

Dr Helen Philips
Interim Chair
Legal Services Board
One Kemble Street
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7 June 2018

Dear Helen

VOLUNTARY PERFORMANCE ASSURANCE REPORT

I am writing to provide the OLC's voluntary performance assurance report following the Board meeting on 4 June. Board papers included figures for April only.

The scale of change and impact of an ageing legacy case-holding meant that timeliness KPI performance remained poor. Despite evidence of 'green shoots' of improvement through new ways of working the OLC Board will not feel performance is satisfactory until there is sustainable delivery against the new KPIs it has set. Our expectation remains that despite an improving trajectory during 2018-19, it will take until early 2019-20 to sustain more consistent performance against our new KPIs which will be fully reported for the first time at the end of Q1.

Performance against external KPIs

A summary of timeliness performance against monthly timeliness KPIs appears below. This excludes the KPI for cases in the new CMS which was rolled out on 18 April for which there were insufficient closures to justify reporting. The majority of other KPIs are reported quarterly.

Measure	KPI	April
% legal cases (all complexity) concluded		
Within 90 days	26%	11%
Within 180 days	72%	46%
Within 365 days	90%	96%
% CMC cases (all complexity) concluded		
Within 90 days	60%	27%
Within 180 days	90%	88%
Within 365 days	100%	100%

Performance against delivery plan

The OLC Board considered the more granular 2018-19 delivery plan and performance against it. The plan anticipates the volume of closures 'ramping up' significantly after Q1.

As expected, the implementation of significant change impacted the level of closures in April although in the legal jurisdiction these were 10% above the delivery plan target. The OLC Board was pleased to note a verbal update that legal closures had been 23% above target in May. CMC closures in April were 25% above target.

The OLC Board was pleased to note the strong early performance of the legacy team, which closed 97 cases in April against a target of 70, and early indications of success in the operation of the new supervision model in the legacy, new starter and one business as usual team.

Plan to improve performance

The legacy team has been set up to drive through closing the unallocated cases in legal. It is one of three pilot teams for our new supervision model which aims to improve case progression and quality. The other two pilot teams are working exclusively in the new CMS.

The OLC Board also noted the Chief Ombudsman's report that more cases are closing earlier as a result of more effective scoping and increased targeting of evidence collection. Work had been undertaken by the Chief Ombudsman with line managers to drive delivery and improvement. Critically, the executive has implemented stage by stage reviews of case progression and age related check points to better identify blockages in case flow.

The OLC Board has appointed a second tranche of ten pool ombudsman who will go live in early July to help address the high workloads for decisions. A cohort of 18 new investigators and level 1 Ombudsman join the Legal Ombudsman on 5 June.

It is important to note the scale of progress with the Modernising LeO programme, and the significance of the 'go live' milestone for the new business process, CMS and staffing model. Realising the benefits of these changes is central to improving performance. The executive has a challenging agenda for the second phase of Modernising LeO which will enhance the benefits of the investments already made.

Board received a verbal update on the Q1 Pulse survey, which saw a decline in the employee engagement index. While disappointing, it is not surprising as the executive, quite rightly, undertook the survey immediately following go live and at the end of a period of intensive change in roles, process and systems. At its meeting in June, RemCo will consider the results and the executive's plans to address them in more detail.

Assurance about future performance trajectory

The Board approved proposals for KPI tolerances. For 2018-19, given the imperative to grip the performance improvement trajectory, the position against tolerances will be routinely reported to the Board on a monthly basis.

Board also approved a new, more focused set of strategic risks and set the risk appetite for each. This is a key element of assurance, and Board noted the level of risk the organisation is exposed to and the importance of regular reviews of risk and risk appetite, initially through the Audit and Risk Assurance Committee and thereafter through quarterly risk reports to the OLC Board. The executive will now refine contingency plans in light of the new strategic risks and risk appetite.

A new operational forecasting specialist started work in late May. They are refining the forecasting model to reflect recent changes to the assumptions in the original model as we have enhanced our processes to reflect the changes introduced by the new Chief Ombudsman and refinements made to the Modernising LeO changes. We will provide a performance improvement trajectory to inform the OLC Board discussion and assurance letter in July.

Yours sincerely



Wanda Goldwag
Chair, Office of Legal Complaints