

Meeting	OLC Board	Agenda Item No. Paper No.	7 111.5
Date of meeting	28 January 2021	Time required	15 Minutes

Title	Performance and COVID-19 update
Sponsor	Mariette Hughes / Sandra Strinati
Status	OFFICIAL

Executive summary

This report sets out operational performance against recovery forecast for November and December, along with an update on future performance assumptions. The Executive has revisited the agreed assumptions in light of the rapidly changing Covid-19 situation, and has integrated this into development of the final 2021/22 budget and business plan. Further discussion and assurance on the work of the Performance and Quality Task & Finish Group in reviewing these assumptions appears elsewhere on today's agenda.

Section 1: Recovery trajectory and mitigations

Whilst performance overall has continued to improve, the pace and scale of this improvement has been slower than originally anticipated. The Executive have engaged with the Performance & Quality Task & Finish Group to review and robustly test the assumptions for performance going forward for the remainder of the financial year, particularly in light of recent Covid-19 developments. The new Chief Operating Officer has joined the organisation and is fully sighted on the areas where further improvement is required.

Work continues around Managing by Behaviours, with support for Team Leaders being provided in handling management interventions. Direct engagement with another ombuds scheme who have been through a similar shift in management style is underway, to ensure shared learning.

The short-term distribution of high complexity cases to additional L1 ombudsmen continues to have a positive impact on customer journey this area of work, and the quick wins initiative has been launched, leading to a number of additional closures and recommendations for future process improvements.

Work on technological innovations is progressing well, with robotic processing automation due to go live at the end of this month. A paper setting out more information in relation to innovation at LeO can be found at **Appendix A**.

Staff engagement is improving, and the recent Staff Survey results demonstrate and improvement across all areas. High level analysis and results are presented elsewhere on

the agenda and will also be considered in more detail by the Executive in conjunction with RemCo. An update on progress against the People Plan also appears at **Appendix B**

Section 2: November and December performance

November once again saw the best monthly performance this financial year. However, performance overall was affected by ombudsman availability, and overall productivity continues to be hindered by the effects of lockdown.

Performance in December was sub optimal compared with earlier forecasts. However, the overall drop in output remained consistent with the anticipated seasonal fluctuations. Whilst performance improvement remains the utmost priority for the Executive, the overall performance in December does not display any trends or anomalies which should be cause for concern. The most significant business impact experienced in December related to the amount of annual leave taken in month over and above what had been originally been forecast. The decision to allow this level of leave was taken by the Executive in the context of wider business impact and the need to balance the position before the end of the year.

Full performance data is appended to the report at **Appendix C**.

Section 3: Covid-19 update

Staff availability continued to improve over November and December, however an increasing number of positive Covid-19 diagnoses have been reported. The Executive have carefully considered their position against the guidelines provided by MOJ and took a decision to cease the provision of paid special leave in November 2020, on the basis that the additional flexibility built into standard policies would be sufficient to enable staff to balance short term disruption and caring responsibilities at that time. This position has been revised in January 2021 with the return of nationwide school closures.

A Covid-19 plan appears elsewhere on the agenda, covering the approach taken and decisions made to date, alongside future long-term considerations. Furthermore, detailed consideration has been given to how the situation may develop over the coming months, and how this will affect performance assumptions.

Recommendation/action required

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

Performance and Covid-19 update

1. Recovery trajectory & mitigations

- 1.1. Performance for November again demonstrated an improvement on previous months, whilst noting that the outputs achieved did not reach the levels anticipated on the basis of previous forecasts. Performance in December was lower than November, however it should be noted that the percentage difference in performance remained consistent with forecast, and therefore does not demonstrate a significant cause for concern in and of itself.
- 1.2. The Executive have engaged with the Performance & Quality Task & Finish Group to review and robustly test the assumptions for performance going forward for the remainder of the financial year, particularly in light of recent Covid-19 developments.
- 1.3. Consistent with previous performance reports, indications are that the long-term effects of working from home are having a further and previously unpredicted effect on productivity. The organisation is experiencing an overall loss in 33% as a direct result of Covid impacts.
- 1.4. Further detailed analysis into this issue has been carried out, and it has become apparent that various cohorts of staff are affected in different ways. Whilst the loss in productivity affects all staff, the organisation's top performers have been able to mitigate the effects on their performance much more successfully. By contrast, staff who would have been identified as in need of some performance support prior to the pandemic have in some cases demonstrated more than 50% lost productivity.
- 1.5. This can be attributed in part to the fact that these staff were in the most need of management support at a time where the organisation suspended active performance management as a result of the pandemic, and whilst a shift towards Managing by Behaviours was introduced. In addition, the Team Leader cohort was disproportionately affected by availability issues, meaning a reduced level of available support for staff.
- 1.6. The working relationship with the PHSO continues to develop. The new Chief Operating Officer has had an introductory meeting with the Director of Operations in order to continue the engagement to date, and a further session with our Operations Managers is planned to share good practice.

- 1.7. The new Chief Operating Officer has joined the organisation and is fully sighted on the areas where further improvement is required experience, and is engaging with the Operations Managers on ways in which additional support and interventions can be implemented to ensure all staff are supported to perform at an optimum level.
- 1.8. OLC Board are reminded of the proposal which was presented during the September 2020 meeting to consider redeployment of L1 ombudsman resource in order to improve the customer experience. This work was progressed successfully, resulting in an immediate improvement in the waiting team for high complexity work to be progressed.
- 1.9. The proposal to investigate quick wins in the Pre-Assessment Pool has also progressed, with a number of cases being resolved as a direct result of this work. Further recommendations as to how these cases could be identified early and resolved or dismissed without the need to wait in the Pre-Assessment Pool have been put together by Operational Transformation, and will be progressed as appropriate.
- 1.10. Work continues on technical innovation initiatives, with the first front end solution (Robotic Processing Automation) in the final stages of testing at the time of writing and due to go live this month. Further detail on all technological innovation work is presented at Appendix XX for OLC Board's information.
- 1.11. Staff engagement has improved significantly as per the Civil Service Staff Survey results which demonstrate positive progress in all areas. This is a key point for the organisation with the arrival of the new Chief Ombudsman and Chief Operating Officer, who have already delivered an All Staff Briefing in which the positive progress was noted, and an ongoing commitment to maintain and improving was outlined.
- 1.12. The People Plan project around redesign of job descriptions is underway, and is showing high levels of staff buy in and engagement. A full update on the People Plan can be found at Appendix B.

2. November and December performance

- 2.1. A summary of performance data is included at Appendix C.

Front end

- 2.2. Contact levels into GET increased sharply in November, but returned to expected levels in December. The total incoming contacts for Q3 are comparable with last year and would appear to indicated at circa 28,000 for the quarter. The previously observed channel shift towards email contact has continued, and shows no signs of reversing.

- 2.3. The previously reported increase in CAT submissions has continued, The number of CAT forms received is up 50% on Q2, and up 36% compared with Q3 last year. This trend reinforces the need to consider RPA and other innovations to streamline the processing of this contact type.
- 2.4. Staff availability and IT issues affect GET in December, resulting in a slight deterioration in the service level for processing contacts. However, individual productivity and performance remains strong, and it is anticipated that should availability issues be rectified, further improvements will remain possible.
- 2.5. The Pre-Assessment Pool grew to 4,500 at the end of December, with 582 cases being added in November, and 501 in December. 630 cases being added. This increase is slightly below growth predictions, which reflects staffing issues in GET – this does not signify any fluctuation in incoming demand.
- 2.6. The number of cases taken from the PAP increased again in November, and exceeded expectations against performance in December. Over the two months the number of cases accepted for investigation exceeded the number of cases closed, which continues to be indicative of staff rebuilding case holdings as availability increases.

Investigations

- 2.7. Closures in November showed a 10% improvement on October's figures, and again represent the best monthly performance this financial year. Whilst output dropped significantly in December, a seasonal fluctuation of this level was anticipated and therefore does not give cause for concern.
- 2.8. However, performance once more did not reach the levels set out in the assumptions which were factored into previous forecasts. This is thought to be as a result of a combination of factors. Individual productivity demonstrated a sharp drop in December, however this is largely attributed to staff availability over the festive period. The indications are that the previously reported effects of the pandemic, such as lockdown fatigue and impacts on wellbeing continue to suppress the improvement trajectory.
- 2.9. Case suspensions increased slightly in November following the introduction of further lockdown restrictions as previously anticipated. The overall level of suspensions remain higher than would normally be expected, but have not reached the peaks observed in the early days of the pandemic. The approach taken across the organisation is that suspensions and extensions should only be granted if absolutely satisfied that this is appropriate in the circumstances and should not be a blanket approach.
- 2.10. The amount of special leave being claimed by operational staff continued to reduce, and this provision was phased out by the Legal Ombudsman by the start of December.

2.11. Attrition remains at far lower than usual levels, with one investigator leaving in November and none in December.

Ombudsmen

2.12. November and December saw further slight increases in the number of cases waiting for a final ombudsman decision. This is again in large part due to the availability of ombudsmen, owing to a combination of annual leave and sickness absence. It can also be partly attributed to an increase in the number of cases sent for final decision, as a direct result of increases in operational output.

2.13. The Operations Managers continue to monitor the situation closely, and have restructured the management of L1 ombudsmen in order to ensure optimum outputs and monitor performance more closely.

3. Covid-19 update

3.1. Rolling school closures as bubbles burst and pupils were placed into short term isolation affected the organisation throughout November and December. Line managers continue to emphasise the need to return to normal levels of availability and output, and staff are committed to working as flexibly as possible to support the business needs and continue to provide a service for customers.

3.2. The Executive have carefully considered their position against the guidelines provided by MOJ and took a decision to cease the provision of paid special leave in November 2020, on the basis that the additional flexibility built into standard policies would be sufficient to enable staff to balance short term disruption and caring responsibilities at that time. This position has been revised in January 2021 with the return of nationwide school closures.

3.3. The number of staff receiving a formal diagnosis of Covid-19 has continued to rise, with a total of 23 confirmed cases to date. The virus continues to affect individuals to various degrees. In addition, a number of staff members have experienced the loss of a loved one as a result of Covid-19.

3.4. A small number staff continued to work from the office where appropriate throughout November and December. This position has been revised in January 2021 in line with new lockdown restrictions. A full Covid-19 plan has been presented to OLC Board separately for assurance.

APPENDIX A

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People Plan update

Introduction

In October 2020 the Board was presented with a refreshed and revised people plan which set out our proposed actions to support the business recovery both for the next 5 months and the following 2 years on what we knew to be an ambitious timetable.

The people plan is a programme of work which aims to change the way the organisation supports and develops staff by clearly aligning our people practises to help us achieve both our immediate business priorities and our three strategic objectives.

The programme of work identifies 18 deliverables by March 2021, a series of practical actions through 21 -23 and the outcomes and quarterly measures of success aligned to organisational performance and indicators in the annual staff survey. Each of the “vital 10” from the previous people plan are included as are actions to support all the recommendations from both independent reviews.

The Programme is currently phased over 18 months, agreed by the Executive and Board in October 2020, includes 7 projects and 16 workstreams

The People Plan Programme

Projects	Workstream 1	Workstream 2	Workstream 3
Talent and Career Development	OD and Role design (October 2020 – March 2022)	Career pathways and Managing Talent (October 2021 – March 2022)	Simplify the behavioural and competency frameworks (January 2021 – TBC)
Recruitment and Induction:	Review and refresh of Induction (October 2020 – September 2021)	Review of Recruitment practises and training for hiring managers (October 2020 – September 2021)	
Employee Relations	Actively managed Employee Relations case management workbook (October 2020 – June 2021)	Introduction of the CipHR Case Management System (January 2021 – September 2021)	Review and refresh of flexible working policy in light of current practises Identify and agree the calendar to refresh and implement the HR policies and procedures (January 2021 - March 2021)
Performance and Training	Implementation and evaluation of the Team Leaders course (January 2021 – June 2021)	Review and refresh approach to appraisals (January 2020 – September 2021)	Design and implementation organisation wide training needs Jan- March analysis (April 2021 – June 2021)
Reward and Recognition	Review of pay structure and approach to reward including financial and non finance recognition (January 2021-September 2021)		
Communications and Engagement,	Staff Council - role and influence (January 2021 – March 2021)	Proactive and vibrant networks (July 2021 – March 2022)	Staff Survey and ongoing internal staff communications (September 2021 – January 2022)

Organisational Culture	Identifying desired culture and supporting cultural change programme (January 2021 – March 2022)		
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Programme Governance:

Each Project has an HR/OD lead, supported by HR colleagues and members of the people plan implementation group as required. The Implementation group is made up of c17 colleagues from across all operational and corporate teams.

Each workstream will have a workstream charter and workbook made up of, a milestone plan, decision log and risks and issues.

The People Plan Implementation Group will meet monthly to review progress against each workstream and project using a project highlight report summary of progress will be collated for Board and Remuneration committee as required.

Current Activity:

Project 1: Talent and Career Development - Workstream 1 Job design and Organisation Structure was successfully started in the autumn of 2020. Members of the implementation group have received formal training in group facilitation skills have successfully adopted a collaborative OD approach to the development work facilitating workshops with colleagues to identify the following job accountabilities during the weeks prior to Christmas for the L1 Ombudsman Investigations and L1 Quality and Feedback and Investigator jobs. Further workshops are planned through 2021 which will cover each job throughout the organisation and identify the organisation structure. Operational priorities and staff availability have led to the workplan for this workstream been extended by a number of weeks into Q4 2021/22.

Recruitment and Induction 2: - Workstream 1 Review and Refresh of Induction, Workstream 2 Review of Recruitment Practices and Training for Line Managers WorkStream 3 Review of Flexible Working Practices – project charters are to be developed in January for the Recruitment and Induction Project working with Ops Transformation.

Project 3: Employee Relations - Payroll - The HR/OD team have successfully implemented the new payroll provider with 100% successful completion resulting in no colleague queries in November and December.

Employee Relations - Workstream 1: Actively Managed Employee Relations Casework Book this will develop standard ER reporting to the Executive Team in January on Management of discipline, grievance absence, performance management and Employment Tribunal cases. The Workstream will also deliver a retendering Occupational Health Provider. **Workstream 2: The CiPHr Case Management System and Flexible working Policies** will be developed in February

Performance and Training 4: Workstream 1 Implementation & Evaluation of Team Leavers Development Programme – Review and Refresh approach to Appraisals – Both of these workstreams will commence development in developed in February.

Communications and Engagement 7: Workstream 1 Staff Council Role and Influence – this workstream is under way and a project charter will be developed in February.

Summary

A Project Manager has been appointed to project manage the People Plan and this will assist in the management, reporting and delivery. A Programme start up meeting is scheduled for the end of January this will identify Project Leads within HR and Ops Transformation and continue to develop the required project charters identified above (current activity) to be signed off by the Executive Team in February

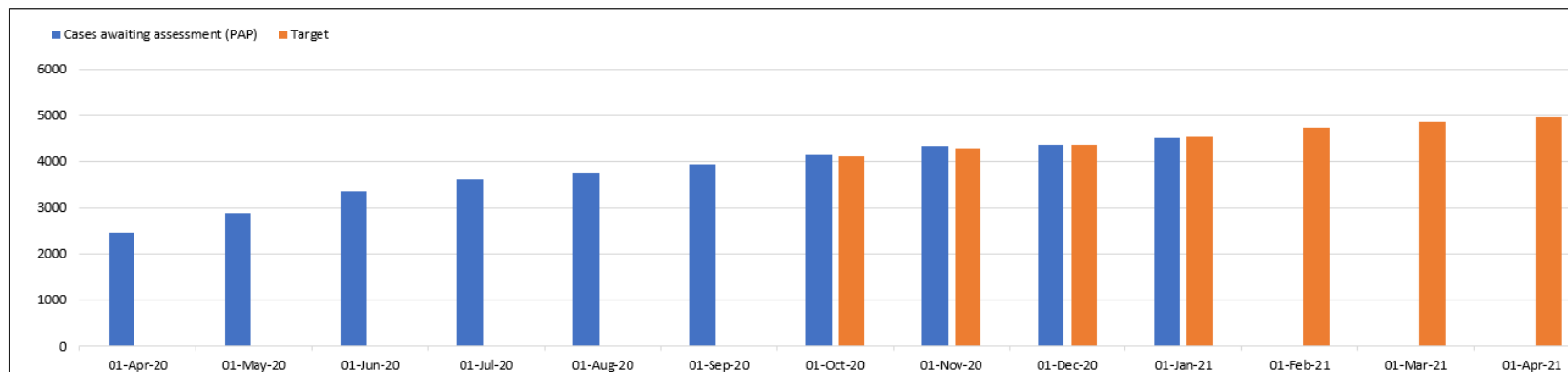
It is recognised that the people plan is an extremely ambitious programme and therefore the Executive Team will agree prioritise against the Business Plan highlighting any issues of organisational capability and capacity

Appendix C - Performance data November / December 2020

Pre-Assessment Pool

Volume of cases awaiting assessment (PAP)

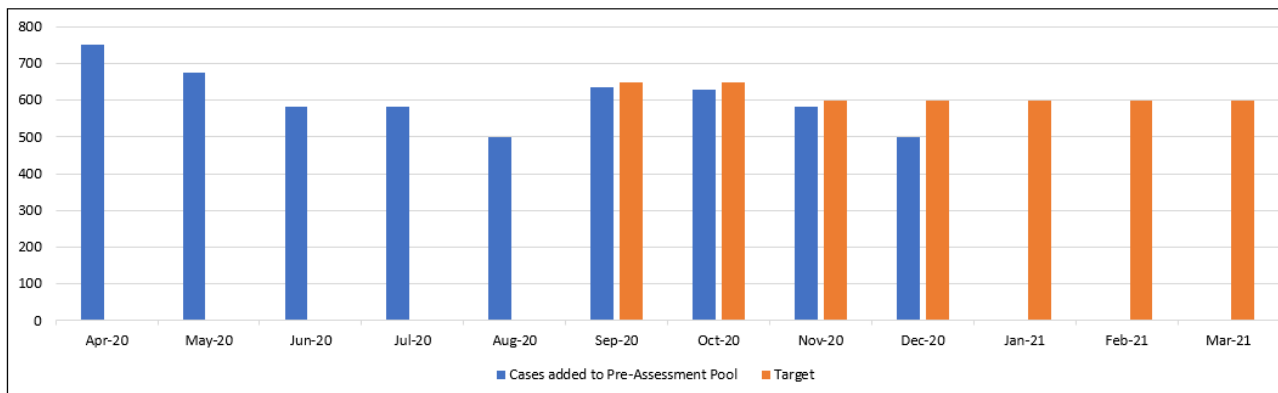
The number of cases in the Pre-Assessment Pool (PAP) over time. Cases are initially triaged by the General Enquiries Team (GET) before awaiting a final assessment by an investigator as to whether the case falls within our jurisdiction to investigate. The target numbers are our forecast projections, based on incoming demand and our productive capacity



Metric	01-Apr-20	01-May-20	01-Jun-20	01-Jul-20	01-Aug-20	01-Sep-20	01-Oct-20	01-Nov-20	01-Dec-20	01-Jan-21	01-Feb-21	01-Mar-21	01-Apr-21
Cases awaiting assessment (PAP)	2464	2898	3360	3603	3757	3929	4160	4330	4356	4500	-	-	-
Target	-	-	-	-	-	-	4112	4280	4353	4547	4729	4850	4968

Cases added to PAP

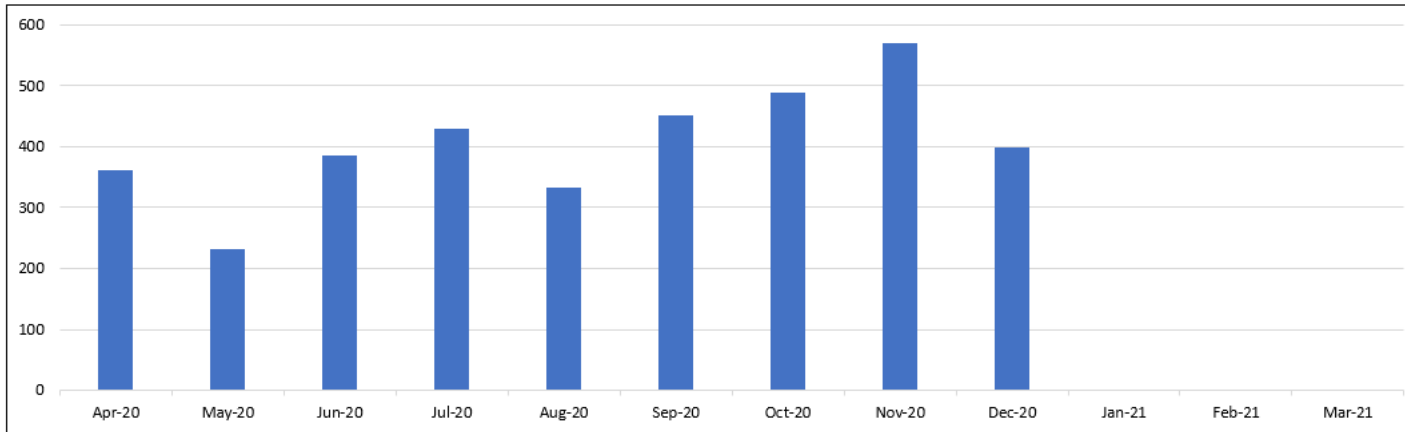
The number of cases added to the Pre-Assessment Pool (PAP) each month



Metric	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
Cases added to Pre-Assessment Pool	753	675	582	584	499	635	630	582	501	-	-	-
Target	-	-	-	-	-	650	650	600	600	600	600	600

Cases taken from PAP

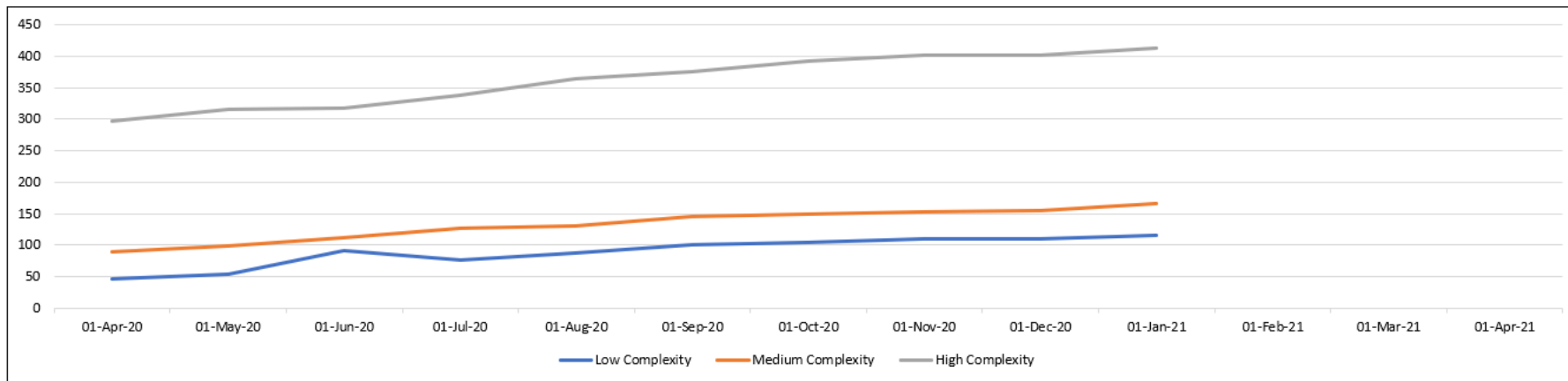
The number of cases removed from the Pre-Assessment Pool (PAP) each month



Title	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
Cases taken from PAP	362	232	386	430	333	452	489	570	399			

Current average wait time in pre-assessment pool

The current average wait time of cases in the Pre-Assessment Pool (PAP) by complexity. This is a measure of current experience, and not a measure of the average total time that a case will spend in the PAP

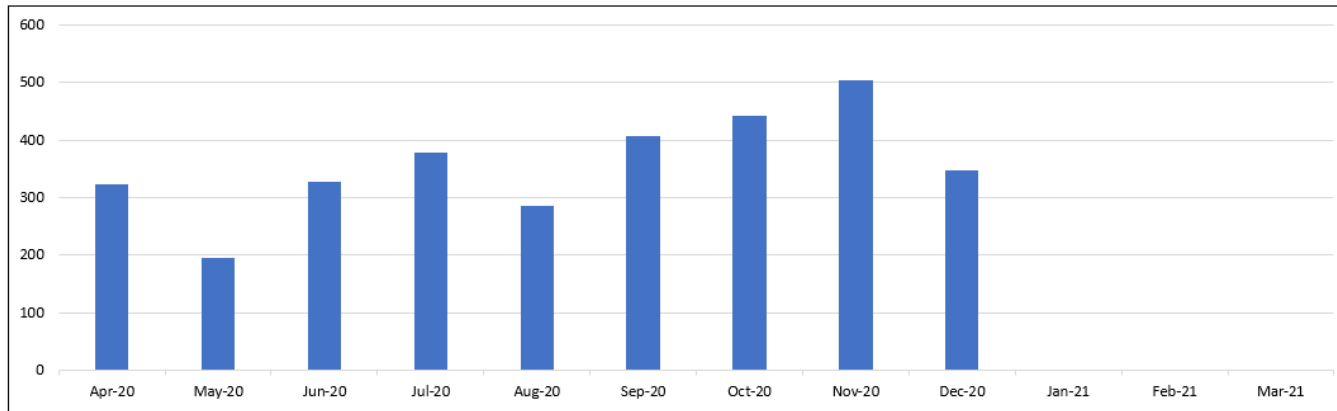


Title	01-Apr-20	01-May-20	01-Jun-20	01-Jul-20	01-Aug-20	01-Sep-20	01-Oct-20	01-Nov-20	01-Dec-20	01-Jan-21	01-Feb-21	01-Mar-21	01-Apr-21
Low Complexity	46	54	92	76	87	100	105	109	109	116			
Medium Complexity	90	98	112	126	131	145	149	152	155	166			
High Complexity	296	316	318	339	364	375	393	402	401	414			
All Cases	82	87	110	109	117	128	133	137	138	145			

Investigation

Cases accepted for investigation

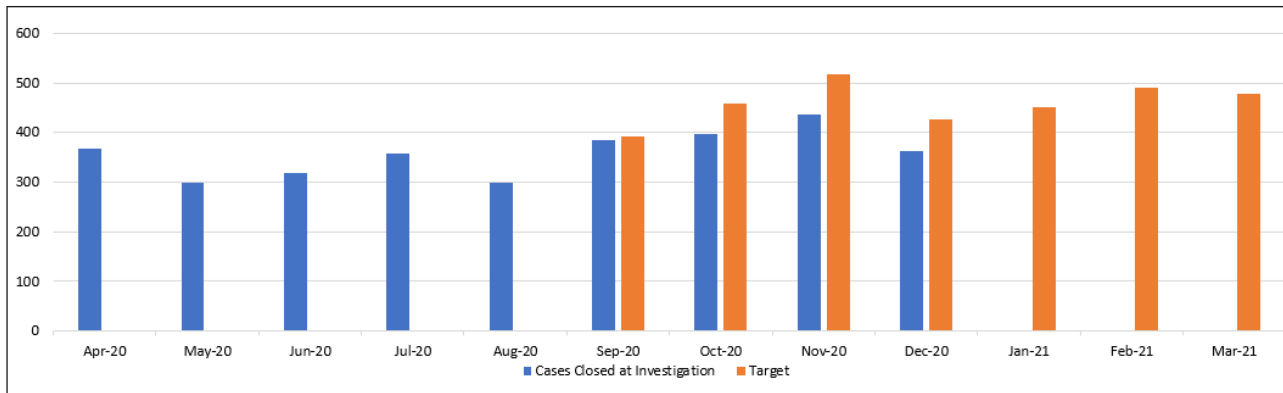
The total cases accepted for investigation each month



Metric	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
Cases accepted for investigation	323	196	328	378	286	407	442	504	347			

Cases closed at investigation

The number of cases closed at investigation each month, and the percentage of cases closed by closure type



Title	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
Cases Closed at Investigation	367	300	318	358	299	385	396	437	363			
Target	-	-	-	-	-	393	459	519	426	451	491	479
Agreed Outcome	44%	41%	53%	42%	36%	38%	40%	42%	39%			
Ombudsman Final Decision	31%	39%	25%	32%	41%	36%	32%	38%	34%			
Other	25%	20%	22%	26%	23%	25%	28%	20%	27%			

