

<b>Meeting</b>	OLC Board	<b>Agenda Item No.</b>	9
		<b>Paper No.</b>	119.6
<b>Date of meeting</b>	31 March 2022	<b>Time required</b>	10 minutes

<b>Title</b>	<b>Reduction of the Pre-Assessment Pool</b>
<b>Sponsor</b>	Sandra Strinati, COO, Operations Managers, Deborah McIntyre, David Peckham, Treena Moseley and Mark Persard
<b>Status</b>	OFFICIAL SENSITIVE

<b>Executive summary</b>
<p>February saw,</p> <ul style="list-style-type: none"> <li>• 568 closures,</li> <li>• 159 from the Front-End Team, new and ongoing initiatives.</li> <li>• An investigator productivity of 5.31</li> <li>• Achievement of revised closure trajectories for the 5<sup>th</sup> consecutive month</li> <li>• A 7% increase in overall investigator case holdings, this equates to over 100 additional customers in BAU investigations</li> <li>• A 70-day reduction in Medium Complexity customer journey time</li> <li>• HR, IT and operations working in unison to furnish 40 new starters, across the country with all they require for an effective March induction</li> <li>• By end March 2022 there will have been a 9% increase in closures between th 1<sup>st</sup> 6 months of 21/22 compared to 2<sup>nd</sup> 6 months with 29% less established resource</li> </ul> <p>The new ways of working that operations have implemented throughout 21/22 are now having a profound effect on operational delivery and the way that we improve the journey of our customers.</p> <ul style="list-style-type: none"> <li>• Since April 21 we have closed 938 additional cases through initiatives, with that number set tracking to exceed 1100 for the year against an expectation of 1030.</li> <li>• 62% shorter journey time for low complexity case in the initiatives, this equates to 37 days from the point that LeO receives all relevant paperwork</li> <li>• This has helped operations achieve 90% of the original business plan with circa 80% of the expected required staffing</li> <li>• Cases that are now fully investigated in business-as-usual investigations are now 15% quicker. From the point of an investigator accepting a case, the average time for low complexity to conclusion is 85 days</li> </ul>

- Rising to the increasingly difficult recruitment climate. Working with a recruitment partner, operations have adapted the way that we recruit, to deliver its most successful recruitment campaign since LeO's inception. Recruiting 39 new Investigators, 2 New ombudsman and promoting 5 new ombudsmen internally.
- This has all been achieved against a backdrop of staff inclusion and engagement in contributing to the way new ways for LeO to operate. This has led to a 20% increase in scoring in the 2021 Civil Service People Survey, around how we manage change within the organisation

There are several initiatives that are currently ongoing or planned to be started that are supporting the rapid turnaround in operational performance. These initiatives when combined have delivered 5 out of 5 months when compared to current trajectories and March is on track to exceed expectations.

This update includes

- Initiatives impacting BAU process to deliver process efficiencies, in progress, in planning or due to start; and
- Initiative impacting people to improve efficiencies, in progress, in planning or due to start
- Front End Team (FET) update and journey so far (Annex 1)
- Technology solutions within General Enquiries Team (GET) (Annex 2)
- Quality outcomes to our customers

<b>Recommendation/action required</b>
No action required for information only

# Reduction of the Pre-Assessment Pool

## 1. Introduction

- 1.1 Operations committed to updating the OLC Board on initiatives to deliver backlog recovery to include people, process and efficiency measures.
- 1.2 Where activities can be quantified, they have been.
- 1.3 Initiatives have so far delivered on the rapid turnaround of operational performance. This sustained success is delivering not only to the improvements in the journey our customers receive, but also delivering on assurance and credibility to our stakeholders, internally and externally.
- 1.4 The Operational Management Team have anticipated many of the actions committed to in 22/23 and have put them in place in order that the 22/23 year begins smoothly and efficiently.
- 1.5 Reasonable Offer Made, Guided negotiation, Nudge, Early proportionality (formally Demand Management), PAP proportionality, and GETI, are now to be grouped under one Front End Team (FET). Please see annex 1.
- 1.6 There are a number of technological solutions within GET that are being developed, these are planned to release resource into other areas to add closure value. Please see annex 2.

## 2. Front End Team Initiatives – In progress

- 2.1 A fuller view on the FET team journey so far is included in Annex 1. The FET was expected to deliver 375 cases from October 21 – February 22 and has delivered 541. In February alone at 159 closures this represented over 30% of all closure within the organisation. The highlights below demonstrate that these new ways of operating are having a tangible effect on the service.
- 2.2 Resolution Centre continues to support FET with investigators to deliver on the opportunities that are being created. Across operations we have taken a deliberate view of moving staff from BAU investigations to FET, where they are best utilised and can offer the maximum value to the customer.
- 2.3 PAP Proportionality (PP) – From 1 December 2021 the critical review of cases in our backlog to find more alternative approaches joined with the Reasonable Offer Made and Guided Negotiation initiatives to form PP. There was an expectation of circa 49 closures per month. PP achieved 37 closures by agreement and 47 closures by dismissal.
- 2.4 Early proportionality (EP) – Started on 4 January 2022. It critically reviews cases as they are ready to join the PAP and directs those suitable for alternative approaches to a separate workstream. All EP cases are included in the overall PAP figure. This work is building up and has an expected output in 22/23 of 60 case closures per month. In February EP achieved 17 closures by agreement and 14 by dismissal.

- 2.5 Nudge - there was an expectation of circa 26 closures per month. February delivered 94, of which 18 supported by FET. This is now a BAU process and is subject to review each month to against the assumptions.
- 2.6 GET Investigator (GETI) – Whilst GETI’s demonstrated and improved customer journey time in a split process. To get to that achievement there had initially been a drop of in performance, and then an increase over the last 3 months as GETI’s experience and knowledge improved.
- 2.7 When considering the initial loss in performance, it was decided that we would instead take a more agile approach and use the improved GETI skillset in the FET, where they could have an immediate impact.
- 2.8 This approach is still in line with our stated aims of delivering more from our people for less and offering opportunities for GET to improve skills and have career growth opportunities

### 3 Front End Team – Planned / Due to start

- 3.1 Current testing does not relate to low remedy. However, previous high-level calculations based on previous years closure profiles indicated that cases relating to low remedy would equate to an additional 39 closures per month. Although this approach is not being taken forward yet, the FET are proactively identifying cases in both the PAP backlog and new cases that would fall the auspices of low remedy. The figure of a £250 remedy is being used as a benchmark for this test and early indications show that the team have identified 48 cases in a 6-week period is this still accurate. To reiterate, whilst low remedy cases are being identified, the closures which may derive from them are not included in any trajectory

### 4 BAU efficiencies – In progress

- 4.1 Scoping call planning at assessment stage – accurate scoping sets the tone for the entire case, any errors at this stage compound as the cases progresses and results in failure demand and rework. Formalising the approach will improve the customer journey, reduce rework and improve customer journey times – this will be strengthened with a review and implementation of customer communication training to new staff, with a view to rolling out to the business. This is now BAU
- 4.2 Listening to our people – After engagement with, and feedback from, established investigators we have developed activities all designed to offer an improved customer experience the aim of which is to support PAP reduction
- 4.3 Autonomy Team - a limited trial with 1 team has started. It will test whether removing much of our formal process and giving ‘signed off’ established investigators, the autonomy to manage cases in the way they believe would be most efficient, then improves overall performance. This began in December and will run throughout Q4. A review of the performance of the team having applied various way of working will be undertaken at the beginning of Q1 which will seek to understand not only if more customers

have been helped than they would have been but also that the quality is of the standard required with enhanced quality checks taking place outside of the regular quality framework timescales.

- 4.4 Specialist Law Team– We have a group of Investigators working on Probate and Personal Injury cases to assess the impact having only one type of area of law in a case holding. The expectation is that as Investigators become more specialised in these areas, they can improve the customer journey and help more customers. We have had some very positive feedback from a legal service provider that not only praised the improved service having specialists has meant to them in how it has improved Leo's service to them and their customers but also acknowledging the efforts LeO are making in addressing the challenge we have with the customer wait time in the PAP. This initiative is expected to contribute to positive results for both Business Priority 1 and 3 as we will be able to support the feedback mechanisms to the profession about how they can better manage these types of complaints at first tier.
- 4.5 Early Allocations Team – A team of investigators are currently taking cases from earliest point that they enter PAP after all FET initiatives have been assessed as not suitable, so the most recent cases that were not eligible for inclusion in the various workstreams within the FET. The aim of this is to determine if there is an improvement to the customer journey time because the complaints are fresh in the minds of both parties and evidence its likely to be more readily available. It is also expected that parties who have not had to wait a long time will be more amenable to our process and our expectations of timescales for them to engage with responses and evidence.
- 4.6 A review of the performance of both Early Allocations and Specialist Law Teams will be undertaken at the beginning of Q1 which will seek to understand not only if more customers have been helped than they would have been but also that the quality is of the standard required with enhanced quality checks taking place outside of the regular quality framework timescales
- 4.7 Bulk updates – this is the automation of pushing messages to complainants and service providers in the PAP throughout their wait time. This keeps both parties engaged and informed, manages their expectations and nudges parties to consider the resolution of their case prior to LeO involvement. Our next update is planned for April 2022

## 5. BAU efficiencies and process reviews – In planning

- 5.1 Review of Request Remind Proceed Process – This review has been completed, and the implementation of agreed action will give improved guidance to investigators on how they proceed or dismiss cases where parties disengage. This work has the potential to improve customer journey times and free up investigator resources which are then reinvested into other cases. This is a planned Q4 initiative
- 5.2 Combining Scope and evidence request – Currently we wait 7 days to allow parties to confirm complaints before sending an evidence request. GETi's have trailed removing this step, it has had no detriment and has reduced time.

We plan to roll this out across operations to reduce an unnecessary admin burden and reduce investigation timelines. This is a planned action for March ensuring that data collected from GETi pilot support this action. A Request for Change has been submitted, and we are currently amending the guidance. We expect this to go live early Q1

- 5.3 Removing the requirement for Service Provider to agree complaints in all cases. This delays the early part of a case when Service Providers cannot respond to the request often due to their own work loads. Removing this step will reduce delays and improve investigation times. This action was completed in December and is now in policy and guidance. This is now live and BAU
- 5.4 Adding new complaints – This has reviewed the process of when a complainant can add extra complaints that would have been known at scoping stage of the complaint. Adding complaints that would have been known about delays investigations and creates part premature complaints that stop the investigation proceeding which elongates the customer journey time. Streamlining this process, within our existing Scheme Rules, will reduce investigation time and remove admin burden from investigators and improve the overall service to Service Providers and complainants. A Request for Change has been submitted, and we are currently amending the guidance. We expect this to go live early Q1
- 5.5 Ideas Station Review (IDS) - The IDS will be refocussed, and relaunched, to ensure all ideas are looking at PAP reduction. Whilst housekeeping type work has been undertaken, we have intentionally stalled the relaunch so that this captures the 40+ new starters in March and engages the maximum amount of people in this initiative. Ideas for other areas of the business will be redirected to various improvement workstreams. This will be recommunicated with staff to renew focus. A review will be completed by end of March 2022. Ideas from 2021 that were non-PAP related will be directed to operational workstreams. LeO's people will be asked to focus on PAP reduction ideas from April 2022. The mechanisms for idea progression and feedback will also form part of this review.

## 6. People / Structure changes – In progress

- 6.1. Grad Bay – we have taken feedback from previous new recruits to LeO and used this to change and develop the 2021 induction process. We previously experienced new recruits leaving LeO early and any changes therefore had an aim of improving retention and productivity at an earlier stage of their career with LeO. Our first batch of graduates are due to come out of Grad Bay on the 1<sup>st</sup> of April, moving to BAU teams. Of the initial 10, 6 will be moving, 2 will be on extended probation being offered further support, and 2 did not pass probation. By way of comparison, 30% of the 19 July 2021 starters, either left prior to probation, failed or had their probations extended. This initiative has now been increased to include a further 3 team leaders and is part of our BAU process for induction. Feedback from recruits remain positive, and all attest to the support that the Grad Bay has provided.
- 6.2 Combining the L1 Ombudsman investigator and QaF role – combining the two distinct roles will deliver a more flexible ombudsman resource. It gives us

flexibility to react to changes in demand in the three core areas that L1's deliver: High Complexity complaints, Quality and Feedback to investigators and decision making. A combined team ensures that Team Leaders can use ombudsman to react to the demands of the business in a more agile way. This change took effect from 6 December.

6.3 Improved Induction – Induction process has been refreshed in line with November cohort feedback. System and theoretical training have been more closely aligned. This gives trainees more confidence going into the live role. We have also increased the number of experience mentors in readiness for March cohorts. Specific feedback from inductees has been that this was the one singularly most important support for them. For March inductees we will be splitting the numbers in to two cohorts. Feedback has been that maximum group sizes in induction is 20. Whilst this has resource implications for those delivering the March induction more risk is presented if we do not protect our recruitment investment and future productivity from our new intake.

6.4 Operational Leadership changes – Large volumes of new investigators require increased support and leadership, increased attention on performance variation activity, leadership of PAP reduction activity, business process change and coaching, and development work all means there is a need for increased operational leadership capacity. Mark Persard joined on 4<sup>th</sup> January, and we have taken the opportunity to align operational leadership to job families. Roles have been designed as follows.

- Mark will Lead the GET.
- Deb, ombudsman and FET from an operational stance.
- David and Treena will share BAU Resolution Centre teams.

This will give Operations Managers clear lines of accountability and focus. Each Operations Manager retains several other projects and corporate LeO accountabilities.

## 7. Quality

7.1. Positive outcome reviews have increased to the highest point since Q2 2020 at 97.2%. This measures whether the decision we have made in the case is the right outcome and is measured against a KPI of 95%. This indicates that whilst there is still work to do to the way that we get to an outcome, the outcome itself is correct in the vast majority of cases.

7.2. During Q3 Operations changed the way that service quality checks were completed. Historically a Team Leader would be responsible for these checks. This leads to issues with unintentional bias as they know most of the cases, customers and investigators well.

7.3. From Q3 these checks have been taken out of the reporting line and are now being completed by an independent Team Leader. This gives us more assurance that we have a more accurate picture of quality and can address resultant themes.

7.4. There has been a drop in Reasonable Service outcomes to 62.7% from 80.2% in Q1, this is measured against an expectation of reasonable service



to the customer in 90% of those checked. There are a number of contributing factors to this drop

- The change described in 7.2
- An increase in new starters
- An increase in the number of new Team Leaders

7.5. Operations, as part of performance variation work with investigators, have made this a performance focus and we expect to see reasonable service outcomes increase in Q4

**Operations Management Team**  
**March 2022**



## Annex 1 – Front End Team

### 1. What the Front-End Team does

1. LeO's well established process was that cases came into the organisation from General Enquiries to the PAP where it would wait in the customer queue prior to allocation to an investigator. At the longest wait times for our most complex cases this might be 24 months

2. Following development of an Ideas Station activity and our operational focus on the reduction of the PAP we piloted two initiatives; Reasonable Offer Made, and Guided Negotiation, which required a critical review of cases in the PAP to identify those that could be processed differently. These together with Nudge Theory formed the approach to the early resolution of cases before investigation.

3. The investigation and pilot stage were successful in showing that by identifying these opportunities we could resolve cases fairly and reasonably at an earlier stage, and without the resource demands of a full investigation. Thereby, allowing more time for those cases needing investigation and reducing the journey times for all customers. .

4. These processes, Reasonable Offer Made, Guided Negotiation and Nudge, became BAU in October 2021 and an expected output of 75 closures per month, 450 for the rest of 21/22, was added to the business trajectory.

5. From December 2021 the process was expanded to identify other opportunities in the PAP, for example where it was reasonable that no offer to resolve had been made. And in January 2022 the process, looking for all opportunities, expanded to new cases as they arrive. This has resulted in the approach finding two distinct sets of opportunities.

- **PAP Proportionality** - cases which have been waiting in the PAP for allocation, are identified for an alternative pathway to resolution outside of a full investigation.

- **Early proportionality** - new cases where an alternative to investigation has been identified at the start of the customer journey. Where appropriate these cases are queued to the FET for early action. To improve service to customers we have transformed Leo's established business processes, created new workflows and case closure codes. This change has required system amendments, testing, guidance changes and letter template creation as well as support and training to our people.

6. To support the expanded approach, we increased the resources for this work. Between December 2021 and the end of February 2022 we moved existing staff with the appropriate skills and experience to deal with the more complex opportunities, and in February incorporated the 4.2 FTE GETi to deal with the less complex opportunities. Between these roles we now have a team of 12.36 FTE.

These together with 4 Level 2 Ombudsman who find the opportunities and make decisions, and 3 Level 1 Ombudsman who make dismissal decisions, are our Front-End Team (FET).

8. February FET investigator productivity is currently 10.27 per investigator. This significant difference in performance reflects the differences in types of work being completed in BAU and FET and whilst there is an opportunity cost to BAU closures by moving investigators into FET, we are confident that the net gain will more than make up for the average 5.8 closures per FTE that would have been expected from the established investigator handling complaints. This FET productivity figure is likely to change as we have added new investigators throughout February and March and there is a delay between input and output, we will see a truer figure in Q1. We expect continue to expect this to be 10+.

## 2. Performance

1. From October 2021 to February 2022 front end initiatives, including nudge, have resolved 541 cases by agreement and 187 by dismissal, against an expectation of 375 in the same period, this represents 30% above our initial expectations.

2. During the pilots we found that 90% of the Reasonable Offer Made opportunities and 77% of the Guided Negotiation opportunities resulted in closures.

3. Although the new initiatives introduced in December 2022 were not part of the pilots, the findings from them allowed us to calculate the potential outputs of the old and new initiatives altogether, and in the 2022/23 trajectory the expectation is at least 270 resolutions per month, 3,240 in the year will be achieved by front end initiatives.

5. A conversion rate of 70%, from opportunity to closure, has been assumed to provide a buffer against the untested element of this work. As a result, the team are starting a minimum of 400 opportunities per month to achieve 270 closures.

6. As PAP Proportionality closures come from backlog cases, best case scenario is that the conversion rate is higher, and these closures are all achieved before the end of the financial year. Meaning some resource can be returned to BAU.

7. Currently reviews of the PAP is finding on average 39% of cases suitable to process through an early resolution initiative. At time of writing there were 3,430 cases still to be reviewed.

8. For new cases arriving at LeO 46% are being identified as an opportunity for an initiative process.

9. There are many examples of interventions by FET having reduced the customer journey. For example, a conveyancing complaint joined the low complexity PAP in July 2021 and was identified for Guided Negotiation in November 2021. The case was closed by agreement on 1 December 2021, saving the customers a wait time of 5 months until allocation to an investigator. This is a typical example of how the

changes to how we work and creating FET is having a dramatic effect on the service received by our customers.

10. For new cases identified as ready to join the PAP and closed in February, the average customer journey time was 37 days from the point that LeO has all relevant paperwork . This compares to allocation for investigation wait times of 19.5 months for medium complexity, and 10.5 months for low complexity.

### 3. Quality

1. In drawing up new processes, having system changes, and reviewing actions being taken to ensure these initiatives are being applied correctly does not in itself ensure quality.

2. Therefore, in the absence of a Quality Manager, the team, with the support of the Deputy Chief Ombudsman, and input from quality and service complaints, we are drafting a temporary quality framework based on LeO's service principles.

3. This framework will allow the business to identify where processes or actions are not ensuring a quality service, and therefore deliver an agile approach to quality. It will ensure that we can provide timely feedback that adds value to investigators and the service that we provide. This quality approach will deliver confidence in the way that we are approaching the initiative and contribute to the quality framework moving forwards.

## Annex 2 – Making the most of technology

### Introduction

1. The transformation strategy for the General Enquiries Team (GET) is to reduce contact demand from customers who have visited the website, and to reduce traditional enquiry and complaint administration. Three projects will be delivered in 2022 to achieve this strategy which will 'make the most of technology'.

2. We will continue to apply technology to support our focus on resolving queries and complaints at the earliest possible stage – both improving the customer journey and ensuring we are using our resources efficiently. There will be a specific focus on reshaping how people first engage with LeO, including via our website, and on using technology to automate processes where possible.

3. The General Enquiries Team (GET) manage the 'enquiry and complaint' stage of our business process. Last year, GET received 38,000 calls phone calls, and handled nearly 40,000 enquiry emails. Most of the enquiries are received via phone

or email, although we also receive postal correspondence too. Of these contacts, only 8,500 will submit a complaint, and most will do so online using the Customer Assessment Tool.

4. We have a website that provides a lot of useful resources particularly for first time enquirers, and we know that a lot of customers visit our website before they contact us. Customers who go straight to 'contact us' may never have realised this, and this results in additional demand that could otherwise be catered for via the website.

5. A significant amount of the initial enquiry emails received have documents attached, some of which are large and contain personal details of other living individuals. We are also 'copied in' to a lot of correspondence where the customer has made no enquiry of us. As well as increasing the processing time for GET, we generate a large data footprint and risk noncompliance with GDPR and the Data Protection Act. We do not require documents from customers when they make their initial enquiry.

6. Each enquiry must be manually processed by a GET advisor. This repetitive and high-volume administration is tiresome, requires low skill and is prone to error. It ties up GET advisors who could be doing more impactful activities to support the delivery of earlier outcomes.

7. Our website can be enhanced to provide a better customer experience, which we benefit from as customers are better informed and need to contact us less. When they do contact us using the contact form, the enquiry will be less bulky, more specific, and easier to respond to. Robotic Process Automation will do much more of our administration, so GET can put more time into activities that deliver earlier outcomes for customers.

### 3. Website enhancement (Project 1 Quarter 1).

1. We will target Website customers to reduce the overall number of contacts received by GET. We will make key information visible on the 'contact us' page, and we will use a nudge statement that incentivises customers to self-serve. As many of the queries we receive through enquiries can be answered through the resources on the website, we intend to reduce the number of 'common' enquiries we receive by

making our resources more visible on the website. If customers are still not sure what they need to do next after reviewing key information, they can still contact us via phone or a contact form on the website.

2. The enquires email address will be removed from the website. Customers will make an enquiry using an existing contact form on the 'contact us' page. The form is structured and will help the customer to make the enquiry by providing them 'enquiry categories' and space to record the details of their enquiry. There will be no option to add documentation to the contact form. If and when we require further information from a customer such as a document, **we** will request it and provide an email address for the customer to provide it.

3. Robotic Process Automation will process each contact form in real time directly to the Case Management System.

#### 4. Triage Automation (Project 2 Quarter 2)

1. Triage is a process for determining the likely complexity of a complaint. GET advisors use a paper form to 'mine' information from complaint correspondence and use several factors to determine the overall complexity of a complaint before adding it to the Pre-Assessment Pool. This process can take up to 40 minutes per complaint.

2. The information on the paper form exists in a silo for each complaint. It cannot be reported on, and calculations must be performed manually by the GET advisor to get the correct complexity rating. The project aims are to eradicate the paper form and create an equivalent version of it within the Case Management System. The system will automatically calculate the complexity of the case based on data entered into Triage fields. The Triage Tab will save a small amount of processing time at Triage when it replaces the paper form, but more benefits will be realised from automation when the Customer Assessment Tool and RPA are enhanced in Quarter 3.

## 5. Customer Assessment Tool and RPA enhancement. (Project 3 Quarter 3).

1. The Customer Assessment Tool is used by the vast majority of customers to submit their complaint form. We will update the Customer Assessment Tool (CAT) by asking some of the questions on the complaint form and capturing responses differently to the way it is done now, to get better *structured* information from the customer at the earliest point. This will be processed by RPA into the Case Management System and the improved structure of information will identify cases that could be suitable for dismissal or early resolution initiatives as soon as the customer submits their complaint via CAT.

2. The improved structure in the complaint form will be partially populate the Triage Tab in CMS. As well as reducing GET effort at Triage, structured information is more accessible and operationally useful. It will be available as soon as the complaint form has processed by RPA. This will complete the objectives of the Triage Automation project in Quarter 2.