

SRA BOARD
14 March 2023

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Review of the Balanced Scorecard

- 1 As part of our performance reporting approach, the Board agreed that it would review the Balanced Scorecard on an annual basis to ensure the measures contained in the scorecard continue to meet Board requirements.

Background

- 2 In March 2020 the scorecard was first developed as part of a suite of performance reporting to provide the Board with clear oversight of organisational performance. The suite includes the scorecard, a separate finance report, a review of progress against our business plan, the Strategic Risk Register and an overarching report pulling together key issues and themes.
- 3 The primary purposes of the scorecard and our wider performance reporting are to provide the Board with a clear understanding of performance management within the organisation and to enable it to hold the Executive to account.
- 4 The Board considered and approved the latest iteration of the pack in December 2021 reflecting agreed evolution of the pack to provide additional useful insight. At this time Board members agreed they would review the scorecard on an annual basis to ensure it continued to meet its needs.
- 5 This review has been slightly delayed to allow the outcomes of the Board Effectiveness Review to be considered and any new measures that may come out of the current Investigation and Enforcement project.
- 6 The current scorecard is made up of four quadrants with measures updated on a quarterly basis. In addition, other measures are included when appropriate or when separately identified as “topical measures”. The measures that currently sit under each quadrant are:
 - **External** - providing an overview of our communication and stakeholder engagement work.
 - **Delivery** – giving provide an overview of operational performance.
 - **Internal** –key information about our workforce and demonstrate whether internal practices are having a positive effect on staff such as engagement, wellbeing and retention.
 - **Financial** – information on budget management, drivers for expenditure and the current position against budget or latest financial reforecast.

Discussion

- 7 In order to inform the Board discussion, the Executive has reviewed the existing scorecard to identify areas where the scorecard could be enhanced. The proposed changes are set out below.

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- 8 The External scorecard content has been revised over previous iterations of the performance report and no changes are currently considered necessary.
- 9 We are proposing to amend the delivery quadrant in two areas: stage one complaint handling; and the Investigation and Enforcement KPIs. These are discussed in more detail below.
- 10 No changes are proposed on the internal or financial quadrants.

Stage one complaint handling KPI

- 11 We are proposing changing our KPI for handling stage one corporate complaints from 10 days to 15 days (bringing it in line with our stage two target). We have piloted a 15-day turnaround over the last 6 months and found that the extra time enables us to deliver an improved overall level of service which results in fewer complaints moving forward to our stage two corporate complaint process (during the period of the pilot this dropped from 66% conversion to 40%).
- 12 The extended KPI has afforded us more time to arrange telephone calls to make sure we fully understand the complaint and how the complainant feels about it. Importantly, the complainant also feels they have been listened to – an important part of the complaint handling process.

Investigation and Enforcement KPIs

- 13 In the last update we amended the scorecard to include three new KPIs for our Investigation and Enforcement work. These track the full end to end process and highlight the volumes of complaints that are taking longer than 12, 18, and 24 months. We also began reporting on the volume of cases that remain open after 24 months – to provide a full picture of all open cases.
- 14 Our recent discussions about the Investigation and Enforcement processes have highlighted that, while the new KPIs have improved transparency around our casework, they do not provide sufficient visibility around those complaints that go forward for a full investigation.
- 15 We therefore propose implementing two new KPIs that build on the existing end to end KPIs. The first will track performance of complaints that are handled at our front-end stage, the Assessment and Early Resolution Team (AERT) stage, and the second will track those complaints that go forward for a full investigation. These will be set as follows:
 - To conclude 80% of AERT decisions within two months of a new complaint being received.
 - To conclude 70% of cases at the investigation stage within 10 months of the conclusion of the AERT stage.

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- 16 Both KPIs are set at an aspirational level to provide appropriate stretch for our teams and to reflect the work that we are undertaking to improve our current levels of performance. This was discussed with the Board in January and includes planned changes to the way in which complaints are received and handled at the AERT stage, increased resource and training for our staff, and changes to the way our investigations are planned and delivered.
- 17 We will aim to revisit the KPIs once the changes from the first phase of our continuous improvement project (which are due to go live in July this year) have bedded in. We expect this to take place over the next year and are anticipating an initial period of adjustment as our staff make the cultural shift to new ways of working. We also expect to see further improvements delivered as we roll out the second phase from early next year.

AERT KPI

- 18 For the AERT stage (which involves the assessment of just over 11,000 complaints a year) we are proposing a new KPI of concluding 80% of decisions within two months. This is above our performance level last year which sat at 68% but should be achievable once the changes we have recently made to the AERT process begin to show results. These include a reduction in work in progress levels, improved training and guidance for our staff and a more efficient allocation process.
- 19 We are also developing new material for our website to support complainants as they make their complaints to us and expect to see a further improvement in performance once they go live later this year. This includes information on the types of issues we can and cannot deal with and an improved complaint form.
- 20 In setting the new KPI we have been conscious of the need to strike the right balance between the need to make a timely assessment decision and the need to give sufficient time for our staff to explore all the issues that are raised by complainants. We also know that around 80% of complaints that go forward for a full investigation conclude with no further action. Investing time at the AERT stage can help reduce the number of cases that fall into this category and can bring forward the point at which we can make and communicate our decision.

Investigation KPI

- 21 For the investigation stage (which involved just over 1,800 investigations last year) we are proposing setting a new KPI of concluding 70% of all investigations that go beyond the AERT stage within 10 months. Again, this represents a challenging target for the team which we are expecting to move towards once our phase one improvements (of our continuous improvement project) are implemented from July. In the last year we concluded 59% of investigations within 10 months.
- 22 We will be exploring how much further we can tighten this up during the second phase of our continuous improvement project. We know that there will always be some cases that are impacted by unavoidable delays due to external factors, and will

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be undertaking further work in the second phase to ascertain what the appropriate running rate should be.

- 23 As part of phase two, we will also be looking at opportunities to stratify the way we report, splitting the caseload into various streams based on seriousness and issues such as complexity. This will provide an improved level of visibility and ensure we have targets that are appropriate to the different types of cases that we handle; helping us to identify further improvements and explain why some cases justifiably take longer to complete.