Meeting	OLC Board	Agenda Item No. Paper No.	7 117.5B
Date of meeting	14 December 2021	**Time required**	10 Minutes
Title	**November and year to date Performance**		
Sponsor	Sandra Strinati, Chief Operating Officer		
Status	OFFICIAL / OFFICIAL SENSITIVE		

Executive summary

The slide deck provided gives key performance indicators for November and ear to date for 2021/2022. It links also to the Agreed Data Set for November which should be published before or near to the Board date. Key points for the OLC Board to note.

- Case closure for November 465, exceeded the revised BP assumption of 423
- This exceeds November 2020 by 28 cases and November 2019 by 5.
- Early case closure assumption of 75 exceeded, achieved 106
- Adding investigation and early closures together = 571 closures
- Established investigator productivity is 5.59 which is closer to likely case scenario
- If early closures are included in investigator productivity this rises to 7.01 which would be the highest level reported
- Customer journey times are below the target for all but the 60 high complexity cases.
- Investigation times continue to fall and are 12.29% lower than the same period 2021/22
- Established FTE investigator resources are currently 23% below Business Plan assumptions. Overall investigator resource year to date stands at a deficit of 15.6%
- Forecasts show that we are on course to achieve 90% of the BP assumption for closures with anywhere between 15-23% less resources than planned
- Case closures are 27% below the 2021/22 business plan assumptions as a YTD monthly average.
- YTD Case closures in total are 1061 behind the 2021/22 business plan assumptions.
- Core demand is in line with business plan assumptions with 616 cases on average being added to the PAP.
- Intervention into the PAP has accounted for 587 additional early closures with a further 300 forecasts by year end.
- PAP stands at 5796
- The new role of General Enquiry Team Investigator (GETi) has been developed and is being piloted to attempt early closures at reduced cost and increased efficiency; and
- The Performance and Quality Task Group met on the 8 November for the second time, where the forecasting model was presented, showing the logic behind the trajectories

Recommendation/action required

Board is asked to **note** the paper.

14/12/2021

OLC Board Operational Performance - 21/22 YTD to YE

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In month Headlines Nov 2021

PAP volume

PAP BP assumption for Nov was 5048

Actual PAP Nov was 5796

Current Projected PAP size for end of year is 6422

Customer Journey Times

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

 Achieved - in month Low 282, Medium 454 and High 632 (60 cases)

To note that the high complexity spike can be attributed to two cases closed

 with CJT 748 days 898 days.

Closures

BP assumption Nov 619

Revised assumption Nov 423

Achieved 465

Inc Early closures assumption 75. Achieved 106

Total customers helped - 571

Productivity

Productivity est investigators assumption 6.3

Achieved 5.59 on post investigation closures only

If we include the early closures, Productivity jumps to 7.01

Non est cohorts performing above the set expectations.

FTE

BP assumption 80.29

Actual est FTE 61.7

Non est FTE 39.63

Total 101.37

Summary

We have delivered more closures than assumed with the resources we have available and are currently trending above the scenario we anticipated. We expected to have closed **472** cases with the 61.7 established investigators in post plus our new investigators, instead we delivered **465** investigation closures plus **106** early closures, therefore total closures were **571**.

This **exceeds** the closure rate for November 2020 by 28 with 71 FTE in post and November 2019 by **5** closures ,. YTD average exceeds 2020/2021 average by **48.**

We have achieved **47 more Investigative closures** than October 2021 with fewer established investigators and this is the best Investigative closure performance since June 2021 when we had 84 FTE in post.

Work continues on identifying new case types for early closure in the PAP. As part of this we have identified ombudsman resource to move from the post investigation stage to the customers initial entry point to identify cases at an early stage.

** Data is not finalised so is subject to change

Closures 21/22 YTD

Current Year	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Monthly Average
BP Assumptions	473	520	569	596	600	600	602	619	611	611	625	629	588
21/22	488	458	491	418	392	388	419	465	359	409	435	430	429
Early Closures (GN,ROM) Nudge Theory	53	53	69	64	61	97	84	106	75	75	75	75	74
GET Investigator	0	0	0	0	0	0	0	0	0	41	41	41	41
Increased Productivity of underperfromers	0	0	0	0	0	0	0	0	0	46	46	46	46
Overall Total	541	511	560	482	453	485	503	571	434	571	597	592	525

21/22 Performance

Q4 - Core demand reduction of 10% from demand management
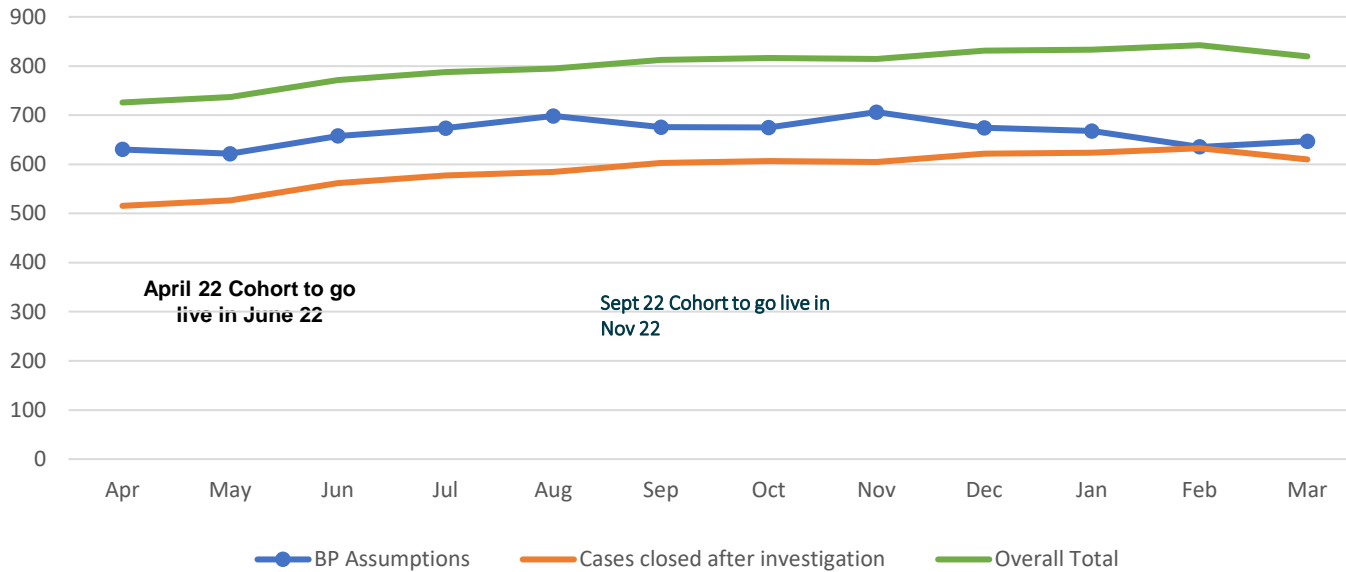
- BP Assumptions
- 21/22
- Overall Total
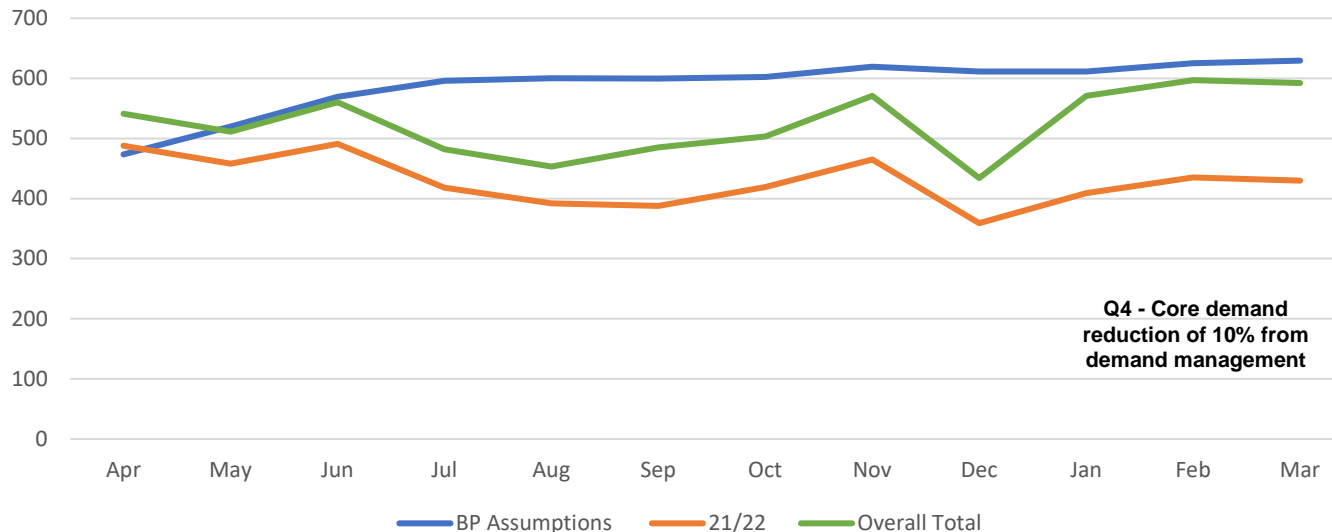
- We have been trending against worst case scenario in the first half of the year. October and November have seen an increase in productivity closer to likely case @5.8.
- Early closures now included in overall closures for Guided negotiation, ROM and nudge theory
- Some below the line activities have also been quantified, namely demand management and proportionality.
- Additional closures from the GETI role and the additional cases we expect to see in Q4 from continued management support to new starters and underperformers also support a strong finish to the year.

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Closures 22/23 Projected Year 2

22/23	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Monthly Average
BP Assumptions	**630**	**621**	**658**	**674**	**698**	**676**	**675**	**706**	**674**	**668**	**635**	**647**	**663**
Cases closed after investigation	516	527	562	578	585	603	607	605	622	624	633	610	546
Early Closures (GN,ROM) Nudge Theory	75	75	75	75	75	75	75	75	75	75	75	75	50
GET Investigator	41	41	41	41	41	41	41	41	41	41	41	41	41
Proportionality Closures	94	94	94	94	94	94	94	94	94	94	94	94	94
Overall Total	726	737	772	788	795	813	817	815	832	834	843	820	797

22/23 Performance

April 22 Cohort to go live in June 22

Sept 22 Cohort to go live in Nov 22

Legend: BP Assumptions — Cases closed after investigation — Overall Total

- Overall closures will include an adjusted reduction in productivity for BAU closures for the year as a result of investment in delivery of proportionality work. This is from 3 investigators where their resource will support the delivery of proportionality. There will also be some loss within the ombudsman resource for final decision.

- Demand management work continues with 10% reduction in the front end (540 **new cases**)

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Closures 23/24 Projected Year 3

23/24	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Monthly Average
BP Assumptions	**660**	**650**	**640**	**554**	**545**	**536**	**528**	**519**	**511**	**502**	**494**	**486**	**552**
Cases closed after investigation	639	643	628	629	620	652	640	651	651	641	650	627	639
Early Closures (GN,ROM) Nudge Theory	75	75	75	75	75	75	75	75	75	75	75	75	50
GET Investigator	41	41	41	41	41	41	41	41	41	41	41	41	41
Overall Total	755	759	744	745	736	768	756	767	767	757	766	743	755
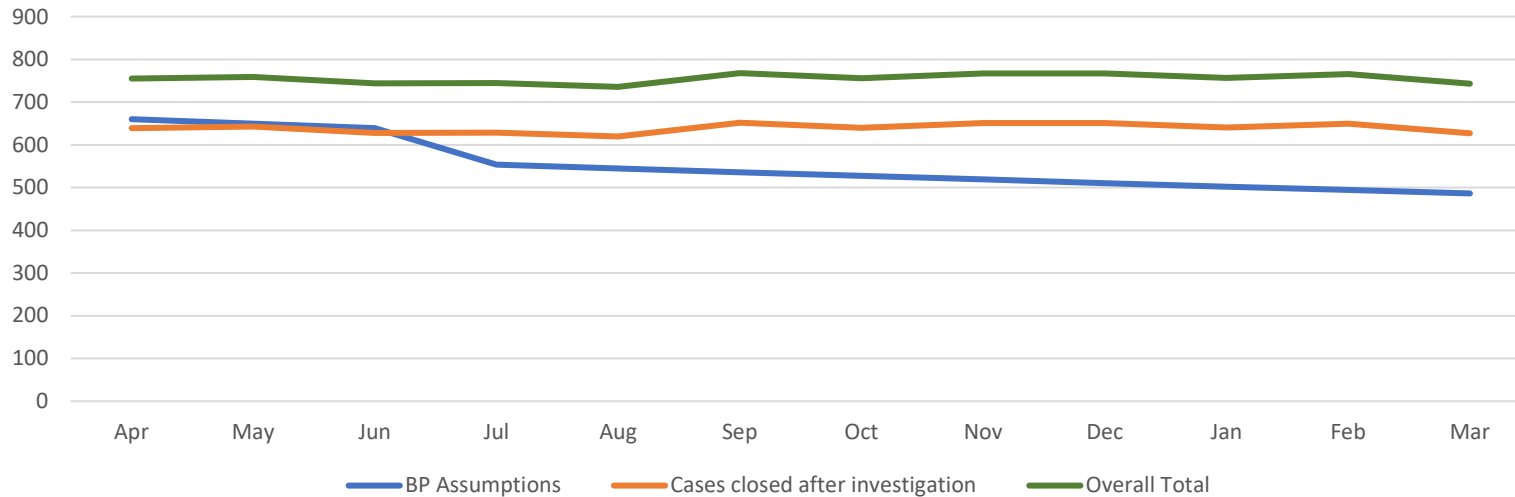
- proportionality work stops as the potential for eligible case from the PAP is exhausted at that point, however demand management at 10% continues

- Likely case scenario productivity returns @5.8.

- Closures will now exceed core demand

- Established split is now closer to 100% averaging at 73% with more controlled attrition and recruitment campaigns

23/24 Performance

Legend: BP Assumptions — Cases closed after investigation — Overall Total

PAP Trajectory Y1-3

Year	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
21/22 BP Assumption	5129	5262	5340	5339	5282	5225	5166	5048	4939	4870	4785	4696
21/22	4840	4924	5068	5552	5664	5677	5748	5796	5962	6131	6274	6422
22/23	6236	6040	5808	5561	5306	5033	4757	4482	4191	3897	3594	3315
23/24	3100	2881	2677	2472	2276	2048	1832	1605	1378	1161	935	732

Starting point in 20/21 was 2898

- **BP assumption takes into account original forecast of closures up to YE and then the addition of the forecasted closures from GN &ROM**
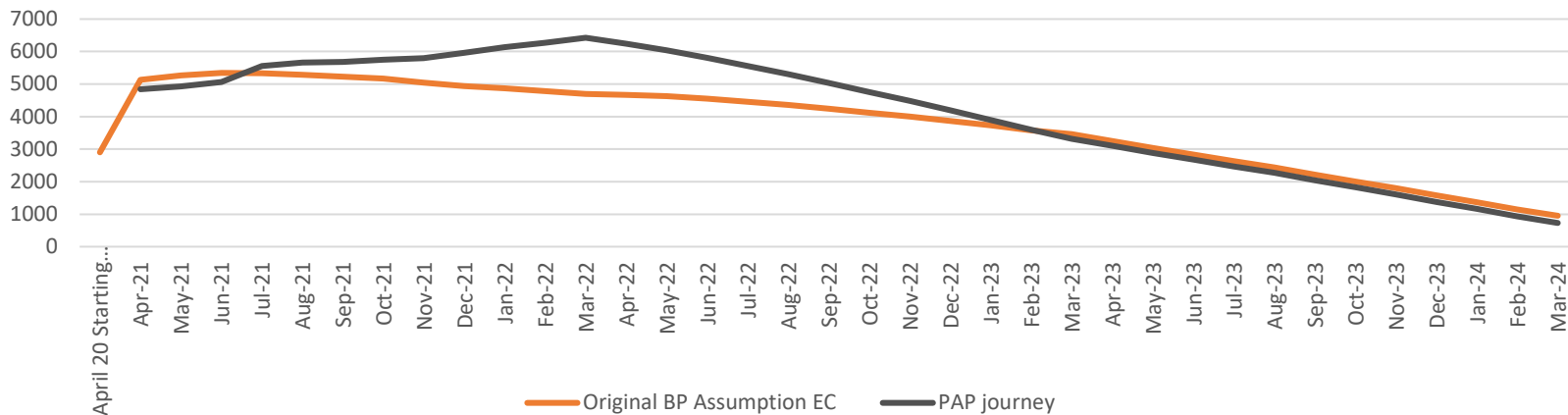
- **It does not take into Proportionality closures**

- **Forecasted PAP numbers takes into account November end position and early closure cases, proportionality and demand management which shows the bridging of the gap.**

- **Closures also exceeds core demand**

Overall PAP Journey

Legend: Original BP Assumption EC — PAP journey

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Customer Journey Time

Through the first six months of 2021/22, the average length of time for an investigation fell by 9.83% and by November has fallen to 12.29%

Early resolution pilots for 'Guided Negotiation' and 'Reasonable Offer Made' have been successful in identifying cases which do not need to go through a full investigation process. YTD 587 complaint cases have been closed without the need for full investigation. This is something we are building into our business-as-usual processes to continue improving customer wait times.

In November, customers cases that were closed through the early resolution process had an average CJT of 186.35 days which is 38% shorter than the average YTD CJT for low complexity work cases.

In the absence of the wait in the backlog, the investigation times in 2021/22 for low complexity cases averages 91 days which accounts for 67% of LeO's workload and averaged a 91 day investigation time..

22/23 will begin with an in post FTE closer to the budget then seen in 21/22 and with radical new approaches from Plan A Plus initiatives relating to proportionality and demand management, the
backlog begins to reduce. By the end of 2023 with the backlog being reduced by nearly 50%, the customer journey time will reduce from the previous year by 33%.

By March 2024, with an output of over 9000 closures and a PAP size of between 700 and 1,600 cases customer journey time will reduce by a further 10.65%, with an average wait time in the backlog of 145 days which is a 60% reduction to current timings.

Drivers for Performance

Drivers for Performance - for our People

Attrition & Recruitment – Lower attrition rate and better planned recruitment campaigns from a monthly review of the assumptions.

National recruitment TMP - New approach for recruitment that starts in Nov2021 and successful candidates in place for February 2022. This will ensure the Operational team are at the required FTE number at the beginning of 22/23.

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 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 also support a strong

### Drivers for Performance - New ways of working

Early Closures - looking at oppurtunites in the PAP to identlfy cases where ROM guided negotioation and Nudge theory applied result in swifter outcomes for customers.

GETI - Additional closures from the newly piloted GETI team.

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

Demand Management - Additonal triage of new cases coming into the PAP to determine if a case can be resolved through one of the new initiatives

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
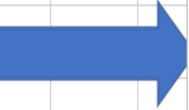
Pipeline Initiatives
Hub Strategy
Outsourcing
Further review of Scheme rules

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Drivers for Performance Outcomes

The improvement in LeO performance from now through to 2023/24 is driven by various areas of the assumptions that underpin operational delivery.

	21/22	22/23	23/24
Investigative Closures	5152	7067	7671
Early Closures (GN,ROM) Nudge Theory	887	900	900
GET Investigator	123	492	492
Increased Productivity of underperfromers	138	0	0
Proportionality	0	1128	0
Total	6300	9587	9063

23/24 Outcome

- Investigative closures increase by 48% in comparison to 2021/2022 and 63% increase in comparison to 2020/2021

- Total closures increase by 43% in comparison to 2021/2022 and 106% in comparison to 2020/2021. This is a result of improved performance and new ways of working.

- PAP reduced to 732 which is an 88% reduction to the 2021/2022 year end position and 85% reduction to the 2020/2021 year end position.

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