/23 Closure Performance



- In Month performance on new initiatives saw the best performance from FET with 415.
- An additional 3.84 FTE is being assigned to the FET. Trajectories reflect this change.
 - Established investigators achieved 5.26
- A focus is needed on productivity on investigative closures to ensure that the team achieve 5.8 .
- Seasonality and loss of working days now factored into revised trajectories to provide a realistic view of impacted months
- 55% increase in outcomes on last year with 48% less established investigators

2023/24 - Looking Ahead

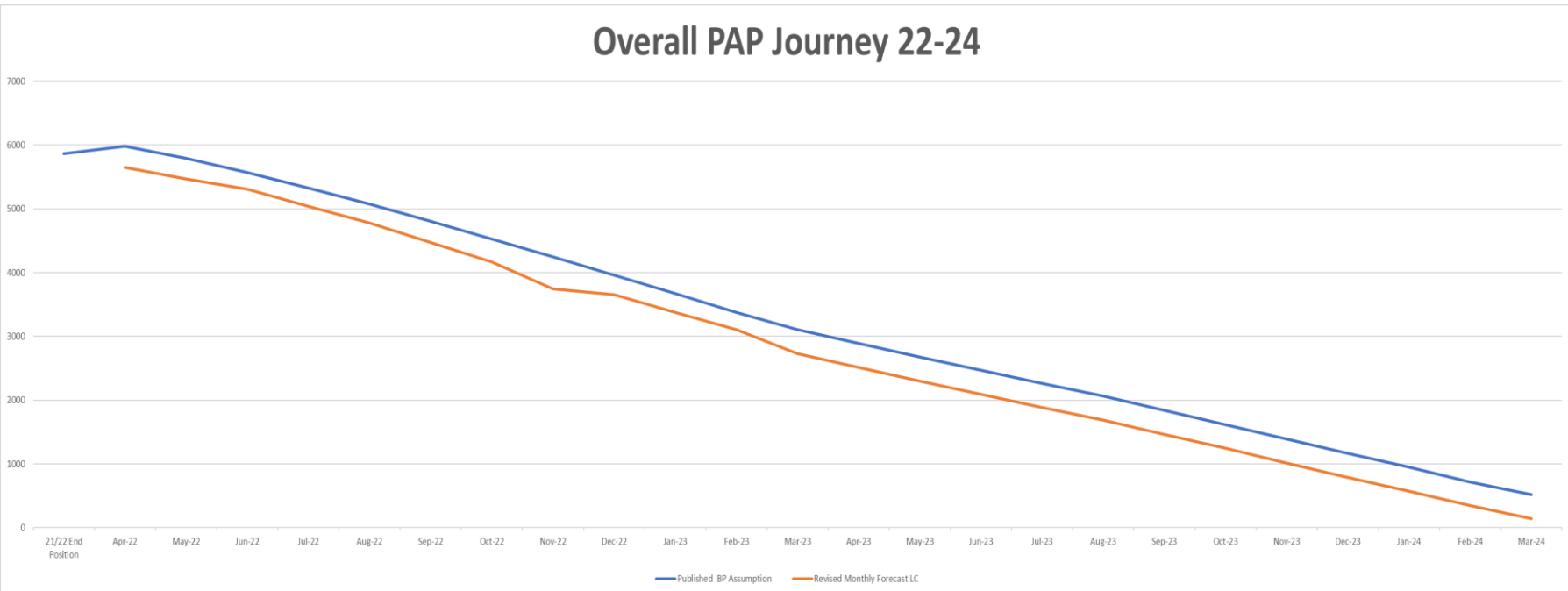
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
23/24													
Cases closed after investigation	640	644	629	630	621	653	641	651	651	642	651	628	7681
Early Closures (FET)	176	176	176	176	176	176	176	176	176	176	176	176	2112
Overall Total	816	820	805	806	797	829	817	827	827	818	827	804	9793

- **BAU closures will still include an adjusted as a result of investment in delivery of proportionality work. This is where investigator resource that would usually close BAU cases are deployed to the front end team.(48 closures per month)**
- **Operational teams will continue to drive the reduction of the PAP, increase closures and productivity. Early resolution by way of 'reasonable offer made' and 'guided negotiation' will be supported by a continued commitment to proportionality in the front end**

What this means for the PAP

Year	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
21/22 - Final	4840	4924	5068	5552	5664	5677	5748	5796	5747	5451	6010	5862
22/23 BP Assumption	5981	5793	5568	5324	5071	4802	4526	4251	3959	3674	3380	3109
22/23	5646	5474	5308	5042	4781	4472	4170	3744	3658	3380	3111	2733
23/24	2517	2297	2092	1886	1689	1460	1243	1016	789	571	344	140

- Forecasted PAP shows that LeO will be in front of BP Target for 22/23 as closures exceed core demand.



- Seasonality in Dec 22 and April 23 will bring performance in line with the BP.
- Trajectory shows that LeO will finish year 2 with a working PAP of 140, 72% ahead of target.

Customer Journey Time

Full investigation times for low complexity cases have increased slightly to 120 days from 76 across all case complexities. This isn't a reflection of investigation times taking longer but is attributed to the calculation being changed to exclude all cases that have been dismissed under 5.7. These cases are now included under FET which means they have been closed without the need for an investigation. The new initiatives are having a positive impact on the overall customer journey time. In month customers experienced a **28% shorter journey time** than the average for low complexity cases in the month of April. For new customer who are helped without the need for an investigation, the average wait time in the PAP is currently a much shortened **38** days which represents a significantly improved experience for our customers.

In Month CJT as seen decreased across all complexities. Low complexity has seen a 5% decrease, Medium 2.75% decrease and .5% decrease for high complexity. Whilst these are small decreases, this is the 2nd month in a row that we have seen consistent decreases across all complexities.

22/23 has begun with an in post FTE over the budgeted FTE and in much stronger position than seen in 21/22. This supported with radical new approaches with the early resolution initiatives means the backlog begins to reduce. By the end of 2023 the backlog is forecast to reduce by over 50%. This will have a direct impact on the customer journey time as customers will have less time to wait in the PAP before their case is managed by an investigator.

By March 2024, with an output of over 9000 closures and a PAP size of between 600 and 1000 cases customer journey time will reduce even further, with an average wait time of 145 days which is a 60% reduction to current timings.

Drivers for Performance

Drivers for Performance - for our People

Attrition & Recruitment – The aim is to reduce attrition rates and robust planning on recruitment campaigns from a monthly review of the assumptions.

National recruitment TMP - New approach for recruitment that started in Nov2021 and successful candidates in place for March 2022. This has ensured the Operational team are at the required FTE number for the beginning of 22/23. Strategy developed further currently recruiting for Cardiff hub, starters planned for June/july

Onboarding - Focused support on new starters on closures to assist in growing the cohorts experience to an established status. This process is in its infancy but there is early signs from the July and September cohorts that this is working as closure rates for this cohort are above the expected performance.

Long term sickness – focus on this area with stronger HR policies to manage absences more effectively. Good support from HR on other areas like mental health to support LeO employees who are experiencing difficulties.

Performance Variation - Continued management support to new starters and underperformers.

Drivers for Performance - New ways of working

Early Closures - looking at opportunities in the PAP to identify cases where ROM guided negotiation and Nudge theory applied result in swifter outcomes for customers.

GETI - Additional closures from the newly piloted GETI team absorbed into the Front End Team. This will support the delivery of the forecasted 270 - 291 per month in 2022/23.

PAP Proportionality - Dedicated resource to identify opportunities in the backlog of cases that will have no outcome or no remedy

Early Proportionality - Dedicated resource identifies the most appropriate routeway for the resolution of new cases. That might be, Reasonable Offer Made, Guided Negotiation, closed firm action or into full investigation. At the end of April, 792 new cases had been identified for potential early resolution.

Investigative efficiency measures - Some of these measures include: Time savings from changes to Quality and Feedback form, Time savings from scope call planning at assessment and Engagement with our people to review working processes



Pipeline Initiatives

Hub Strategy
Outsourcing
Further review of Scheme rules

Drivers for Performance Outcomes

The improvement in LeO performance which started in Q3 and 4 21/22 through to 2023/24 is driven by various areas of the assumptions that underpin operational delivery.

	21/22	22/23	23/24
Cases closed after investigation	5386	6632	7333
FET	1190	3395	2112
Total	6576	10027	9445

23/24 Outcome

- Investigative closures increase by **10.57%** in comparison to 2022/2023 and **36%** increase in comparison to 2021/2022
- Total closures increase by **43.6%** in comparison to 2021/2022 but slightly reduce by **5.8%** in comparison to 2022/2023. This is a result of PAP Proportionality opportunities no longer being included in the trajectory.
- PAP reduced to 488 which is an 92% reduction to the 2021/2022 year end position