

**Responses to the
consultation on our
Corporate Plan 2019-22
and Business Plan 2019-20**

Introduction

As a public service that is funded by subscription from our members, it is important that we are accountable for the way we use our resources. We are an arms-length body of the Ministry of Housing, Communities and Local Government so we are accountable to parliament, but we also have a duty to:

- the landlords who are members of our Scheme
- residents who have every right to expect prompt and proper consideration of complaints by their landlords and by us, and who ultimately find our Scheme through their rent.

In November and December 2018, we consulted on our three year corporate plan for 2019-22 as well as the business plan for 2018-19. We asked for feedback to ensure we provide a service that is relevant and meets customer needs. We also sought feedback on our fee proposals across the three years.

We consulted widely on the plans, receiving very strong support and valuable input from landlords, residents and key representative bodies, as well as from our staff and our Panel of Advisors.

In our [consultation document](#) we set out the context for our plans with the biggest challenge being to tackle the ongoing rise in demand for our service. We have seen an average 17% year-on-year increase in demand for formal investigations since 2013-14. While we have achieved substantial service improvements over the same period, our plan sets out the change programme that is needed for us to deliver more efficiently and effectively. It has two prongs: first, to review our operating models so we deal with complaints in the most effective and efficient way possible; and secondly, to review our strategy for supporting landlords to deliver swifter, more effective dispute resolution for residents at a local level to manage the demand on our service.

Consultation process

We published the [consultation document](#) on 12 November 2018, and the consultation ran for four weeks. We set out four strategic objectives with an introduction to each plus our priorities over the three years and the key activities for year one.

The four strategic objectives are to:

1. Deliver a fair and impartial service, resolving disputes at the earliest opportunity
2. Promote positive change in the sector
3. Provide a service that is professional, accessible and simple to use
4. Ensure our service is open and transparent

On each of the strategic objectives we asked if respondents agreed with it and the priorities together with the key activities in year one. We also asked for comments, whether anything was missing and any other observations.

A section on performance and the subscription fee provided a summary of our performance in recent years and three scenarios to demonstrate the impact of different resource inputs on our performance and subscription rate over three years. It highlighted our preferred option of the three scenarios and explained why. We then asked respondents if they supported this.

During the consultation period we:

- Published the consultation online for web users to respond to and enabled responses to be emailed to us directly. We received 50 responses to the online survey and 12 by email, totalling 62 written responses (an increase from 55 the previous year).
- Held four roundtable discussions (three in London, one in Manchester) with a total of 29 participants from a range of stakeholder organisations.

See Annex A for a list of those who responded.

We had direct resident respondents and representative feedback from Taroe and Tpas. A number of respondents had also consulted with residents or their members in providing their feedback. The landlord responses represented 20% of all housing units registered with us.

Summary of responses

Overall, respondents agreed with our four strategic objectives and priorities, together with the key activities identified for year one. The data from the online survey showed:

Strategic objective	Agreed with objective	Agreed with year one activities
SO1: Fair and impartial service	98%	95%
SO2: Promote positive change	93%	90%
SO3: Professional & accessible	97%	97%
SO4: Open and transparent	92%	92%

In terms of our preferred option on the subscription fee (maintain the existing rate in year with an offset from reserves, followed by an increase in years two and three), 72% of the online respondents said they supported it.

A number of high level themes were consistent across the various feedback channels including:

- The importance of maintaining a full range of access routes to our service
- Respondents were interested in more support at the local resolution stage of our complaints process and more clarity on what we do here
- Positive feedback on our existing support tools for the sector such as workshops and case studies, and requests for more guidance on best practice such as standard templates
- Wide recognition for the importance of a positive complaint handling culture within an organisation
- Minimal support for the designated person role but strong support for us to do mediation work during the eight week democratic filter stage
- The desire for continued reductions to our average case times with suggestions to help this including giving landlords timescales for responding to evidence requests and being more selective about what is requested
- Agreement with the intention to publish decisions with requests from landlords that we highlight good practice as well as areas for improvement
- Broad support for our preferred option in terms of the fee level for year one and suggestions that we should more clearly demonstrate performance improvements and value for money to support any future fee increases.

Our response

We took all of the responses into account in finalising our three year [corporate plan 2019-22](#) and [business plan for 2019-20](#).

We have gathered our planned year one activities together into a managed change programme which will look at how we can meet on-going increases in demand for our service while delivering a cost-effective and high performing service. This will consider both our internal operating models in dispute resolution to ensure we deliver an efficient and effective service once a complaint has reached us, and our external work to support landlords to resolve more complaints themselves to stem the increases in demand for our service. We will incorporate improvements to our customers' journey as part of our operating model review and take steps to ensure we continue to perform while we are doing this work. Our business plan has been updated from the draft we consulted on to reflect this coordinated approach to delivery.

We have also met our commitment to keep the subscription fee at £1.25 per unit for 2019-20, mitigating the rate increase that would be needed to deliver the 2019-20 plan by using our reserves.

We will consult with stakeholders on the fee for the following years as part of our annual business planning process. It will be informed by the outcome of the change programme, but an increase will be required.

Feedback on each strategic objective

In the consultation paper we asked a number of questions under each of the four strategic objectives. We have summarised below the feedback on each question. Some issues were raised under more than one area and we have reported these in each of the relevant sections below.

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

The overwhelming majority agreed with this objective and the priorities. Many respondents welcomed our plans to improve quality and consistency with some highlighting inconsistencies they had experienced.

There were varying experiences and knowledge of our service at the local resolution stage. Most respondents could see the value in increasing our resources at this stage to enable more cases to be resolved within landlords' complaints procedures although they did not want it to be seen as an alternative route to complaining directly to the landlord. A number of respondents said that more clarity was needed about the Ombudsman's involvement at this stage. More best practice guidance for landlords would also be helpful.

Respondents appreciated that our average case time on formal determinations had come down but they would like to see further reductions. They welcomed our commitment to continue to reduce our case times and felt that the activities planned to do this were appropriate.

Our plan to start mediating on cases as soon as they complete the landlord's internal procedure, and getting rid of the democratic filter, was seen as an important step in ensuring speedy redress for customers and landlords, and was supported by the majority of respondents.

Generally there was support for us seeking additional powers to increase accessibility and enable faster redress by, for example, compelling landlords to provide information to support investigations within specific timescales. There were also requests for us to be more selective in the documents we ask for at this stage.

Strategic objective 2: Promote positive change in the sector

The majority of respondents agreed that we should use our knowledge and experience to promote a positive complaint handling culture and to influence the sector.

Respondents welcomed our plans to continue working directly with landlords and residents to improve complaint handling, and a number of landlords said they were interested in taking part in a trial of bespoke development programmes. There was support from some respondents to raise the profile of our work by communicating

directly with senior managers about their organisation's complaints procedures, although some thought this should be targeted only where needed.

Many respondents gave positive feedback on our existing suite of online tools and were keen to see it expanded using a range of media although some said we should ensure that those who do not have digital access are not excluded. Case studies and standard templates were mentioned as useful tools, plus more thematic reports together with sharing landlords' good practice more widely.

The importance of promoting a positive complaint handling culture was highlighted by several respondents with less of a focus on the complaints process itself.

There was general support for the Ombudsman having a role in setting a complaint handling standard with many comments that it should not be too prescriptive so it does not impede innovation. A number of respondents also said it should be developed collaboratively with landlords and residents, and that it needs to work for housing associations and local authorities. There was also support for us to seek additional powers to follow up on individual complaints to establish if there is a potential systemic issue for referral to the Regulator of Social Housing.

Many respondents said it was important for us to work effectively with the Regulator as a way of strengthening standards across the sector, and that we should also be clear about our different roles and responsibilities, particularly to residents.

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

Nearly all respondents agreed with this objective and the key activities for year one. Maintaining a wide range of access routes to our service was important and we should not limit this to online channels exclusively. Speaking on the phone was mentioned by a number of respondents as being particularly important when dealing with complaints. Some commented that extended opening hours would benefit residents. Some had positive experiences of web chat and supported our proposal to add this to our access routes, however, a few commented that this should not be our priority for year one and that instead we should focus on managing the current caseload more quickly.

There were also some comments about the Ombudsman not getting involved too early and allowing landlords to respond to complaints themselves to help preserve the landlord-resident relationship.

A review of our customer care standards and customer journey mapping was welcomed and that we should work with our customers – both landlords and residents - on developing these. Increasing the visibility of our service was also mentioned by a number of respondents.

Exploring cross-referral arrangements with other Ombudsman schemes so that residents do not have to navigate the complexity of different jurisdictions was

welcomed by many respondents. They also welcomed our proposal to work with advice and support agencies.

Strategic objective 4: Ensure our service is open and transparent

Most respondents agreed that openness and transparency were fundamental to our role so actions to increase our transparency were welcomed.

Our proposal to publish all of our decisions, which we had previously consulted on and had been supported by the majority of respondents, continued to be broadly welcomed. It was felt that these would be a useful training resource for landlords helping to drive up standards and would also benefit residents as they could use cases similar to their own to challenge their landlord on the steps they're taking and to understand likely outcomes. It would be important to highlight landlords' good practice as well as areas for improvement when publishing. There were also some comments about ensuring confidentiality and giving landlords the opportunity to comment before publication, plus some concerns about the potential for it to lead to league tables and further stigmatise residents. Some respondents thought we should be publishing sooner than March 2022.

Any complaints data published should be easy to understand with clear explanations to clarify the data. It should also be meaningful so, for example, could include the number of housing units for each landlord and comparisons where appropriate. It needs to be accessible to residents to help them better understand their landlords' performance. Consultation on the format was suggested by a number of respondents.

Many respondents supported the proposal to appoint an independent reviewer of complaints against our service, and wanted the recommendations to be published and actively followed up.

Performance and subscription fee

We set out three scenarios to illustrate the impact of different resource inputs on our performance and subscription rate over three years. We highlighted our preferred option of the three scenarios which was to maintain the existing rate in year one with an offset from reserves, followed by an increase in years two and three. Three quarters of online respondents supported this, together with the majority of roundtable participants.

Comments from respondents about our performance and the fee included:

- To speed up our average investigation times, we should set a standard response time to get the evidence we need from landlords more quickly and be more selective in the evidence we ask for
- Respondents asked that when we consult on the fee for years two and three that we provide more specifics on the value for money of our local resolution

and sector development activities as well as our formal investigations so they could more clearly see the rationale and evidence to support the proposed fee increases. Some also said that any fee increases should be directed into these areas.

- Some thought our plans were too ambitious, that some of our proposed additional activities were not essential and did not justify the proposed fee increase. Others said reduced case times would justify the increase
- Some landlords suggested the fee should be related to the volume of complaints we receive about each landlord and there should be some incentive for landlords to handle complaints well such as a fee per case model, possibly combined with a baseline fixed fee based on unit numbers
- Others said that would be too complex and it would be better if complaints were handled better across the sector as a whole and then the fee would go down for everyone
- Some pointed out the value for money of our service from a resident perspective - if things go wrong they have access to an Ombudsman at any point in their complaint journey and don't have to go through a solicitor or court which would be more costly.

Annex A: Consultation respondents

A list of respondents to the consultation is below. A number of landlords noted that they had consulted with their residents in developing their responses.

Residents and resident organisations

Tpas
Taroe
Two individual tenants
Bristol Young Parents Alliance

Individual landlord organisations

Housing Plus Group
Thirteen Housing
West Kent Housing Association
North Tyneside Council
Stevenage Borough Council
Guinness Partnership
Notting Hill Genesis
Newark and Sherwood Homes
The Pioneer Group
Town & Country Housing Group
Paradigm Housing
Stockport Homes Group
Sovereign Housing Association
Beyond Housing
Moat
Anchor Hanover
Nottingham City Homes/Nottingham City Council
Colchester Borough Homes
Dorchester Municipal Charities
Epping Forest District Council
Wellingborough Homes
Karbon Homes
Settle
Tendring District Council
Poole Housing Partnership Ltd
Clarence Park Residents' Association
Teign housing
Curo
Your Homes Newcastle
Homes in Sedgemoor
Radian
Shepton Mallet United Charities

Eden Housing Association
Harrow council
Flagship Group
Redditch Co-operative Homes
Worthing Homes
Raven Housing Trust
Benenden Almshouse Charities
Basildon Council
Castle Vale community housing
Gentoo Group
Jigsaw Homes
Karbon Homes
Oldham Council
Red Kite Housing
Rotherham Council
Waverley Borough Council
Bromford Housing Group
Midland Heart
Hyde Group
Yarlington Housing Group
Metropolitan Thames Valley Housing
Plus Dane Housing
Peter Bedford Housing Association
Notting Hill Genesis
West Kent Housing Association
Stonewater
Innisfree Housing Association
Sanctuary Group
Peabody
L&Q

Other stakeholders

G320
LGA
NHF
National Federation of ALMOs
Association of Retained Council Housing
HouseMark
MHCLG
Regulator of Social Housing