

Annual Report Launch 16 July 2013

Single consumer ombudsman?

May I thank Maggie for hosting this event and to Jacqueline for what she has said and for so successfully in her previous post leading on the ADR and ODR directive and regulations.

Ombudsman Services is ten years old – ten years of listening to complaints and resolving them where we can.

But unlike other ten year olds I reckon we're now through our adolescence. It has been a time of continuous change and improvement which quickened pace during the past year when, driven by a passion to do things better for our customers – consumers and companies, we followed four major change programmes while at the same time developing a state-of-the-art IT infrastructure.

Our processes are quicker, better and more cost effective and – as shown by our customer satisfaction surveys – liked and preferred by complainants. Once more we have seen an increase in demand with 122,500 new contacts during the year, or an average of 490 each working day, but despite a 7% rise 90% of our 19,639 cases accepted for investigation are resolved within 42 days and many of them well within that timescale.

We have a far better knowledge of, and involvement with, what's going on in the world where we operate. We are better at feeding back knowledge to companies and other stakeholders, helping to spot problems and suggest improvements. We have listened to what our people are telling us about the way they work and introduced new methods and structures.

We successfully tendered to become the Ombudsman and Investigation Service for the Green Deal and were delighted to co-operate with the Intellectual Property Office and the British Copyright Council to expand our jurisdiction to cover most of the collective management organisations. We have a new working relationship with the National Approved Letting Scheme; we have become the ombudsman service for the Asset Based Finance Association and for Capita's tenancy deposit scheme.

Of course the end of adolescence marks the beginning of something new; for youngsters it's either the world of work or continuing education and for Ombudsman Services it's no different. Change will continue.

Firstly we have put in place the people and processes to make sure that efficiency gains are a priority, high quality is consistent and improvement continuous.

Secondly, there is legislation and proposed legislation that will radically alter the consumer and dispute resolution landscape.

The DG Sanco directive and regulation and legislation will be transposed into UK law; a new Consumer Rights bill was announced in the Queen's speech, there is work to be done on collective redress, and the Enterprise and Regulatory Reform Act requires that all lettings agents belong to a redress scheme.

The adolescent now needs to grow up and mature and this is the context in which we must do it. Access to independent dispute resolution provides protection for the consumer should something go wrong, bringing with it the confidence to engage in the market place nationally and within the EU.

Recent research shows that customers are confused about where to go when things go wrong – 43% of the general public do not feel confident that they would know who to contact – and of course in many areas of consumer detriment there is no independent redress for customers who remain dissatisfied.

Whatever happens next, it must be consumer focussed: easily accessed, simple to use, low risk, fast, transparent, and independent. It should have teeth so that decisions can be enforced. In the current economic climate it is unlikely to be publically funded – but at the same time it should not place an unpalatable financial burden on providers. Keep it simple; keep it quick; keep it cost effective.

This is an opportunity to review and reform the ombudsman landscape. We should not be looking to set up more ombudsman or ADR schemes to comply with the directive and legislation but looking to consolidate and streamline. Let's consider the possibility of only three private sector ombudsmen: the Financial Ombudsman, a professional services ombudsman founded on the Legal Ombudsman and a single

consumer ombudsman; (dare I go so far as to suggest that in England we could also have a public services ombudsman based on the Scottish and Welsh models?).

Three private sector ombudsmen, perhaps even with a single point of contact so that confusion is minimised and access enhanced. For Ombudsman Services that constitutes both an opportunity and a threat. The threat is that it could happen and might not be us; of course the opportunity is the converse. At ten years old, Ombudsman Services is ready for the next stage of our development. This year we are poised to resolve 24,000 cases for various parts of the private sector; our processes are sharp, our technology leading edge, we are free to the consumer and low cost to industry, we have shown we can move into new jurisdictions. We are ideally placed to expand our remit and provide dispute resolution for a much wider range of consumer transactions and across the borders of European member states.

Over the past few weeks I have heard the representatives of several organisations argue for a single consumer ombudsman and suggest that it should be Ombudsman Services. That's flattering - thank you! And yes we are ready and willing to rise to that challenge.