

Meeting	OLC Board Meeting	Agenda Item No.	4
		Paper No.	137.3
Date of meeting	29 January 2025	Time required	30 Minutes

Title	Integrated Strategic Scorecard Q3 2024/25
Sponsor	Executive Team
Status	OFFICIAL
To be communicated to:	Members and those in attendance

Executive summary	
<p>This paper provides OLC Board with the LeO Integrated Performance Balance Scorecard dashboard for Quarter 3 (Oct-Dec) 2024/25. This report includes a summary of performance against agreed balanced scorecard key indicators, targets and RAG rating against agreed tolerance. The latest residual scores and updates on strategic risks and issues can be found in Appendix A.</p>	
Recommendation / action required	
<p>Board is asked to:</p> <ul style="list-style-type: none"> • Note and comment on the performance data for quarter 3. 	
Equality Diversity and Inclusion	
EDI implications	Yes
<p>The Strategic Scorecard provides a summary of reporting and performance across LeO, including in relation to LeO's customers and people. It therefore covers a wide range of areas with the potential to impact from an EDI perspective. These are considered routinely across business areas as appropriate.</p>	
Freedom of Information Act 2000 (Fol)	
Paragraph reference	Fol exemption and summary
N/A	N/A

Previous Quarter ▼

Narrative

Up arrow indicates improved performance on last quarter, and down arrow indicates worse performance. RAG shows performance against tolerance. Trend line shows performance over the last four quarters.

PEOPLE			
Metric	Quarter Performance	vs Prev Qtr	Trend
Sickness, lost days per head	15.8	↑	
Staff attrition	12.0%	↓	
Staff turnover	12.4%	↓	
Investigator attrition	14.1%	↑	

RESOURCES & GOVERNANCE			
Metric	Quarter Performance	vs Prev Qtr	Trend
Total unit cost	£2,044.39	↓	
Cost per early resolution outcome	£455.44	↓	
Cost per investigation outcome	£1,723.34	↑	
Forecast year end position	0.7%	↓	
Number of strategic risks out of tolerance	1	→	
% of strategic risks and issues rated critical/high	70.0%	↓	

OPERATIONAL PERFORMANCE & EFFICIENCY			
Metric	Quarter Performance	vs Prev Qtr	Trend
New customer complaints received	2,543	↓	
Complaints resolved	2,111	↑	
Unallocated investigations	3,364	↑	
% of investigations that found poor tier-1 complaints handling	51.6%		
Established investigator productivity	6.4	↑	

CUSTOMER EXPERIENCE			
Metric	Quarter Performance	vs Prev Qtr	Trend
Customer journey time - combined	277	↑	
Customer journey time - resolved in 60 days or less	38.1%	↓	
Customer journey time - resolved in 90 days or less	45.9%	↓	
Customer journey time - resolved in 180 days or less	51.4%	↓	
Customer journey time - resolved in 360 days or less	61.6%	↑	
Customer journey time - resolved in 540 days or less	79.3%	↑	
Customer journey time - resolved in 730 days or less	95.2%	↑	
Customer journey time - resolved in more than 730 days	4.8%	↑	
Combined wait times for unallocated investigations	195	↑	
Quality - reasonable outcome - early resolution	96.0%	↑	
Quality - reasonable outcome - investigation	68.4%	↑	
Quality - reasonable outcome - ombudsman	97.6%	↑	
Quality - reasonable service - early resolution	92.0%	↓	
Quality - reasonable service - investigation	68.3%	↑	
Quality - reasonable service - ombudsman	92.7%	↓	
CSat complainant: satisfied with outcome, satisfied with service	95%	↑	
CSat complainant: dissatisfied with outcome, satisfied with service	11%	↑	
CSat service provider: satisfied with outcome, satisfied with service	90%	↓	
CSat service provider: dissatisfied with outcome, satisfied with service	12%	↓	
Average time in unallocated investigation queue for cases taken out	329	↑	

Previous Quarter ▼

[Back to Scorecard](#)

Narrative - Quarter three (October - December 2024)

PEOPLE

Overall attrition has increased by 1.2% compared to the end of Quarter 2, but at 12% is still well within the 19% target. Investigator attrition fell each consecutive month during Quarter 3, standing at 14.1% at the end of the quarter (also against a target of 19%), This represents a decrease of 0.7% compared to the end of Quarter 2. The overall turnover rate increased by 1.5% compared to the end of Quarter 2, but at 12.4% is still well within the 21% target.

Sickness absence levels have decreased slightly, from an average of 15.89 days per employee at the end of Quarter 2 to 15.79 days at the end of Quarter 3. However, this figure remains outside the target of 11 days. The main reason for sickness absence in Quarter 3 was mental health, a position unchanged from the previous quarter. Currently there are 8 employees on long-term sick leave, compared to 12 at the end of Quarter 2. Of these, 5 are absent due to mental health issues (including bereavement and other personal reasons), compared to 9 at the end of Quarter 2. A 'deep-dive' review into long-term sick leave and recurrent absence cases has now been completed, the outcomes of which will be considered by HR and LeO's employment law solicitors to assess additional support/actions and next steps as appropriate.

RESOURCES & GOVERNANCE

The outturn forecast position as of 20 January 2025 was for an underspend of £120k (0.67% budget variance, within MOJ 1% tolerance). This amount will change as various mitigating actions currently being considered are implemented. As we reach end of financial year, the Executive continue to meet regularly to assess mitigation's and areas of risk and implement actions to ensure that the variance is within tolerance. Total unit cost for Quarter 3 was £2,044.39, a 2.7% increase on Quarter 2, reflecting the full quarter cost of 11 investigators starting in September 2024. Cost per early resolution outcome was £455.44 compared to £453.03, an increase of 0.53%, reflecting the Quarter 3 increase in overtime uptake. Cost per investigation outcome was £1,723.34 vs £1,771.08 in Quarter 2, reflecting a 5.7% increase in investigated case closures from 1,009 in Quarter 2 to 1,067 in Quarter 3. This is the second quarter where no strategic risks or issues have been assessed as critical, although there was an increase in issues reported in Quarter 3 as a result of in-depth investigations demand increasing over Q3 and year to date. The Strategic Risk relating to LeO's impact objective has been recalibrated from an optimal to a tolerable position and has increased in scoring. This adjustment reflects the ARAC discussion and provides a more accurate assessment. The remaining strategic risks are static, with the exception of the accommodation risk which still remains out of tolerance due to GPA delays on costings and confirmed progress with MOJ Birmingham Hub. Appendix A provides Quarter 3 summary of all strategic risks and issues.

OPERATIONAL PERFORMANCE & EFFICIENCY

Resolutions continued to remain high and increased across the quarter, resolving 2,111 cases against a likely target of 2,049 despite increased annual leave in December which historically subdues resolution output. This was helped in part by improved productivity, increasing from 6.3 to 6.4 per FTE, even after accounting for reduction during the Christmas period. This positive shift in productivity reflects ongoing efforts to enhance operational efficiency and meet the growing demand. End year forecasts are tracking very positively towards the upper end of ranges and may exceed original business plan forecasts, with a current forecast of over 8,400 resolutions.

Core demand increased marginally in quarter 3 (1.7%). We are forecasting an annual 2024/25 in-depth demand of 4,300 cases, higher than the 4,050 to 4,250 range projected at the half-year mark. This represents a significant increase from the original business plan forecast of 3,450, a 9.7% increase in Quarter 3 and 26.7% Year to date.

Unallocated investigations have reduced by 69 cases from Quarter 2 to 3364 despite historic of a slowing of reductions in Quarter 3 as a result of Christmas leave. Increased demand continues to impact unallocated investigations, now forecast to be between 2,900 and 3,100 at year-end, depending on the scenario considered.

Quarter 4 is historically the most productive quarter of the year with significantly fewer periods of leave. With May and June new investigators also hitting full productivity, we are forecasting unallocated investigations to drop more rapidly over Quarter 4.

CUSTOMER EXPERIENCE

Performance across the quality and customer satisfaction metrics have remained largely stable in Quarter 3 when compared to previous quarters. Although performance against quality standards in investigations remains below target, we have seen an encouraging improvement in Quarter 3 which we will monitor going forwards.


The end-to-end customer journey time has decreased marginally from 280 days to 277 days since Quarter 2 and moves back into an amber tolerance having reduced from almost 300 days at the end of Quarter 1. Additionally, the average wait time to be allocated to an investigator has seen a notable reduction from 356 days to 329 days, with the average time for customers still awaiting allocation reducing from 202 - 195.

While there has been a marginal decrease in the percentage of cases closed within 90 days on the same period last year, this represents an increase in volumes year on year as a result of increased volume of resolved cases in Quarter 3. Customers experiencing an end-to-end customer journey time exceeding two years has decreased for the sixth consecutive quarter, now representing less than 5% of LeO's total output, with only 99 cases falling into this category.

Strategic issues and risks

Description	Risk Appetite	Q2 Risk Score	Q3 Risk Score	Tolerable Position	Trend	Controls and actions	Expected Completion Date	Q3 update	Strategic Objective (service Impact)
Issues									
SI.01 Unacceptable queue of cases	Eager	16	16	Within tolerance		<p>Controls</p> <ul style="list-style-type: none"> PAP reduction activities Support to operational delivery provided by Team Leaders to investigators regarding performance and behaviors. Team Leaders to adopt risk based 121's / Side By Side's approach to ensure that the investment of Team Leaders time is proportionate to individual performance. Policy Framework <p>Actions</p> <p>Key Risk indicators have been established via the control review, which will involve the below -</p> <ul style="list-style-type: none"> Current ADS indicators. Change Advisory Board (CAB) Bulk Queue Induction % Hand to Grad Bay % Established Competency % Support & development % Junior Gade % Substantive % Quality % 	<p>Ongoing</p> <p>Ongoing</p> <p>End of Q4</p>	<p>Unallocated investigations have reduced to 3,362 so far in Quarter 3, 50 cases over reforecast lower expectations. Year to date the queue has reduced by 0.4%, the rate of reduction significantly impacted by high investigations demand. New investigators are growing in productivity and will be at full case holding capacity by December 2024. With higher expected resolutions and subdued seasonal demand in December the unallocated investigations queue should come back within the reforecast range within Quarter 4.</p>	Service

Strategic issues and risks

Description	Risk Appetite	Q2 Risk Score	Q3 Risk Score	Tolerable Position	Trend	Controls and actions	Expected Completion Date	Q3 update	Strategic Objective (service Impact)
Issues									
SI.04 Absorb demand Volatility	Open	12	16	Outside tolerance		Actions <ul style="list-style-type: none"> Continued/ongoing monitoring of reduction in demand for service. Developing more strategic and effective engagement with regulators and the legal sector more widely, sharing LeO's insights to help prevent complaints at source. Operational-level relationship management to support this engagement, helping drive better first tier complaint handling and reduce demand for LeO. New suite of reporting currently in design/being compiled to act as early warning alert system . Further work on understanding Jurisdiction challenge volumes that are contributing to accepted case % as well as having increased resource impact. Developing Support and Development programme to enhance performance and reduce size of investigations, to reduce customer journey and create capacity for new investigations to start. Control creation linked to strategic risk Failure to deliver new impact objective 	Ongoing End of Q1 25/26 Ongoing End Q2 25/26 End of Q4 24/25 End of April 25/26 and ongoing End of Q1 25/26	Demand for LeO's service remains higher than forecast. Expected reductions resulting from Scheme Rules Time Limits changes, have been replaced with general increases in demand. This in particular is affecting demand for investigations, the area of demand that impact unallocated investigations. It is anticipated that this will be approximately 400 cases more than expected throughout 2024/25 and a significant driver in the slowing of the reduction in unallocated investigations.	Service



Strategic issues and risks

Description	Risk Appetite	Q2 Risk Score	Q3 Risk Score	Tolerable Position	Trend	Controls and actions	Expected Completion Date	Q3 update	Strategic Objective (service Impact)
Risks									
SR.01 Failure to meet business plan improvements in customer experience	Eager	16	16	Within tolerance	↔	<u>Controls</u> <ul style="list-style-type: none"> PAP reduction activities Support to operational delivery provided by Team Leaders to investigators regarding performance and behaviors. Team Leaders to adopt risk based 121's / Side By Side's approach to ensure that the investment of Team Leaders time is proportionate to individual performance. Policy Framework <u>Actions</u> <p>Key Risk indicators have been established via the control review, which will involve the below -</p> <ul style="list-style-type: none"> Current ADS indicators. Change Advisory Board (CAB) Bulk Queue Induction % Hand to Grad Bay % Established Competency % Support & development % Junior Gade % Substantive % Quality % 	Ongoing Ongoing End of Q4	As forecast, unallocated investigations increased through Q1 and has now started to fall through Q2 to 3433. This is against an expectation of 2655 – 3185. As with Q1 had LeO started the year at 376 cases more than expected. Without these additional cases, LeO would be within the forecast range. LeO's Executive and Performance Sub-Group have completed analysis of the factors affecting the backlog and identified, increased demand as one of the main contributing factors to the slowing of reductions in unallocated volumes. This analysis will further improve forecasting and aid business planning to deliver mitigations.	Service

Strategic issues and risks

Description	Risk Appetite	Q2 Risk Score	Q3 Risk Score	Tolerable Position	Trend	Controls and actions	Expected Completion Date	Q3 update	Strategic Objective (service Impact)
Risks									
SR.02 Leadership resilience	Cautious	8	8	Within tolerance		<p><u>Actions</u></p> <ul style="list-style-type: none"> • Clear communication around Executive or Management Team movements and succession planning • Enhancing effective succession planning including as part of future people strategy. • Support for Executive Team and individual resilience and development • Control creation – Skills matrix to provide resource data across LeO departments. To be completed by the Enterprise Risk manager. 	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>End of Q1 25/26</p>	<p>Risk scoring remains stable and within tolerance based on appetite. Executive leadership and wider LeO management is stable, although the CO continues to monitor pressures on resilience in terms of capacity and workload. Overall remains within a tolerance level. At Management level (which impacts the overall resilience of LeO's leadership) operational management resilience remains stable with low attrition. Programme Manager has been recruited which now provides the required experience ensuring programme delivery of key projects and business plan deliverables across the organisation. Overall, resilience remains manageable and at a similar level as previous quarters and within tolerance.</p>	Service


Strategic issues and risks

Description	Risk Appetite	Q2 Risk Score	Q3 Risk Score	Tolerable Position	Trend	Controls and actions	Expected Completion Date	Q3 update	Strategic Objective (service Impact)
Risks									
SR.03 Budget Variance Against Forecast	Minimal	4	4	Within tolerance	↔	<u>Controls</u> <ul style="list-style-type: none"> Monthly Financial Budget Reviews <u>Actions</u> <ul style="list-style-type: none"> Link controls from Business Unit Risk Potential More Key Risk indicators following linkage of Business Unit Risks 	Ongoing End of Q4 End of Q4	The forecasted budget variance as of 6 January 2025 was for an underspend of £87k, which is -0.48% of the budget. The Executive now holds financial review meetings twice a month to closely monitor the pressure on the forecast and implement mitigating actions with the aim of fully utilising the underspend on areas that will provide the highest impact on productivity and improve efficiency, ensuring confidence in sustaining a positive position.	Service


Strategic issues and risks

Description	Risk Appetite	Q2 Risk Score	Q3 Risk Score	Tolerable Position	Trend	Controls and actions	Expected Completion Date	Q3 update	Strategic Objective (service Impact)
Risks									
SR.04 Scheme Rules Changes	Cautious	6	6	Optimal Position	↔	<u>Controls</u> <ul style="list-style-type: none"> Quality Assurance Framework EDI, Operational and board and stakeholder reporting <u>Actions</u> <ul style="list-style-type: none"> Link controls from Business Unit Risk Potential More Key Risk indicators following linkage of Business Unit Risks 	Ongoing Ongoing End of Q4 End of Q4	The new scheme rules are now embedded into BAU, although some of the changes to the rules have not yet needed to be applied. We have seen that the application of the time limits provisions is now well understood across the business and the risk of poor decisions the incorrect application of that rule is well controlled. The potential positive implication of that rule on operational demand has been lost as a result of the inherent increase in demand but that does not suggest that the rule change has not achieved one of its objectives. All post April ombudsman decisions require consideration of SR 5.19/20 to assess whether a full decision is required. Currently the number of cases where we feel comfortable closing the case under 5.20 remains relatively small – which may be indicative of parties now providing more comprehensive responses to case decisions or it could be reflective of a level of caution around the application of the rule – over the coming months/ quarters we will need to assess whether the criteria we apply when assessing whether a decision is required might need to be reviewed. There have not been any adverse implications of the rule changes in terms of access to the service or in terms of a detrimentally adverse impact on any specific group – we will continue to monitor this for continued assurance.	Service

Strategic issues and risks

Description	Risk Appetite	Q2 Risk Score	Q3 Risk Score	Tolerable Position	Trend	Controls and actions	Expected Completion Date	Q3 update	Strategic Objective (service Impact)
Issues									
SR.05 GPA Birmingham Hub	Cautious	12	12	Outside tolerance		Actions Continue work and engagement with GPA to progress LeOs office space allocation in GPA Hub 3. Steering committee meetings – updates and decision making	Ongoing Monthly	SR05 risk description has been revised to solely focus on the risk pertaining to the GPA hub (Birmingham 3) as the Edward House lease has been agreed and signed for a term of 5 years, with a break at year 3. The location of the new GPA has been agreed, but there have been further delays in LeO receiving costings due to the business case for Birmingham 3 not receiving approval. LeOs project team have requested updates, but this maybe delayed until such point the Birmingham 3 Business Case has been approved. This risk will remain out of tolerance until LeO can ascertain the full picture - it's one we will continue to closely manage with GPA colleagues.	Service

Strategic issues and risks

Description	Risk Appetite	Q2 Risk Score	Q3 Risk Score	Tolerable Position	Trend	Controls and actions	Expected Completion Date	Q3 update	Strategic Objective (service Impact)
Risks									
SR.06 Failure to deliver new impact objective	Open	8	12	Within tolerance		<p><u>Actions</u></p> <ul style="list-style-type: none"> Monthly reviews of control creation Control creation - Regular discussions with operations teams anticipate resourcing needs to support this objective and Strategic oversight of delivery of commitments under this objective. 	End of Q4 End of Q4	Two senior ombudsmen recruited onto team and officer recruitment in train. Engagement ongoing with regulators and LSB around progressing first-tier complaints work. Annual complaints data and insight published; letters written to regulators with service provider detail have been well-received. Work underway to put in place effective forums for generating and sharing insights on a regular basis. Planning for regular regulator forum. Capacity to support learning and insight work within draft 2025/26 business plan and budget.	Service

Strategic issues and risks

Description	Risk Appetite	Q2 Risk Score	Q3 Risk Score	Tolerable Position	Trend	Controls and actions	Expected Completion Date	Q3 update	Strategic Objective (service Impact)
Risks									
SR.07 Staff Attrition – Corporate and Operations roles (other than investigators)	Open	12	12	Within tolerance	↔	<u>Controls</u> <ul style="list-style-type: none"> HR portal Recruitment and onboarding. End to end review of staff recruitment <u>Actions</u> <p>During Q3 the following Key Risk indicators have been established via the control review and which will involve the below -</p> <ul style="list-style-type: none"> Current ADS indicators. Review of HR portal Annual online mandatory learning statistics. 	Ongoing Ongoing End of Q4	Overall attrition actually saw a slight increase in Oct and Nov compared to the end of Q2, but it then fell by 0.4% in Dec (compared to Nov) to 12%. Investigator attrition has not increased compared to end of Q2 - it has fallen by 0.7% compared to Q2 and now stands at 14.1% (Dec figure)	Service

Strategic issues and risks

Description	Risk Appetite	Q2 Risk Score	Q3 Risk Score	Tolerable Position	Trend	Controls and actions	Expected Completion Date	Q3 update	Strategic Objective (service Impact)
Risks									
SR.08 Staff attrition – BAU investigators	Open	12	12	Within tolerance	↔	<u>Controls</u> <ul style="list-style-type: none"> HR portal Recruitment and onboarding. End to end review of staff recruitment <u>Actions</u> <p>During Q3 the following Key Risk indicators have been established via the control review and which will involve the below -</p> <ul style="list-style-type: none"> Current ADS indicators. Review of HR portal Annual online mandatory learning statistics. 	Ongoing Ongoing End of Q4	Overall attrition has increased by 1.2% compared to the end of Q2, but at 12% is still well within the 19% target. Investigator attrition fell each consecutive month during Q3, standing at 14.1% at the end of the quarter (also against a target of 19%), This represents a decrease of 0.7% compared to the end of Q2.	Service