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| Meeting | OLC Board Meeting | Agenda Item No. Paper No. | 13 114.10 |
| Date of meeting | 17 May 2021 | Time required | 15 Minutes |

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|----------------|--------------------------|
| Title | Quality Assurance Update |
| Sponsor | Steve Pearson |
| Status | OFFICIAL |

Executive summary

This paper provides an update on key trends identified from the quality assurance framework in Q3 and Q4 2020/21. Board are referred to the data sheet at Appendix 1 to be considered alongside the narrative.

Performance against quality measures remained broadly stable across Q3 and Q4, with the level of risk remaining low. Further improvements can be seen in relation to the resolution of service complaints and feedback from consumers through our customer satisfaction surveys.

For reference the framework includes:

- the Quality & Feedback Model;
- file reviews of open and closed cases;
- call handling reviews;
- RAG rated feedback provided by ombudsmen on every case;
- ombudsman feedback on any cases sent back for rework;
- review of data relating to service complaints and escalations that do not proceed to a formal complaint;
- customer satisfaction data for customers:
 - using the CAT form to bring a complaint;
 - at investigation stage; and
 - at the end of our process.

Due to a COVID-19 related decrease in the availability of staff who normally carry out quality assurance checks, it was decided in April 2020 that a reduced number of checks would be carried out in Q1 and Q2. While a full range of checks was carried out in Q3, resource was once again adversely impacted following the national lockdown in December 2020. As a result, service reviews in the Resolution Centre were suspended in Q4. This means that service reviews have only been carried out across one quarter in 2020/2021. However, an analysis of the results shows that the cause for negative reviews remains consistent with previous results.

Board are also advised that a review of the current quality assurance framework has been carried out by the outgoing Senior Ombudsman in charge of Quality. The findings of the review have only very recently been issued and therefore it is premature to update Board as to any actions or interventions that will be taken. An update on the findings and proposed actions will be shared with Board at the next Quality Assurance Update.

Recommendation/action required

Board is asked to note.

Quality Assurance Update - Quarters 3 & 4 2020/21

Introduction

1. LeO's quality assurance framework consists of a number of controls, comprising of both internal and external data, which helps us identify potential problems while a case is ongoing and provide an opportunity for matters to be put right before the case is closed. The framework provides line managers with data to support the recognition of strong performance as well as individual development needs. LeO's Quality Committee, whose members include the Chief Ombudsman, Deputy Chief Ombudsman and Chief Operating Officer, regularly reviews trend data from the framework and oversees improvement activity.
2. The level of risk in relation to the quality of LeO's outcomes and service, as considered against LeO's customer service principles and standards, remains low. The quality of communication along with the speed of our process continue to be the key drivers for dissatisfaction among our customers, however, significant work has taken place in the last six months to try and improve this. This has included improving the information about our wait times on our website, piloting a system which allows us to send bulk updates to those waiting at the front end, and improving the content of our letters. We are hoping these steps will help to improve satisfaction among our customers while we work towards our long-term aim of reducing the PAP.

Customer Satisfaction

3. The customer satisfaction survey results for Q3 and Q4 20/21 are based on cases that were closed in Q2 and Q3 20/21. Satisfaction with LeO's service for complainants and service providers who were also satisfied with the outcome of their complaint remained strong in Q3 and Q4 at 93% and 91% respectively for complainants, and 82% and 84% for service providers (App 1. Fig CEQ1a&b). The results for Q3 and Q4 have shown a slight decrease in satisfaction rates among both complainants and service providers compared to Q1 and Q2. For service providers particularly this is more likely to be the result of very small samples sizes over this reporting period. The key driver of satisfaction for this group continues to be the quality of contact with LeO staff with parties particularly praising the quality of the listening skills of staff.

4. For complainants dissatisfied with the outcome of their complaint, satisfaction with our service showed a slight increase to 14% in Q3 but levels reverted to 11% in Q4 which is consistent with levels seen in previous quarters (10% and 11% in Q1 and Q2 respectively) and maintains the improvement seen on previous years' results. The key drivers of dissatisfaction were concerns about communication with staff and the extent to which staff were impartial, although concerns about impartiality were significantly lower in Q3 and Q4 (34 % and 39% respectively) than in Q2 (48%).
5. In relation to service providers, concerns about the speed of the process remained a key driver for dissatisfaction with calls to make this faster. This was closely followed by issues with the staff such as the standard of communication, and a perceived lack of knowledge. Work is already ongoing to look at refreshing our knowledge framework.
6. A new question has been added to the end of process survey to gain customer's views about the ease of LeO's complaints process. The results show that complainants and service providers have polarised views about this. In Q3 18% of complainants strongly disagreed that LeO made it easy to handle the issue. This dissatisfaction decreased significantly in Q4 to 26%. However, service providers view our process more positively with 73% agreeing that LeO made it easy for them to respond to the complaint. This feedback has been shared with Operations, to help inform their decisions, as they continue looking at different and improved ways of working.

Service Complaints

7. Service complaints represented 1.1% of the cases LeO accepted for investigation in Q4, reducing from 2.6% in Q3. The number of new service complaints also fell from 34 in Q3 to 15 in Q4. We will continue to review this to see whether this is evidence of an improvement in service standards or the result of Covid-19. The proportion of complaints progressing to stage 3 of the process has continued to reduce, with the number of referrals made in 2020/2020 (23) being consistent with levels last seen in 2016/2017. The rate at which the Service Complaints Adjudicator has upheld the complaints she has investigated is at the lowest level she has ever seen in her six year term. More information can be found in the Service Complaints Adjudicator's interim report.
8. The number of complaints that relate to the front end wait time has reduced compared to previous quarters as a result of the improvements we continue to put in place to the way we communicate with those waiting to use our service. The biggest driver for service complaints in Q3 and Q4 was the standard of communication with staff accounting for 63% of upheld complaints.

Quality assuring our service and outcomes

9. In the last six months, our performance in relation to outcomes has reduced slightly in the Resolution Centre with 97% of our customers receiving fair and reasonable outcomes in Q3 followed by 93.8% in Q4. Q4 has bought us outside of tolerance for the first time since Q3 of 2018/2019. The cause of this is believed to be staffing restructures which means outcome reviews are no longer carried out by ombudsmen who are aligned to teams and as such there is more independence in the review and scoring. This will continue to be monitored next quarter. However, within GET, while we remain outside of tolerance, scores for Q3 and Q4 (92% and 94% respectively) are higher than they were in Q1 and Q2 (91% and 88% respectively) (App1. Fig CEQ4a&b).
10. Where outcomes were found not to have been fair and reasonable (9 cases in GET and 9 in RC) this was generally due to individual performance issues, largely down to customers not being given the right information at the right time or not following process, rather than wider trends. All cases have been reviewed and feedback provided to those involved. None of them resulted in a potential disadvantage to the customer that meant the files needed re-opening. The proportion of cases sent back by the ombudsman team for further investigation have increased across Q3 and Q4 (9.8% and 12.7% respectively) and now sit outside of our tolerance limit of 10% (Appendix 1 IRE7).
11. Service reviews were carried out for investigators for the first and only time this year in Q3 (due to Covid-19 related resourcing issues). In total, 74% of cases were found to have provided a reasonable service. While this continues to be outside of tolerance, the causes of the negative outcomes are consistent with previous quarters: delays during the investigation and a failure to keep parties updated. In GET, performance increased to 92% in Q3 before reducing slightly to 90% in Q4, which is within tolerance. The same 9 cases that did not receive a fair and reasonable service in GET, were the same files that performed negatively in relation to outcome. As explained above, these related to individual issues around unclear communication and failing to follow our process and were not indicative of a wider trend.
12. Reviews for L2 ombudsmen were suspended in Q1 and Q2 but resumed in Q3 and Q4 alongside Pool and L1 ombudsmen reviews. All decisions reviewed in Q3 scored 100% before decreasing slightly in Q4 to 97%. This was the result of one decision scoring negatively on outcome because of an incorrect application of Scheme Rule 5.7 guidance. Feedback has been provided and ongoing support has been offered by their team leader.

13. The Quality Committee continues to review quality performance monthly. They make decisions on the improvements that need to be made and track and monitor their implementation. However, our ability to progress improvement activity beyond line management activity continues to be significantly constrained by resource limitations.

Conclusion

14. In summary, performance in the last six months has remained stable, but with welcome signs of improvement in relation to the resolution of service complaints and customer satisfaction.

LeO Quality KPI & Tolerance Report -Q4 (2020-21)

External KPIs

Customer Satisfaction- (CEQ1a & CEQ1b)

| Tolerance | % Customer Satisfied with Outcome | |
|------------|--------------------------------------|-------------------|
| | Complainants | Service Providers |
| 85% | Q1 | 93.0% |
| | Q2 | 95.0% |
| | Q3 | 93.0% |
| | Q4 | 91.0% |
| | % Customer Dissatisfied with Outcome | |
| | Complainants | Service Providers |
| 15% | Q1 | 12% |
| | Q2 | 11% |
| | Q3 | 14% |
| | Q4 | 11% |

Tolerance: < 5% below target in one reporting period

Quality (Internal KPI)

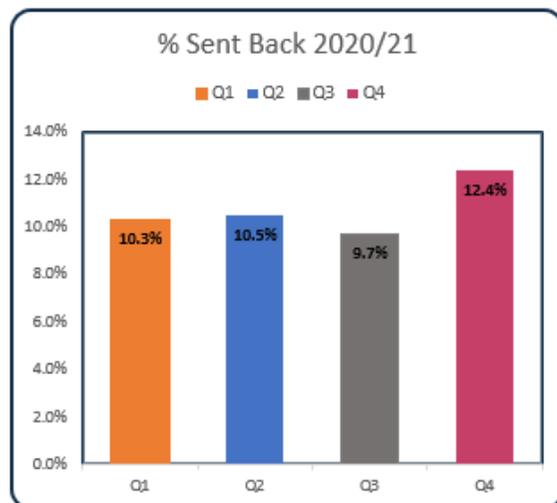
Cases assessed as meeting appropriate customer service (CEQ4a) & as having fair and reasonable outcome(CEQ4b)

| Tolerance | % All Cases that met our Customer Service Principles | | |
|------------|--|------------------------|--------------------------|
| | General Enquiry Team | Investigator & Level 1 | Pool & Level 2 Ombudsman |
| 90% | Q1 | 97.0% | n/a |
| | Q2 | 88.0% | n/a |
| | Q3 | 91.0% | 74.0% |
| | Q4 | 90.0% | n/a |
| | % All Cases with a Fair & Reasonable Outcome | | |
| | General Enquiry Team | Investigator & Level 1 | Pool & Level 2 Ombudsman |
| 95% | Q1 | 90.9% | 100.0% |
| | Q2 | 87.9% | 96.0% |
| | Q3 | 90.9% | 97.0% |
| | Q4 | 93.5% | 94.0% |

Tolerance: < 5% below target for 2 consecutive reporting period

% Tasks & Decisions Sent Back by Ombudsman (IRE7)

Tolerance: < 10%



Monthly Send Back %

- Apr -8.8%
- May -13.6%
- June -9.5%
- Jul -8.8%
- Aug -10.7%
- Sept -11.9%
- Oct -9.9%
- Nov -10.3%
- Dec -8.8%
- Jan -11.1%
- Feb -13.0%
- Mar -13.0%

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