

Meeting	OLC Board	Agenda Item No.	8
		Paper No.	118.7
Date of meeting	26 January 2022	Time required	15 Minutes

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

Executive summary
<p>The slide deck attached shows the key performance indicators Year to date for 2021/2022. It links also to:</p> <ul style="list-style-type: none"> - the Agreed Data Set for December which was published on 19 January. <p>Key points for the OLC Board to note:</p> <ul style="list-style-type: none"> - YTD Case closures in total are 1301 behind the 2021/22 business plan assumptions which equates to 25% - Core demand is in line with business plan assumptions with 600 cases on average being added to the PAP. The decrease in last month is a result of resource constraints from the festive period. - The investigator cadre is 14.8% below the workforce assumptions in the 2021/22 business plan, the average across 21/22 is 12.5% - Monthly case closure assumptions cannot be achieved with the resources available. - There is a direct correlation between investigator resource and BP outcomes - Forecasts show that with new initiatives we are on course to achieve 90% of the original BP assumption on closures. - Productivity amongst investigators is variable, however there was a noted increase in October and November. December has seen a decrease; however, this is the result of the festive period. - Attrition, maternity leave and sick absence are running ahead of business plan assumptions. Factors contributing to attrition are job market picking up, LeO's continued focus on operational performance variation and salaries that are not competitive compared to other employers. - An increase in sickness is mainly attributed to Mental Health as well as absences relating to surgeries that were postponed due to the COVID lockdown in 2020.

- Intervention into the PAP has accounted for 682 year to date additional early closures with a further 225 forecast by year end making a total of new closures of 907
- 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 are set to meet on the 21st of January where focus will be the review of the LSB Criteria Document, KPI/Performance criteria and the Terms of Reference with a view to creating a 22/23 schedule of further meetings for the group.

Recommendation/action required

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

26/01/2022

**OLC Board
Operational
Performance - 21/22
YTD to YE**

In month headlines December 2021

PAP volume

PAP BP assumption for Dec was 4939

Actual PAP for Dec was 5747, below revised forecast due to less added to the PAP

Current Projected PAP size for end of year is 6300

Customer Journey Times

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

Achieved - in month Low 277, Medium 518 and High 824

To note that the high complexity spike can be attributed to 3 cases closed with CJT over a 1000 days old.

Closures

BP assumption Dec 611

Revised assumption Dec 365

Achieved 371

Early closures assumption 75. Achieved 95

Total customers helped - 466

Productivity

Productivity est investigators assumption 6.3

Achieved 4.53 on post investigation closures only

If we include the early closures, productivity jumps to 6.13

Non est cohorts from September performing above the set expectations

FTE

BP assumption 78.47est

Actual est FTE 59.57

Non est FTE 39.58

Total 99.15

Summary

Despite the expected decrease due to the festive period, 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 **365** cases with the 59.57 established investigators in post plus our new investigators, instead we delivered **371** investigation closures plus **95** early closures, therefore total closures were **466**.

This **exceeds** the closure rate for December 2020 by 8 with 71.43 FTE in post. YTD average exceeds 2020/2021 average by **40**.

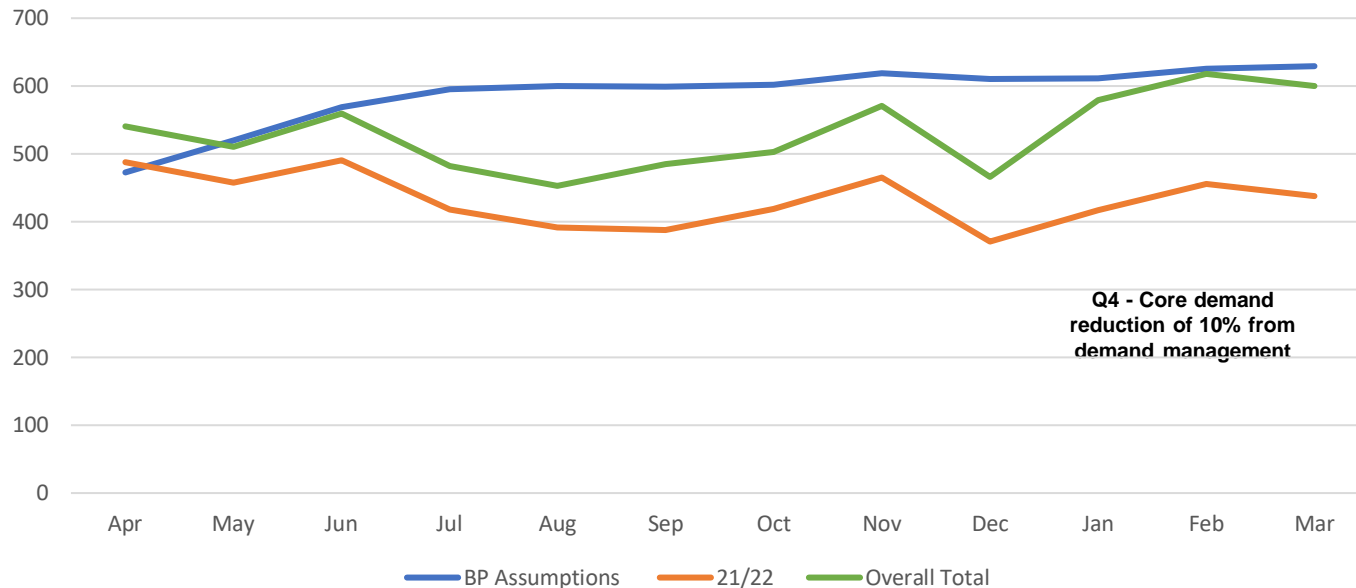
Work continues on identifying new case types for early closure in the PAP. As part of this we have identified ombudsman resource and created a Front End Team (FET) to move from the post investigation stage to the customers initial entry point to identify cases at an early stage.

Likely to end year at 90% of closure assumption with average of only 97.5% resourcing. If 100% resourcing likely would have been much closure to YE assumption.

Closures 21/22 YTD

Current Year	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
BP Assumptions	473	520	569	596	600	600	602	619	611	611	625	629	7057
21/22	488	458	491	418	392	388	419	465	371	417	456	438	5201
Early Closures (GN,ROM) Nudge Theory	53	53	69	64	61	97	84	106	95	75	75	75	907
GET Investigator	0	0	0	0	0	0	0	0	0	41	41	41	123
Increased productivity of underperformers	0	0	0	0	0	0	0	0	0	46	46	46	138
Overall Total	541	511	560	482	453	485	503	571	466	579	618	600	6369

21/22 Performance

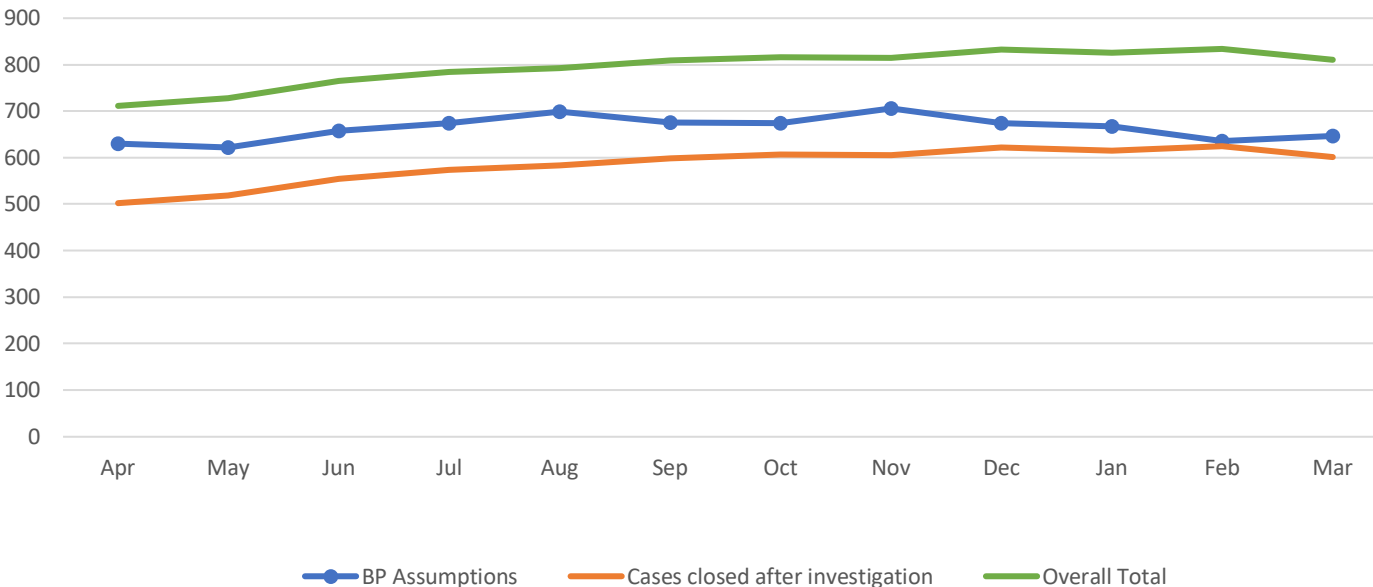


- We have been trending against worst case scenario for most of 21/22. October and November have seen an increase in productivity closer to likely case @5.8 however December did see a decrease due to the festive period.
- Early closures continue to outperform forecast
- demand management and proportionality are forecast to begin in Q4
- 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.

Closures 22/23 Projected Year 2

22/23	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
BP Assumptions	630	621	658	674	698	676	675	706	674	668	635	647	7962
Cases closed after investigation	502	518	555	574	583	599	606	605	622	615	624	601	7004
Early Closures (GN,ROM) Nudge Theory	75	75	75	75	75	75	75	75	75	75	75	75	900
GET Investigator	41	41	41	41	41	41	41	41	41	41	41	41	492
Proportionality Closures	94	94	94	94	94	94	94	94	94	94	94	94	1128
Overall Total	712	728	765	784	793	809	816	815	832	825	834	811	9524

22/23 Performance



- 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 due to redirected ombudsman resource potentially impacting final decision.
- Demand management work continues with 10% reduction in the front end (540 new cases)

Closures 23/24 Projected Year 3

23/24	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
BP Assumptions	660	650	640	554	545	536	528	519	511	502	494	486	6625
Cases closed after investigation	640	644	629	630	621	653	641	651	651	642	651	628	7681
Early Closures (GN,ROM) Nudge Theory	75	75	75	75	75	75	75	75	75	75	75	75	900
GET Investigator	41	41	41	41	41	41	41	41	41	41	41	41	492
Overall Total	756	760	745	746	737	769	757	767	767	758	767	744	9073

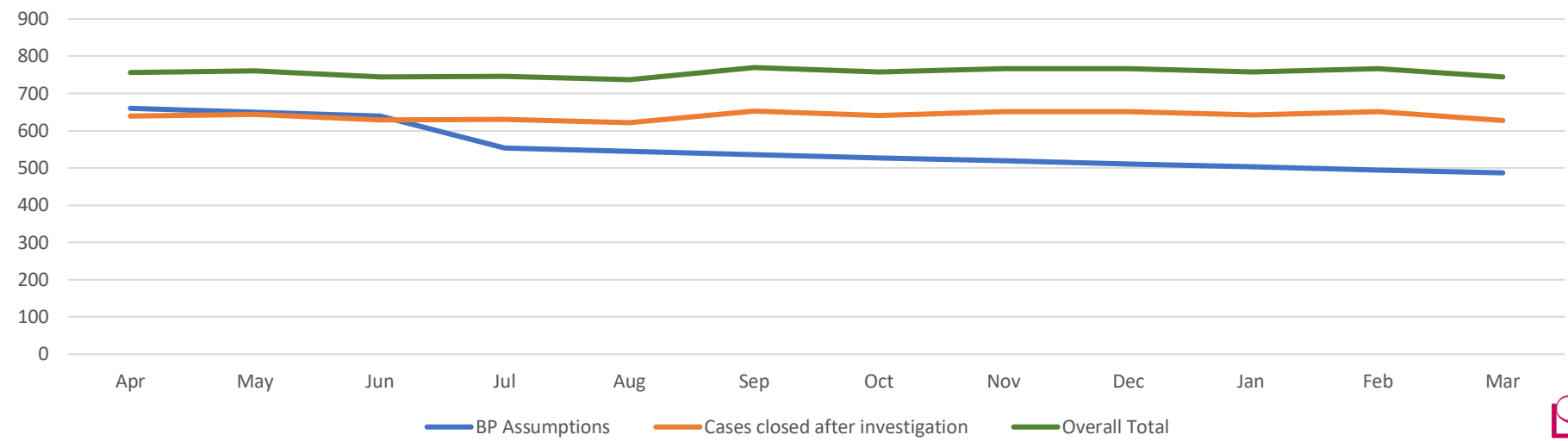
proportionality work stops as the potential for eligible case from the PAP is exhausted at that point, however demand management at 10% continues

- 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



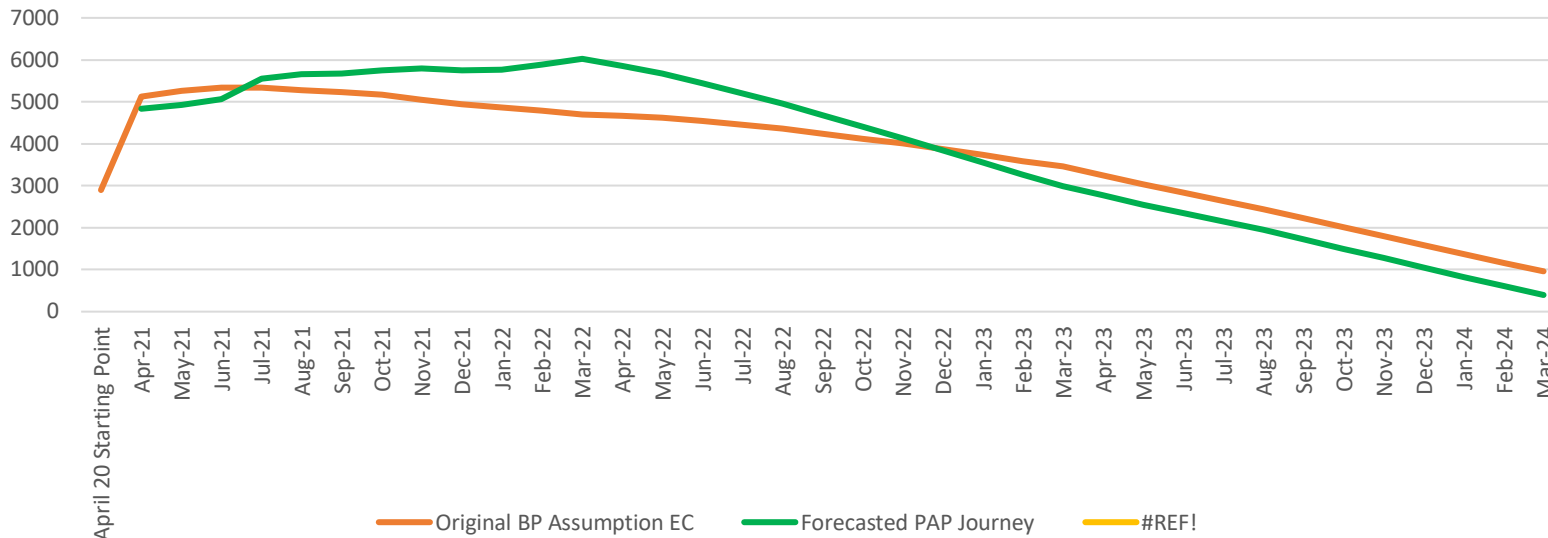
PAP Trajectory Y1-3

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	5747	5768	5890	6030
22/23	5858	5670	5445	5201	4948	4679	4403	4128	3836	3551	3257	2986
23/24	2770	2550	2345	2139	1942	1713	1496	1269	1042	824	597	393

- 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

Overall PAP Journey



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

- From 22/23 closures exceeds core demand

Customer Journey Time

Through the first six months of 2021/22, the average length of time for an investigation fell by 9.83% and YTD 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 682 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 December, customers with low complexity cases that were closed through the early resolution process had an average CJT of 144.04 days which is 48% 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 89 days which accounts for 67% of LeO's workload and averaged 80 day investigation time in month which is a 15% improvement from the beginning of the year.

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 1,200 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 started 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 finish to the year.

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.

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

Demand Management - Additional 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

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	5201	7004	7681
Early Closures (GN,ROM) Nudge Theory	907	900	900
GET Investigator	123	492	492
Increased Productivity of underperformers	138	0	0
Proportionality	0	1128	0
Total	6369	9524	9073

23/24 Outcome

- Investigative closures increase by 55% in comparison to 2021/2022 and 63% increase in comparison to 2020/2021
- Total closures increase by 48% in comparison to 2021/2022 and 93% in comparison to 2020/2021. This is a result of improved performance and new ways of working.
- PAP reduced to 663 which is an 89% reduction to the 2021/2022 year end position and 86% reduction to the 2020/2021 year end position.