

30 January 2017

Section 120 Quarterly Performance – Q3

The logo for the Legal Ombudsman features the word "LEGAL" in a bold, sans-serif font, with a stylized, cursive flourish above the letters "L" and "A". Below "LEGAL" is the word "OMBUDSMAN" in a clean, sans-serif font.
LEGAL
OMBUDSMAN

1. Introduction:

1.1. The purpose of this report is to provide the Legal Services Board (LSB) with an overview of the performance of the Legal Ombudsman (legal jurisdiction) for quarter 3 (2016/17). This is in line with your requirements of Section 120 of the Legal Services Act 2007, as outlined in paragraph 3 of Appendix A to your letter dated 11 April 2016.

1.2. The report provides an assessment of the performance of the scheme, focusing in particular on three key areas:

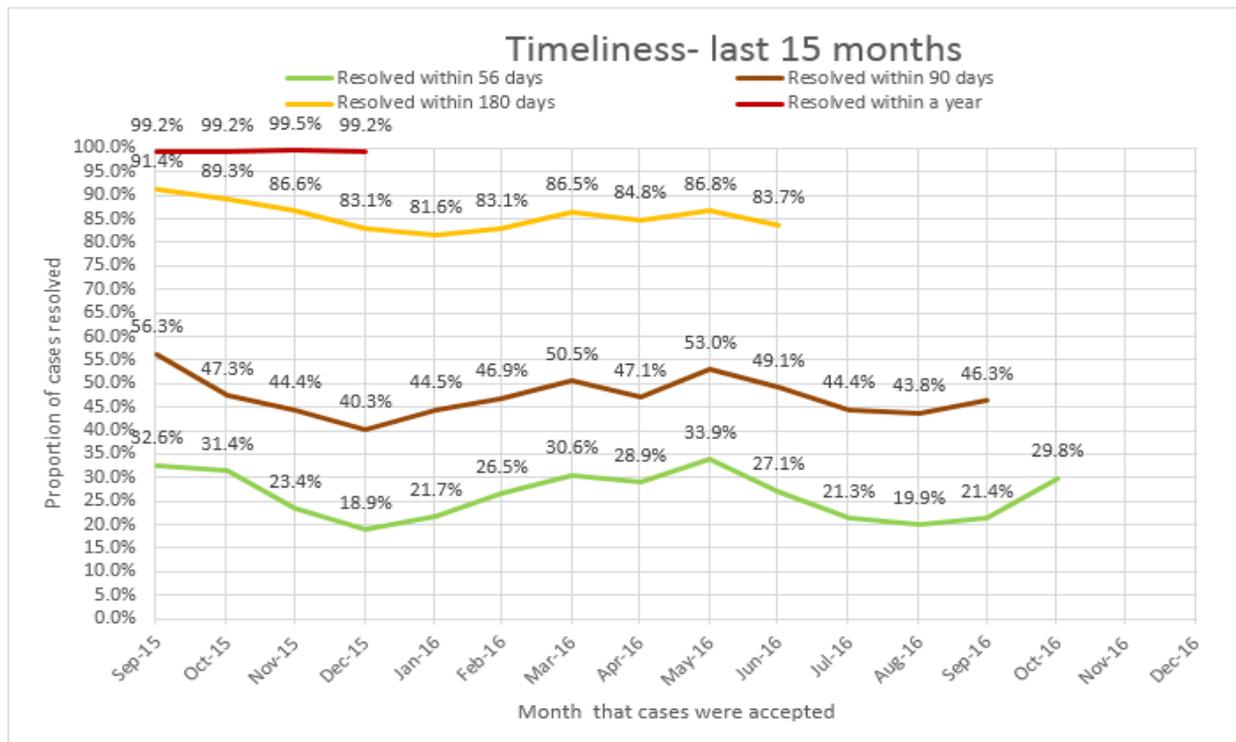
- Timeliness
- Quality
- Costs

1.3. The report also provides an update in respect of the actions and interventions that have taken place or are planned, to improve performance in areas where the Office for Legal Complaints' (OLC) expectations have not been met.

2. Timeliness:

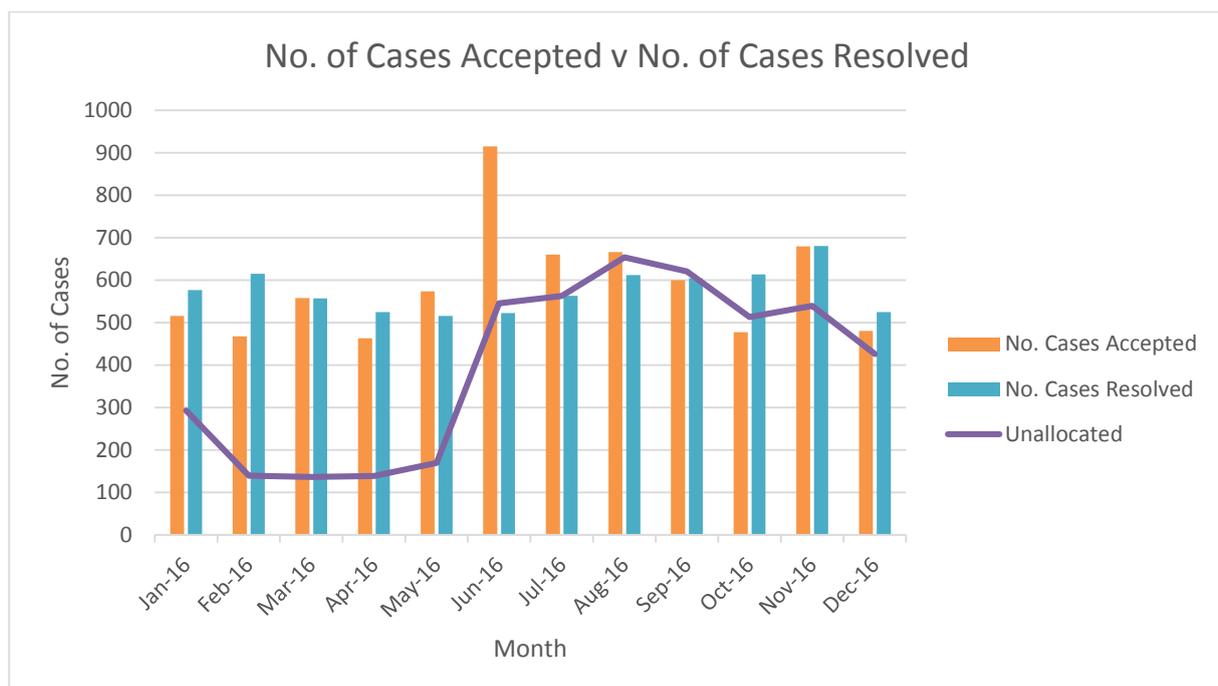
2.1. During quarter 3, timeliness performance has remained broadly consistent and in line with the OLC's expectations. Timeliness performance is illustrated in the graph below (figure 1).

Figure 1 – Legal Jurisdiction Timeliness Performance



- 2.2. Figure 1 illustrates that performance against the 180 day target has decreased slightly in December, however, this was in line with expectations due to the large amount of cases accepted in June (as previously reported), now impacting the 180 day target.
- 2.3. Figure 1 also illustrates that performance against the 90 day timeliness target has remained consistent during the period, but is still below the OLC’s target of 60%.
- 2.4. The OLC’s expectations on timeliness continue to be impacted by the reducing but still significant level of unallocated cases. The OLC acknowledges the impact that the measures being taken to rectify these issues are having. This is evidenced in the graph in figure 2 which shows that the number of cases resolved exceeded the number of cases accepted every month during quarter 3.
- 2.5. Implementation of a targeted approach to allocations has seen the unallocated work reduce significantly, from approximately 620 at the beginning of quarter 3 to approximately 470 at the beginning of quarter 4, reflected in the graph in figure 2.
- 2.6. The OLC welcome not only the sustained reduction in this area, but also the further reduction that is forecast by the end of quarter 4. This will inevitably impact positively on timeliness performance.
- 2.7. In the last quarterly report to the LSB, the absence of suitable oversight measures at the assessment stage of our process were outlined. Appropriate measures have now been introduced to provide sufficient oversight of this work, and the OLC are assured that the actions taken will mitigate the potential reoccurrence of the backlog position we experienced in the Assessment Centre during the summer.

Figure 2 – Number of Cases Accepted / Number of Cases Resolved / Unallocated Cases



2.8. The impact of the large number of cases accepted for investigation in June continues, however, the number of unallocated cases is reducing, as outlined in paragraph 2.5.

2.9. In October 2016 a triage system was introduced within the investigation process. The objectives of triage are to:

- review case complexity;
- assess vulnerability of complainants;
- identify easy resolutions;
- request tailored evidence.

The triage system has now been included as business as usual within the investigation process. The triage process allows work to commence on a case much earlier, impacting positively on the customer experience and ultimately timeliness performance. At the end of quarter 3, there were 2202 active cases within the system, however 856 of these were received prior to the implementation of the triage process, and therefore have not been triaged. All cases assigned to Investigators after the middle of November have been triaged. The timeline provided in figure 4 provides an indicative picture of the difference the triage process has made to the customer experience. Once a case is 'in triage', activity on the case is underway much quicker, and the active periods within the lifetime of a case (reflected in green) are significantly greater than the inactive periods. This means that specific evidence is available on the case as soon as it is allocated to an Investigator, and the investigation can progress without needing to wait for evidence (in the majority of cases).

Figure 3 – Indicative timelines for investigation process – original system



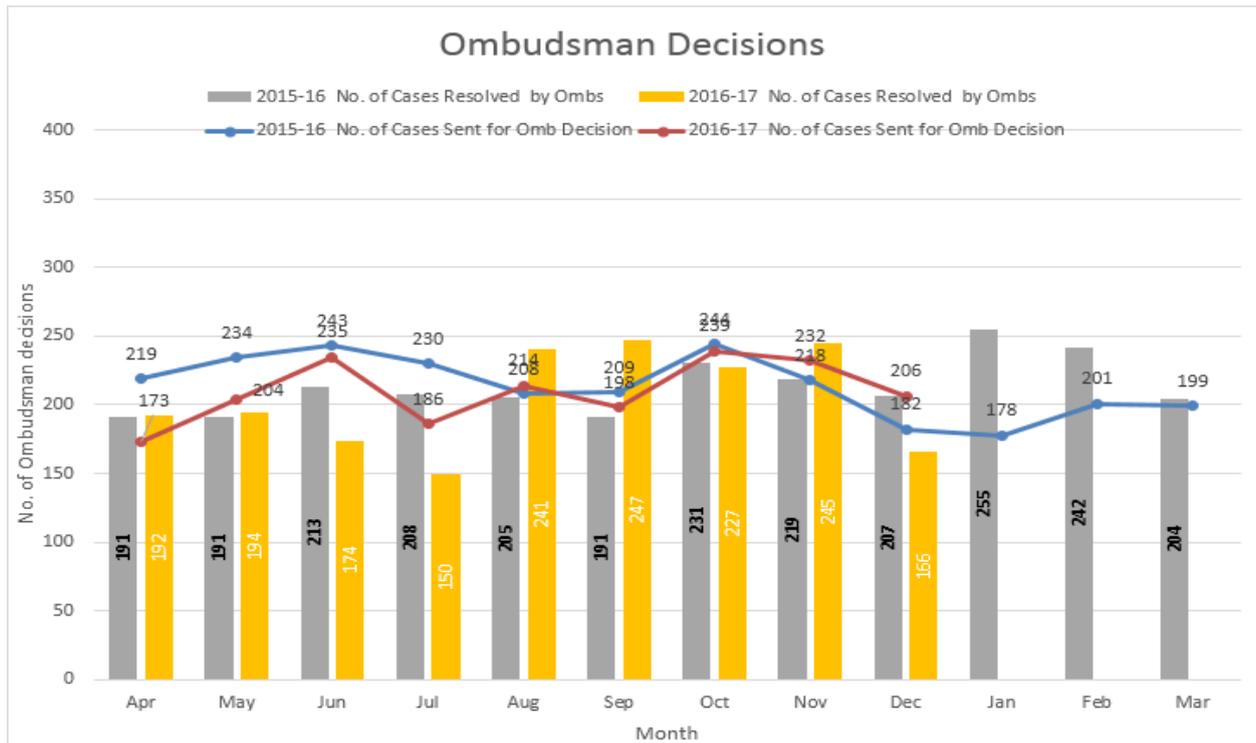
Figure 4 – Indicative timeline for investigation – triage system



2.10. The graph in figure 2 is also indicative of the incremental improvement in productivity within the Resolution Centre since June, which can in part be attributed to increased staffing levels, the triage process, and other initiatives outlined in section 5.

2.11. The OLC welcome the sustained improvement in the number of informal resolutions achieved during the quarter. They attribute this to initiatives such as triage and the telephone project which, drives Investigators to use the phone wherever possible during the course of their investigations.

Figure 5 – Ombudsman Decisions / Productivity

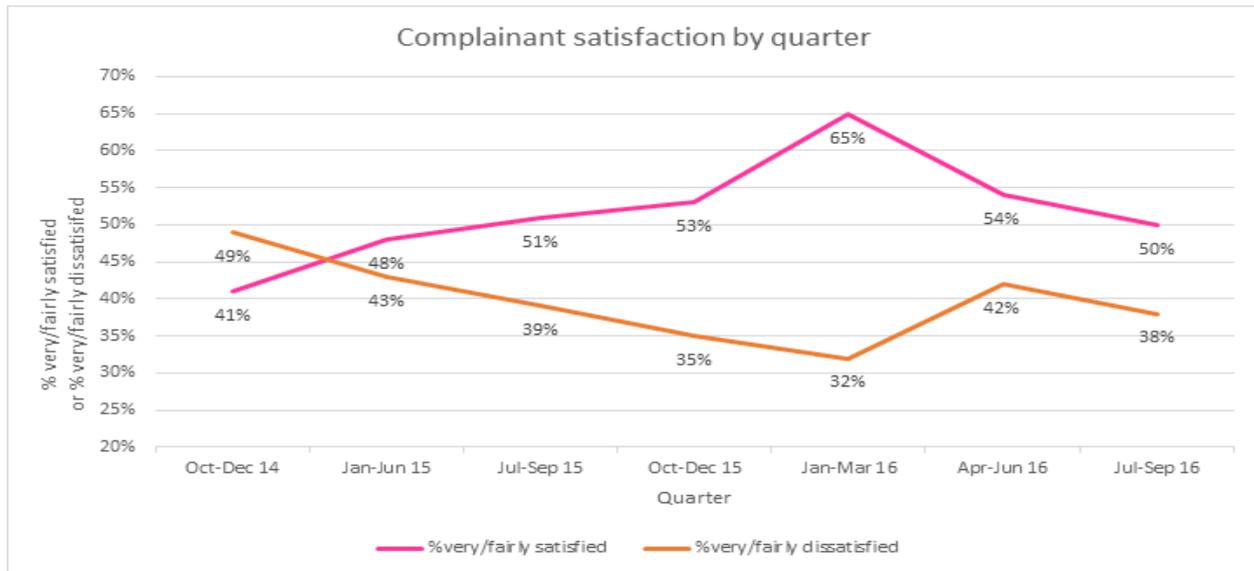


2.12. A significant amount of work has taken place since quarter one to reduce the work in progress at the final stage of our process (Ombudsman Decision). The Ombudsman team have sustained the improvements that were made in respect of the number of cases awaiting a final decision, which has remained consistent throughout the quarter at approximately 220. The number of decisions made in December was less than previous months, however, this was as a result of Ombudsmen being involved in the induction of new starters and launching the new knowledge strategy. This was in line with our expectations. The next stage in the process is to implement a project to reduce the number of send backs and provisional decisions, outlined in section 5. This will in turn improve productivity and performance against timeliness measures.

3. Quality:

3.1. The overall satisfaction with our service at the end of the process has improved slightly from 60% in quarter 1 to 62% in quarter 2. However, complainant satisfaction results have reduced from 54% in quarter 1 to 50% in quarter 2. The overall satisfaction level has been impacted positively by an increase in service provider satisfaction, increasing from 71% to 83%.

Figure 6 – Complainant Satisfaction Results



3.2. The internal customer satisfaction surveys continue to provide a rich source of data to inform service improvement. Complainants cite lack of updates as a dissatisfaction driver, and as a result of this the flexibility of our ‘in process’ surveys has allowed us to introduce a new question to explore this further. The results have shown that complainants are far less happy with the frequency of updates in comparison to service providers. However, it is anticipated that this will improve following the introduction of the various initiatives to improve performance at the investigation stage of the process. We will maintain focus on quality and monitor performance via the internal quality review process, and amend or introduce additional questions within the ‘in process’ surveys in order to provide a more granular view of performance.

4. Costs:

4.1. The OLC Board’s expectations on costs are currently being met and no interventions are planned or expected in this area.

5. Actions Taken / Planned:

5.1. A number of initiatives that have been introduced to improve performance were outlined in the previous quarterly Section 120 report. The aim of these initiatives are to:

- reduce the backlog by a structured allocation process;
- increase the capacity to investigate more cases capitalising on the return of our control over our resources, ongoing recruitment and continuing to recruit flexibly, together with the controlled use of overtime;
- increase the efficiency of the investigation process;
- maintain an adequate throughput of Ombudsman decisions.

Following formal review, a number of these initiatives are now business as usual within the investigation process, these are highlighted in the table below:

Month	Initiatives Implemented	Benefit / Result
Feb-16	Recruitment - Tranche 1 (Assessors - 11, Investigators - 12) Start date 11 April Active date 2 May Capacity date 27 June,	Improve efficiency Reduce unallocated Positive impact on timeliness Positive impact on customer satisfaction Closure benefit seen from August
Jul - 16	Reduce Ombudsman WIP Recruit Senior Ombudsman - July Withdraw Ombudsman from teams and allow to focus on final decisions – August / September Focussed management of Ombudsman – August / September Reintegrate Ombudsman within teams - Oct	Positive impact on timeliness Positive impact on customer satisfaction Reduce Ombudsman WIP (reduced by 1/3 during August / September but slight increase following Christmas) WIP August 320 WIP currently - 240
Aug-16	Investigator overtime	Reduce / manage unallocated Positive impact on timeliness and customer satisfaction The 11 Investigators working overtime have increased their closures by 25% in Q2 and Q3, when compared with Q4 (15/16) and Q1.
Aug-16	Continuous recruitment commenced Recruitment - Tranche 2 (Assessors - 7, Investigators - 6) Start date 7 November Active date 28 November Capacity date 23 January 2017	Improve efficiency Reduce unallocated Positive impact on timeliness and customer satisfaction Closure benefit seen from March 2017
Sep-16	Customer focus initiatives - Telephone, Effective Progression, Implemented – October Support tools cascaded – Mid October Initial review – December	Improve quality Positive impact on customer satisfaction Positive impact on timeliness through increased informal resolutions and more timely responses Review indicates: Significant increase in number of initial contacts via telephone. Positive impact on informal resolutions in Q3 Now BAU

Oct-16	Increase Flexible Ombudsman Resource Additional external Pool Ombudsman recruited – November Internal Pool of development Ombudsman - November	Reduction in Ombudsman WIP Positive impact on timeliness and customer satisfaction Additional 53 decisions in Q3 Now BAU (when required)
Oct-16	Unallocated initiative - 13 week programme of allocations to ensure that the number of cases allocated exceeds the number of cases accepted, in turn reducing the unallocated backlog	Positive impact on timeliness and customer satisfaction Unallocated Oct – 620 (34 days) Unallocated forecast end Q3 – 490 / Actual – 475 Unallocated forecast at end of Q4 – 380
Oct-16	Triage Review case complexity Assess vulnerability of complainants Identify easy resolution, Request tailored evidence if necessary	Reduce unallocated Positive impact on timeliness Improve quality Positive impact on customer satisfaction Reviewed Dec – now BAU.
Jan-16	Modified hours project Short term project to assess the impact of investigators working into the evening (8pm) on closure numbers, specifically informal resolution. Findings to be used to inform permanent alternative working pattern and access to different labour market.	Reduce unallocated Positive impact on timeliness Improve quality Positive impact on customer satisfaction Early indication of positive impact on Informal resolutions and customer satisfaction Formal review March 2017
Jan-16	Initiative to reduce the number of cases that are sent back to Investigators by the Ombudsman for further investigation. Focussed around: Appropriate feedback on all send backs Coaching and involving Team Leaders in the outcome for discussion at one to ones. Formal refresher training to include: <ul style="list-style-type: none"> • Evidence handling / sharing • Agreeing complaints, • Managing expectations • Considering the comments from parties • Presenting a case for decision 	Increase Ombudsman productivity / number of final decisions per month Positive impact on timeliness and customer satisfaction. Review to be completed end of Q1 17/18

Initiatives highlighted in grey in the table above indicate that they have either ended or are now business as usual (BAU).

6. Conclusion:

- 6.1. The initiatives outlined above are contributing to the steady, incremental gains that are now impacting positively on the service which is being provided to all of our customers. As this report shows, the appetite for new thinking and new ways of working remains strong among the LeO Leadership Team.

- 6.2. The OLC are reassured that all of the improvements are sustainable and are now being managed in a manner which will allow them to blend into the wider modernisation programme. This encompasses both the operational business process and IT / Case Management System and will commence in the new business year. Whilst not the subject of this report, detailed planning and preparation for that programme continues apace.