

**Consultation on our
Corporate Plan 2019-22 and
Business Plan 2019-20**

November 2018

Housing Matters: Fairness Matters

Corporate plan 2019-22 and business plan 2019-20

Seeking your views

As we develop our three-year corporate plan for 2019-22 and the supporting business plan for year one, we are asking for views from stakeholders. These views are important to us and ensure we are providing a service that is relevant and meets customer needs.

Since our last corporate planning exercise, both social housing and consumer redress are receiving much greater attention. Our plans over the next three years have been developed based on the themes of increased accessibility, hearing the resident voice, fast and effective redress, and greater transparency emerging from the green paper *A new deal for social housing* and the *Strengthening consumer redress in the housing market* consultation. We wholeheartedly support these themes and they are reflected in our new strategic objectives.

We have set out an ambitious programme over the three-year period to deliver a step change in our local resolution activity and our work to improve complaints handling across the sector so that many more cases can be resolved quickly and effectively within landlords' complaints procedures. We also want to continue to drive down our investigation case times and provide a more transparent and accessible service.

Our [response to the green paper](#) sets out clearly our view of how an effective system of social housing redress should work. That includes removing barriers to our service and strengthening our powers to enable effective resolution, backed up by stronger regulation. Our [response to the consumer redress consultation](#) in May 2018 set out our belief that the complexity of finding the right Ombudsman should be addressed through a 'single front door' arrangement while retaining sector specialism behind this. Our activities across the three years also support delivery of these ambitions.

But how far we can go in delivering our objectives will depend on the investment we can make. In the first six months of 2018-19, 19% more cases entered our formal remit compared to the same period last year and we expect both enquiry and complaint volumes to continue to grow over the next three years. In addition, changes such as the removal of the designated person requirement or the introduction of a portal for all housing complaints could also have significant implications for our casework volumes and for our systems.

While we expect process efficiencies to deliver some savings, these will not be sufficient to fund the ambitions set out in the plan and keep pace with external changes. So, as well as asking for feedback on our plans, we are also asking for feedback on our fee proposals across the three years.

I look forward to hearing your views.

Andrea Keenoy
Interim Housing Ombudsman

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How to respond

This consultation sets out four strategic objectives with an introduction to each plus our priorities over the three years and the key activities for year one. There are questions at the end of each section asking for your views and any comments. The final section focuses on our subscription fee proposal across the three years and asks for your views.

The consultation is available [online here](#) which is the preferred method of response. If you wish to respond by email please send your feedback to consultations@housing-ombudsman.org.uk

The consultation is open until 5pm on Monday 10 December 2018.

Thank you for participating.

For more information about our role and how we work see our website at www.housing-ombudsman.org.uk

Strategic Objective 1: Deliver a fair and impartial service, resolving disputes at the earliest opportunity

As an Ombudsman, fairness and impartiality go to the heart of what we do. While we share this common purpose with other Ombudsman schemes, dispute resolution in social housing needs a different approach in comparison to other sectors. It is widely accepted that the quality of a person's housing can have a significant impact on their life chances. Therefore, when something goes wrong it is important that this is put right as soon as possible to avoid negative consequences, and to reduce the stress and frustration residents feel inescapably living with an issue every day. But also, in a sector where residents have limited choice over their landlord, good complaints handling is essential to preserve the ongoing relationships between landlords and residents.

That is why we have a unique remit to support the local resolution of complaints while they are going through the landlord's complaints procedure, as well as undertaking formal Ombudsman investigations.

Our priorities over the corporate planning period will be:

- **Improve the quality and consistency of our service**

We will review our quality standards to ensure that our work remains fair and impartial. We will continue to quality assure a sample of our work regularly across all stages of our process to identify what we are doing well and areas where we need to improve, incorporating findings from our customer feedback.

We will develop and implement a casework knowledge and information management strategy. This will capture best practice and share it more effectively amongst the dispute resolution team to promote learning and consistency.

We will reorganise caseworkers into teams that specialise in either local resolution or investigations to better develop knowledge and skills.

We will also improve the data we capture on our orders and recommendations, analyse this and produce guidance for caseworkers to increase quality and consistency in this area.

- **Support greater local resolution**

We will increase the number of staff who work on complaints that are within the landlord's procedure, enabling more cases to be resolved at this stage. This supports faster redress and should reduce the volume of cases that require a formal investigation.

We will also begin work on mediating settlements for appropriate cases as soon as they complete the landlord's procedure rather than waiting for a designated person referral or completion of the eight-week wait. This will also speed up access to redress.

- **Enable faster redress once a complaint enters our formal remit**

Where complaints do require an investigation, we will continue to reduce our case times to deliver speedier outcomes. To support this, we will review and improve our processes and our casework system so, together, they enable increases in productivity.

We will also seek additional powers within the Housing Ombudsman Scheme to support faster redress and increased accessibility by allowing us to order resolution when a case is ‘stuck’ in a landlord’s complaint process and compelling landlords to provide information within specific timescales.

Our key activities to support this plan in year one will be to:

Review our quality standards to ensure our work remains fair and impartial
Continue to quality assure a sample of our work regularly across all stages, look at our customer feedback and act on the findings
Develop a knowledge and information management strategy to capture casework practice and share this more effectively
Amend our systems to gather more data on orders and recommendations
Begin a phased increase to the number of caseworkers who support the local resolution of complaints and monitor the outcomes achieved
Start to mediate suitable complaints as soon as they have completed the landlord’s complaints procedure
Reorganise our casework teams and undertake an internal process review
Discuss with MHCLG additional powers for the Housing Ombudsman within the Scheme to increase accessibility and enable faster redress

Do you agree with this objective and priorities? [Yes/No]

Comments:

Do you agree with the key activities in year one? [Yes/No]

Comments:

Is anything missing or are there any observations you would like to make:

Strategic Objective 2: Promote positive change in the sector

We have more than 20 years of experience in resolving housing disputes. We want to use our accumulated knowledge to promote a positive complaint handling culture across our members so that complaints are seen as opportunities to learn and improve. We also want to use our expertise to influence the current debates over the future of redress in social housing to get the best outcomes for landlords and residents.

Our priorities over the corporate planning period will be to:

- **Continue to work directly with landlords and residents to improve complaint handling through a range of sector engagement activities**

We will continue to work in partnership with stakeholders to raise awareness of our service and what we can offer.

We will raise the profile of our work by communicating directly with senior managers about their organisation's complaints handling, including where we think their complaints procedures could be improved.

We will trial working intensively with a small group of landlords where improvements in their complaint handling would have a significant impact on our casework volumes. We will agree a bespoke package of training with senior executives along with measures of success. If this approach is effective, we will roll it out more widely.

- **Use our knowledge to improve housing services**

We will increase the range of tools and guidance available on our website for landlords and residents. This will include the development of optional templates and best practice guidance, answering the calls we have received from landlords and residents for clearer and more structured advice.

We will continue to produce insight reports, drawing on our knowledge and experience to improve complaint handling and housing services across the sector.

We will also seek additional powers within the Housing Ombudsman Scheme to give us a lead role in setting a complaint handling standard applicable across the sector and allowing us to follow up individual complaints to establish if there is a potential systemic issue for onward referral to the Regulator. Aligned with this, we will review our dispute resolution principles to ensure these reflect current thinking and best practice.

- **Influence the sector and shape the landscape**

We will seek platforms to share our views on the future of social housing redress, for example, through responding to consultations, seeking more media coverage and speaking at events. We will also continue to meet with individual landlords throughout the period.

We will start to work more closely with others in the sector, for example, representative groups and other Ombudsman schemes to achieve cross-sector improvements.

• **Work effectively with the Regulator of Social Housing**

We will work with the Regulator to ensure our roles are clear and complementary in advance of any regulatory changes, to share more data and insight, and to ensure we are operating effectively and adding value on both sides.

Our key activities to support this plan in year one will be to:

Continue to work in partnership with others to promote positive complaints handling and raise awareness of our service
Send determinations to chief executives and inform them if their compliance with the Ombudsman's orders is too slow
Trial bespoke development programmes with a small selection of landlords to improve their complaint handling
Add to our suite of online tools to improve complaint handling by developing: <ul style="list-style-type: none"> • a best practice complaints procedure • optional template letters and guidance setting out best practice for landlords • case studies • e-learning, videos, podcasts, webinars, videos and other tools
Produce a thematic report using our insight to drive service improvements
Discuss with MHCLG additional powers for the Housing Ombudsman within the Scheme to improve complaint handling and housing services across the sector
Seek platforms to share our views on the future of social housing redress
Continue to engage with individual landlords and representative groups
Share more data and insight with the Regulator to ensure effective operation on both sides

Do you agree with this objective and priorities? [Yes/No]

Comments:

Do you agree with the key activities in year one? [Yes/No]

Comments:

Is anything missing or are there any observations you would like to make:

Strategic Objective 3: Provide a service that is professional, accessible and simple to use

All social housing residents and landlords, as well as residents of voluntary members, should be aware of our service and able to access it in a convenient way. Once complaints have reached us, it is important that our process is straight-forward and clear, and that we provide good customer care throughout.

Our priorities over the corporate planning period will be to:

- **Increase access to, and the availability of, our service**

We will increase the access routes into our service, for example, through webchat, video channels and signposting on GOV.UK. Alongside webchat, we will trial an extension to our opening hours.

We will continue to analyse geographic and demographic data to identify groups that are using us proportionately less than the national average. We will take targeted action to increase awareness amongst these, either through representative groups or with landlords directly.

- **Improve signposting to our service**

We intend to explore cross-referral arrangements with other Ombudsman schemes so complainants who contact the wrong service in the first instance can immediately be transferred to someone who can help. This 'no wrong door' approach shifts responsibility for navigating through the complexity of different jurisdictions from residents and on to Ombudsman schemes instead.

Residents can reach us through a variety of other routes and we will work with advice and support agencies, as well as designated persons, to improve their signposting to our service and to increase their understanding of how we can help.

- **Improve our customer care**

We will complete the review of our customer care standards to ensure we are providing a high level of service to our customers while we deal with their complaint.

We will also continue to review our customer feedback, including from complaints against our service, and to act upon the findings.

- **Review our processes so they are simple to use, and our communications so they are clear**

We will review the customer journey to ensure it is simple and easy for residents to pursue their complaint with us. Our processes should not put residents off or cause 'complaint fatigue'.

We will also look at how we can improve our communication with residents throughout the complaints process to manage expectations about how we will handle their complaint, what we can deliver and possible outcomes.

- **Invest in the learning and development of all colleagues**

We will ensure that we recruit and retain sufficient colleagues, and that we invest in their learning and development. Our staff are our most important asset and need to have the requisite knowledge and skills to continue to perform their roles well.

Our key activities to support this plan in year one will be to:

Continue to analyse demographic and geographic complaint data and take appropriate steps to address disparities
Deploy webchat, video content and enhanced signposting for housing complaints on GOV.UK
Trial an extension to our service hours and evaluate the outcome
Continue to work with advice and support agencies, and designated persons to improve signposting to our service
Agree cross-referral arrangements with other Ombudsman schemes
Complete the review of our customer care standards and embed any changes
Continue to review our customer feedback and act upon this
Review our customer communications to ensure consistency and clarity
Continue to invest in the recruitment, retention, learning and development of all colleagues

Do you agree with this objective and priorities? [Yes/No]

Comments:

Do you agree with the key activities in year one? [Yes/No]

Comments:

Is anything missing or are there any observations you would like to make:

Strategic Objective 4: Ensure our service is open and transparent

We believe openness and transparency are fundamental to our role. Social housing residents have limited choice over their landlord so it is important that information is available to them on the quality of their landlord's complaint handling so they can hold their landlord to account and drive service improvements.

Transparency was a clear theme emerging from both the *Strengthening consumer redress in the housing market* and *A new deal for social housing* green paper consultations. Publication of Ombudsman decisions meets best practice and other Ombudsman schemes covering the public sector either already publish, or are planning to publish, decisions over their current corporate planning period.

Our priorities over the corporate planning period will be to:

- **Publish the Ombudsman's decisions, individual landlord complaints data and our policies, procedures and guidance**

We will increase our transparency by publishing all of our decisions online by the end of March 2022. Publication gives both landlords and residents clearer expectations of the outcomes our service can deliver. We asked about our plans to publish in our previous consultation and this was supported by the majority of respondents. We will name the landlords in the decision to assist residents and the public in assessing the quality of the landlord's service.

We will make data on individual landlord's complaints performance available on our website annually to complement the information landlords are already required to report to their residents. Our green paper response stated that we believe this data should be viewed alongside each landlord's own figures to provide a holistic view of complaint handling performance and inform any regulatory action.

We will continue to publish our policies, procedures and guidance on our website as they come up for review so that we are open and accountable to our users.

- **Appoint an independent reviewer of complaints against our service and publish their findings**

We will appoint an independent reviewer of complaints against our service and publish their annual report on our website, along with any recommendations for improvement.

- **Benchmark our performance against relevant best practice**

We will benchmark our service against recognised best practice and report on the outcome, identifying actions we are taking to improve our performance.

Our key activities to support this plan in year one will be:

Preparatory work for publication of decisions
Prepare systems for publication of individual landlord's complaints data
Publish our policies, procedures and guidance as these come up for review
Benchmark our service against Ombudsman Association best practice and report on the outcome

Do you agree with this objective and priorities? [Yes/No]

Comments:

Do you agree with the key activities in year one? [Yes/No]

Comments:

Is anything missing or are there any observations you would like to make:

Performance and subscription fee

Our performance has improved in recent years:

- We have made significant productivity gains with a 152% increase in the number of determinations made in-year between 2013-14 and 2017-18 (from 680 to 1,712).
- Our average determination time has reduced from 12 months in 2015-16 to 8 months in 2017-18 and will reduce still further in 2018-19.
- Headcount growth has been modest in comparison to productivity gains and reductions to the average determination time, increasing by only 39% between 2013-14 and 2017-18.
- Non-staff costs were 12% lower in 2017-18 compared to 2013-14.
- Our subscription fee reduced by 35% between 2013-14 and 2016-17. Although it increased in 2017-18, it remained 15% lower than the peak rate.

Over the same four years, the volume of cases entering our formal remit has increased by 105% (2013-14: 860; 2017-18: 1,763). As well as meeting ever increasing in-year demand, we are dealing with a historical caseload. This has arisen as the number of cases entering our formal remit has exceeded the volume of determinations made in every year other than in 2016-17.

In the face of year-on-year increases in demand, cost savings, efficiency gains and modest increases in headcount alone will not allow us to deliver the level of service we want to provide. As indicated in the green paper, a significant investment in our resources is now needed.

We have modelled three scenarios below to demonstrate the impact of different resource inputs on our performance and subscription rate. All are modelled using a 20% year-on-year increase in cases entering our formal remit. This is the maximum growth we expect to see. Scenarios two and three are expected to slow the rate of growth by supporting greater resolution within landlords' complaints procedures but we cannot determine the impact of this with certainty at present.

We committed to keeping the subscription rate at £1.25 for three years in our 2016-17 business plan. We intend to keep that commitment as far as we can, mitigating rate increases by offsetting from our reserves. The implied subscription fee in the tables below is what we calculate the fee should be for the year. The chargeable fee is the rate at which we would invoice and includes an offset from reserves where this is possible.

In each year of the corporate plan we will update and reforecast based on our latest data to give a more accurate picture of performance and the fee required for the year ahead.

Scenario 1: Do nothing –maintain current headcount and do not deliver the corporate plan

	Year 1	Year 2	Year 3
Cases in formal remit at the start of year	783	1,278	2,408
Average investigation time	4.0 months	6.8 months	11.8 months
% of cases determined within 6 months	85%	40%	1%
Deliverables	<ul style="list-style-type: none"> • Performance improves in year one due to low opening caseload but then moves backwards as cases coming in significantly exceed determinations • No additional work to support local resolution or improve complaint handling • Limited work to increase accessibility and transparency 		
Implied subscription fee	£1.32	£1.33	£1.35
Chargeable fee after reserves offset	£1.25	£1.25	£1.25

Scenario 2: Deliver our corporate plan

	Year 1	Year 2	Year 3
Cases in formal remit at the start of year	783	1,084	1,164
Average investigation time	3.4 months	4.1 months	4.0 months
% of cases determined within 6 months	99%	97%	96%
Deliverables	<ul style="list-style-type: none"> • Performance improvement in year one is broadly maintained across years two and three • Deliver corporate plan 		
Implied subscription fee	£1.45	£1.83	£1.97
Chargeable fee after reserves offset	£1.25	£1.83	£1.97

Scenario 3: Deliver the corporate plan and achieve average determination time of three months

	Year 1	Year 2	Year 3
Cases in formal remit at the start of year	783	933	1,089
Average investigation time	2.9	2.9	2.9
% of cases determined within 6 months	100%	100%	100%
Deliverables	<ul style="list-style-type: none"> • Possible further performance improvement in year one and maintained in years two and three • Deliver corporate plan with some additional work to improve local resolution and complaints handling • Some additional work to increase accessibility and transparency 		
Implied subscription fee	£1.51	£1.86	£2.16
Chargeable fee after reserves offset	£1.39	£1.86	£2.16

We support option two as we believe this is both deliverable and value for money. Under option one, our performance declines to unacceptable levels over the three years. Option three sets out our aspirational level of performance, but we cannot currently assure delivery as average determination times include a period where we are waiting for receipt of evidence to enable investigation from landlords and complainants. The lead times here can be lengthy and we have asked for powers in our green paper response to help us speed up this part of the process. In the meantime, we cannot guarantee a consistent pipeline of cases ready for investigation so this option risks periods of inactivity amongst caseworkers and non-delivery of the average determination time. The fee also has a sharp increase in the final year as additional accommodation would be needed for the headcount needed to deliver this option.

Further cost impacts are likely if the designated person requirement is removed and these are not included above. We estimate that this could increase cases entering our formal remit as a result of reduced ‘complaint fatigue’ by 20% in the year of removal and 10% thereafter. We have estimated that this could additionally increase the subscription rate by 13p and 6p respectively.

The approach to any portal developed in response to the *Strengthening redress in the housing sector* consultation could also have a cost implication but this is not possible to predict at present.

Do you support increases to the subscription rate to deliver our corporate plan (scenario two)? [Yes/No]

Comments: