

Meeting	OLC	Agenda Item No.	6
		Paper No.	103.5
Date of meeting	26 March 2020	Time required	20 Minutes

Title	Performance Report
Sponsor	Steve Pearson (Head Ombudsman) and Brendan Arnold (DCS)
Status	OFFICIAL
To be communicated to:	Members and those in attendance

Executive summary
<p>The key points of briefing are:</p> <p>Retrospectively</p> <ol style="list-style-type: none"> 1. The report shows operational performance to the end of February 2020. 2. Two performance KPI's are red and these relate to high complexity cases (1% case load) 3. The Customer Journey Time has reduced further. 4. Attrition has increased but there is some underlying evidence of a reducing trend. <p>Looking forwards through March</p> <ol style="list-style-type: none"> 1. COVID-19 already having impacts on complainants and service providers, which reflect through active cases, which will manifest in timeliness and volume outputs 2. March outturn at mid point only marginally behind profile, but no ability to predict impact of crisis on eventual outturn at this time.
Recommendation/action required
Board is asked to NOTE the report.

Performance Report

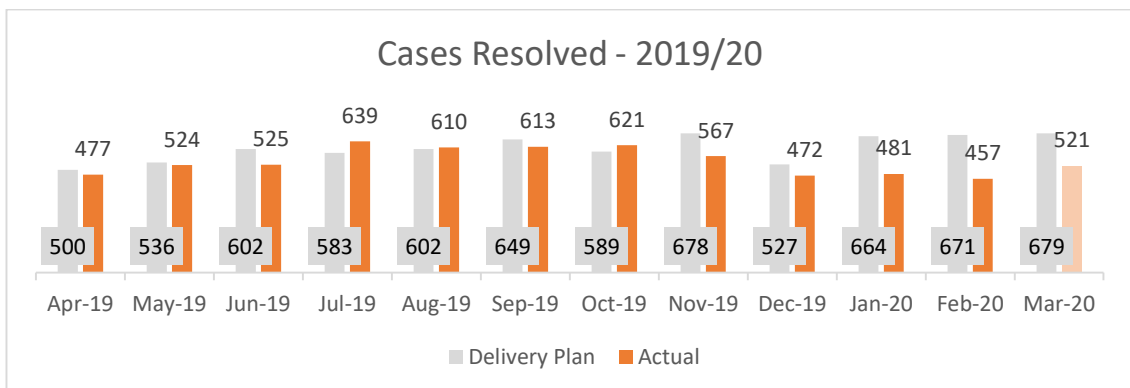
1. Key Observations

1.2 February closures were 457, below target by 214 closures compared with the original 2019/20 business plan target. The reasons for the shortfall are:

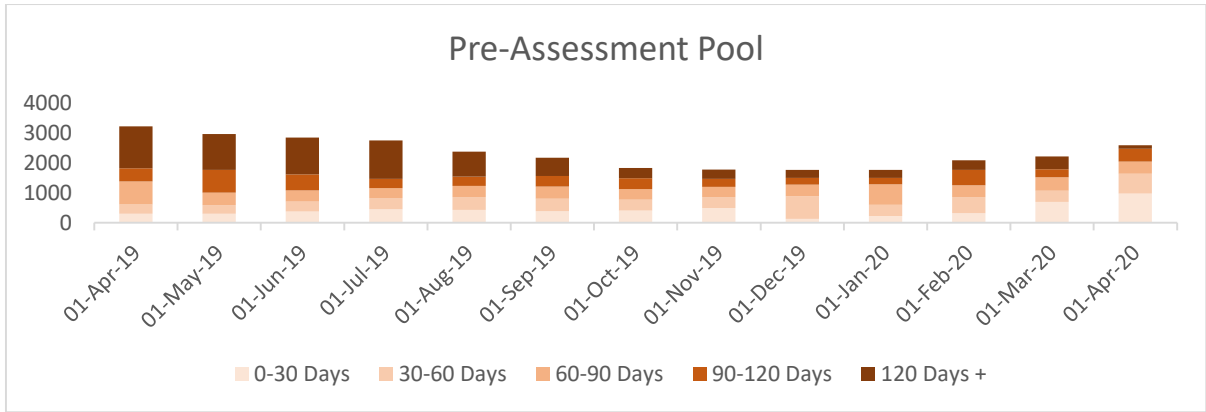
- a. The continued impact of previous attrition. Of the current investigator cohort around 20% have less than four months in role and are not yet delivering at the level of the people they have effectively replaced; and
- b. Management capacity was limited due to increased abstraction for additional recruitment, in conjunction with unforeseen absence.

1.3 The profile is shown below with a forecast of 521 closures for March which at the time of writing is only 39 behind the target included in the Road Map to Green recently approved by Board.

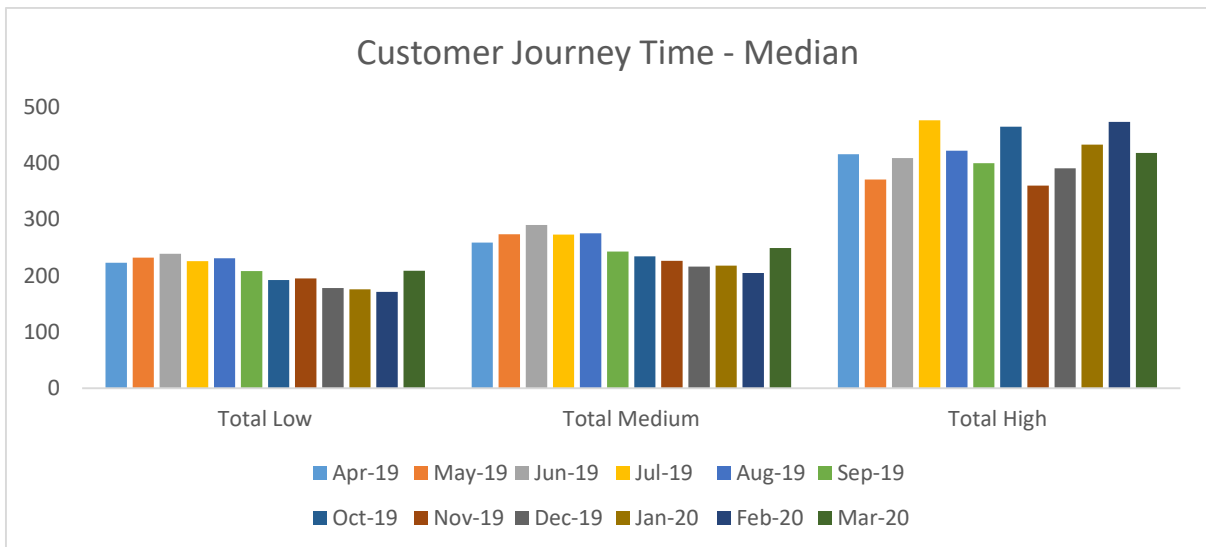
1.4 This would result in a shortfall of 773 in 2019/20 against the 2019/20 business plan. However, this profile is subject to the ongoing impact of COVID-19, which cannot as yet be anticipated.



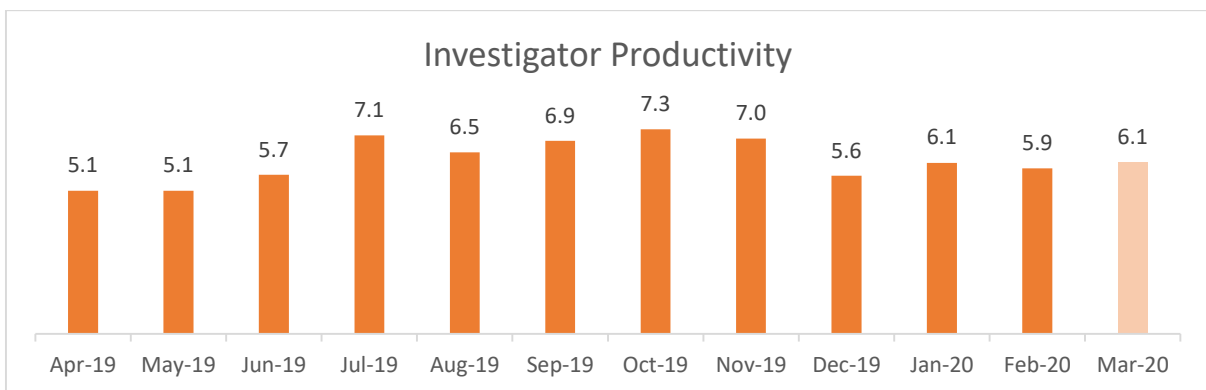
1.4 The Pre-Assessment Pool has risen to 2,218 at 28 February in line with the predictions contained in the Road Map to Green approved by Board on the 13 March 2020. The number of files is predicted to be 2,593 by 31 March and current front end contacts are suggesting that this is still the likely outturn, despite current conditions.



1.5 The Customer Journey Time continued to fall in February for low and medium cases as shown in the chart and below. The increase shown for March is broadly in line with predictions in the Road Map to Green as well as performance profile.



1.6 Investigator productivity fell slightly to 5.9 cases per capita per month in February following attainment of 6.1 in January. Whilst this is predicted to recover slightly in March, it will undoubtedly be impacted by COVID-19.



5. Attrition

5.1 In February attrition on a rolling average basis increased from 22.3% to 23.5%. The underlying numbers of leavers by month:

Leavers	Invs - Voluntary	Invs - dismissal/ termination	Ops other - voluntary	Ops other - dismissal/ termination	Ops - other retirement	Support/ Corp - vol	Total
Dec	6	1	3	3			13
Jan	3		1		1	1	6
Feb	1	1	1			1	4

This may be the start of a reducing trend, the 12 month moving average will not yet reflect this. In steady state, we expect a natural attrition of 2 investigators per month, with an overall organisation rate of 18%.

6. KPI's

6.1 With regard to KPI's a summary of the performance to the end of February 2020 appears at Appendix 2. Performance remains positive and only two timeliness indicators are presently red, both relating to high complexity cases (just 1% of the case load). The greater operational focus in this area to restore progress on high complexity cases over February will improve this.

6.2 Unit Costs are not within target in February because of the lower than planned level of closures; the YTD unit cost is £1,741 compared with a target for the year of £1,695.

8. Conclusion

8.1 In summary February performance has continued to be disappointing. The relevant diagnosis and actions are discussed elsewhere on the Board agenda, including the underlying people challenges and the People Plan to address them

Appendix 1

Monthly Performance Against Delivery Plan (2019/20)			
Months	Delivery Plan Target	Actual Closures	Over (+)/Under (-) Attainment of Target
April	500	477	(23)
May	536	524	(12)
June	602	525	(77)
July	583	639	+56
August	602	610	+8
September	649	613	(36)
October	589	621	+32
November	678	567	(111)
December	527	472	(55)
January	664	481	(183)
February	671	457	(214)
March	679	521	(158)
Total	7,280	6,507	(773)

Appendix 2: Monthly KPI and tolerance report – February 2020

Target met:		Target not met but within tolerance:		Target not met & outside tolerance:	
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Measure	KPI	Tolerance	A %	M %	J %	Jy %	A %	S %	O %	N %	D %	J %	F %	M %	Notes	
% cases concluded in new CMS (CEQ2a)																
90 days (low)	65%	10% off target for more than 2 consecutive months or 2 months out of 4, in any category	89	83	83	86	86	85	77	71	73	58	63		The items that are showing red are for high complexity cases where small numbers of closures can influence the % disproportionately.	
90 days (med)	40%		54	50	45	52	45	49	41	42	39	30	36			
90 days (high)	0%		25	11	8	13	18	0	4	14	17	15	18			
180 days (low)	90%		98	99	99	98	98	99	98	98	98	96	96	95		
180 days (med)	85%		92	91	85	85	84	90	85	89	86	79	85			
180 days (high)	33%		75	56	33	20	27	30	9	24	17	38	18			
365 days (low)	99%		100	100	100	100	100	100	100	100	100	100	100			
365 days (med)	95%		100	100	98	100	100	99	99	99	96	98	98			
365 days (high)	85%		100	100	83	93	88	91	57	76	75	69	36			
% cases (all complexity) concluded (CEQ2a)																
Within 90 days	45%	10% off target for more than 2 consecutive months or 2 out of 4	48	51	50	59	67	67	63	60	61	49	53			
Within 180 days	78%		63	72	70	74	84	89	89	91	89	89	89			
Within 365 days	95%		69	78	77	83	94	96	96	97	97	98	97			
Turnover (PLC2a/b)																
Quarterly rolling annual turnover rate	Rolling annual turnover <18%	>2% above rolling annual target for two consecutive quarters	18.7	20.2	21.8	21.6	21.6	22.0	21.3	19.0	22.5	22.3	23.5		As explained in the text leaver numbers have begun to Reduce month on month but this is not evident in the moving Average used to calculate this KPI.	
Unit Cost per case (IRE8)																
Legal all complexities – net of estates income and gross costs	£1695	>£100 over target – 3 month rolling average	2118	2047	1952	1554	1574	1665	1657	1645	1921	2206	2454		Unit costs continue to be outside tolerance in month arising from lower levels of closure. The YTD unit cost is £1741 compared with the annual target of £1695.	

