

Minutes of the 82nd meeting of the Council of The Ombudsman Services Limited (tosl)

1pm on Tuesday 8 September 2009 at Wilderspool Park, Warrington.

Present:

Council: Peter Holland
Chris Holland
Garry Felgate
Tony Allen
Chris Kenny
Jean Couper
Julie Meadows
Shelia Button

In Attendance: Lewis Shand Smith (Chief Ombudsman)
Richard Brown (Chief Operating Officer)
Richard Sills (Ombudsman)
Andrew Walker (Ombudsman)
Gillian Fleming (Ombudsman)

Sarah Daniel (Secretariat)

1 Apologies for Absence

Steven Gould

2 Minutes of the Council Meeting held on 14 July 2009

Approved with minor amendments to drafting.

3 Matters Arising

None

4 Chairman's Report

Agenda item number 5 to be split into two, 5a the Executive report and 5b dealing only with the Backlog.

Dame Eve Butland, Chair of the Water Consumer Council has requested a meeting with Peter and Lewis to take place in November.

The advertisement for Peter's successor has been amended following comments from Council and will appear in the Press in the next two weeks. The information pack will include an invitation for candidates to speak to Peter and Lewis to discuss the role. Peter suggested the Selection Panel to include representatives from the Member Board and Council as well as an Independent Assessor whose role would be to validate the process. It was agreed that he

should chair the Panel with Julie Meadows and Chris Kenny. The Members Boards to appoint an observer to represent them.

Action Point 1: Member Boards to appoint a representative to the Selection Panel.

5a Executive Report

Human Resources

The recruitment programme has concluded with the appointment of new Administrative, Enquiry and Investigation Officers. Induction training is to take place commencing 14 September and 19 October.

HR is currently deal with a number of staff issues which are taking a large amount of Management time.

Cynergie has been appointed to provide assistance in the production of Provisional Conclusions and Final Decision. Eight Investigation Officers have started a two week in house training programme along with one of their Directors who, with Robbie Allcock, will be responsible for Quality Assurance. We have forecast that they are required to complete 1200 provisional conclusions over the course of the contract.

It was agreed that this information would be feed back to the Member Boards to demonstrate the actions being taken to reduce the backlog.

Action Point 2: Chief Ombudsman to send a note to Member Board Chairmen

Accommodation

We have signed a lease from 1 September for accommodation on the second floor. It has been taken on with a one month break clause for either party. Staff will be moved over the coming weeks.

Performance of IT systems

The TK database was successfully moved onto its new virtual platform without any disruption to service. This has improved the availability of the TK platform although we are still experiencing instances of slow performance. We experienced a day's downtime at the beginning of September, the cause of which was traced to incorrect patching.

Membership

Lewis reported that he had met with the Association of Residential Managing Agents (ARMA) which wished to recommend to its members that they join the Surveyors Ombudsman Service as their Dispute Resolution Service. This would result in an increase of about 600 members with an estimated 50 cases a year and would happen mid October. Lewis also reported that he made a presentation to the Property Managers Association Scotland (PMAS) who have signalled their intent to become members of the scheme. They estimate five to six complaints a year.

In order to facilitate the above additions a change of name was proposed from SOS to Ombudsman Services: Surveyors and Residential Property (The Surveyors and Residential Property Ombudsman). The Council agreed to recommend the name change to the SOS Member Board.

The Council suggested that it would be helpful to have a letter from Steven Gould, on behalf of the RICS, to acknowledge that it was aware of the new members and that its subsidy would continue over the next few years. LSS and RAB informed the Council that non-RICS members were made aware that the service is subsidised and that this may not continue indefinitely.

It was suggested that if new services wish to join us a pro-forma may help to identify details providing an analysis of costs and benefits to the business. It should include whether a joining fee would be appropriate. It was noted that new services pay set-up costs.

LSS explained that the Property Managers are not forming a new service, but are individual companies that will be required by their trade associations to become members of SOS, and that some of them are members now.

Meetings/Presentation/Visits

15 July	launch of PRS code of practice
20 July	Ofgem complaint handling standards – SME
22 July	Ofgem complaint handling standards – ERA Members
23 July	Total Gas & Power – new member meeting
4 August	npower business – quarterly review
5 August	Opus energy – quarterly review
7 August	Consumer Focus – quarterly review
11 August	Training to British Gas, Cardiff
13 August	Presentation at Citizens Advice Scotland
14 August	Ofcom – update meeting
20 August	Presentation to the Scottish Government
24 August	Presentation to Phonepayplus
26 August	Visit from the Association of Residential Managing Agents (ARMA)
1 September	Visit from the Local Government Ombudsman
2 September	Eon – quarterly review
4 September	British Gas Business – training to new members of staff
8 September	Presentation to Sky Broadband

Management reports – it was suggested that we need to review the information that is provided to ensure that it is required and worthwhile.

5b The backlog

The Chairman opened the discussion by stressing that the amount of outstanding work was now presenting a serious risk to the reputation of the organisation. It was acknowledged that the problems stemmed from flaws in the budget setting exercise, reaction times and our internal processes which would all need to be reviewed. He said that the Regulators were aware of the issues and were being kept informed. We also need to keep in mind the risks posed to staff managing such large volumes of work.

Richard Sills presented statistical data to show volumes and projected volumes of work. He confirmed that we were budgeted to deal with 970 complaints a month and had actually received 1215 with the projected forecast taking us to 1400. The aim was to reduce the PC

backlog from nine to five weeks, which would mean completing 1400 PCs a month and the FD backlog to five weeks which would need 880 FDs a month.

Lewis gave a summary of where we are and where we want to be. The Enquiry team is now on top of the correspondence. We have taken on a team of non temporary Investigation Officers and Enquiry Officers on temporary contacts. We have two Outworkers working in house to cover maternity leave. The production of Provisional Conclusions will now increase and we should be achieving the 42 day KPI by the end of the calendar year. If a higher than predicted numbers of complaints come in we will use outworkers/Cynergie to cover the increase.

Otelo Final Decisions have been divided into two, the pre and post 1 June cases. Cases after 1 June will be completed by the internal team plus two external Ombudsman and the pre 1 June by Liz France and a team of Investigation Officers who will vet cases to see if the proposed action is still viable before passing onto Liz.

Given our current processes it is evident there is a capacity gap between what the current Ombudsman team can clear and the intake. There was a discussion around the best way forward to ensure that the quality of the work is not reduced, the consumer and member company experience is not diminished and the implications for reserves.

It was agreed that our process needs to be looked at to see if there is a way of dealing with this and with any "spikes" in the future. Proposals and financial implications will be provided at the November meeting.

It was agreed it would be helpful if these could be made available to the Finance Board for its October meeting.

The Council was keen to know how staff was being supported during this time of high workload and to ensure that the thanks of the Council were conveyed to them.

Action Point 3: Reports to be prepared by Executive.

6 Otelo Member Board

The Member Board Chairman gave feedback from a Member Board conference call on 20 July. Members are aware of the current work issues and supportive.

The Vodafone representative has changed from Amanda Chandler to Louise Thorpe who will remain in position until June 2010. One vacancy remains outstanding.

The next conference call is scheduled for 24 September. The Chairman has issued two discussion papers for the Board, one looking at funding options, the other at the current structure of the Board asking if change is needed.

7 Energy Member Board

Members have been brought up to date with what is happening and what measures are being taken to recover the KPIs. Members agreed that the increase in volumes is caused by better signposting to the Ombudsman, by the Press, Consumer Focus and Consumer Direct.

Members reported that more customers seemed aware of the service and were requesting deadlock letters.

8 SOS Member Board

No meeting since the previous Council meeting.

9 PRS Update

The Service opened on 1 August with a letter of intent. We have had a few contacts but no cases.

10 Resolution to Council

It is proposed to remove a company from membership of Otelo on the grounds that it has failed to implement the remedies as required by the Ombudsman. The company was advised of this proposal and has promised that it will implement all the remedies within 14 days. The Council approved the company's removal from the membership should it fail to do so.

11 AOB

A request to circulate the list of next years Council meeting dates was made and agreed.

It was agreed that the outcome of the Strategy meeting should be considered and action points assigned to individuals.

Time and Date of Next Meeting

1pm, 3 November 2009

At the offices of the Ombudsman Service limited, Warrington.