

Minutes of the sixty-third meeting of the Council of The Ombudsman Service Limited (TOSL)

14:30 on Tuesday 11 December 2007
TOSL Offices, Wilderspool Park, Greenall's Avenue, Warrington

Present:

Council: Peter Holland (Chairman)
Jean Couper
Margaret Doyle
Chris Holland
Julie Meadows
Duncan Sedgwick

In Attendance: Elizabeth France (Ombudsman)
Dick Sills (Principal Ombudsman)
Ian Smith (Principal Ombudsman)
Richard Brown (Chief Operating Officer)
Robbie Allcock (Council Secretary)

Prior to the meeting, the Members of the Council were invited to share lunch with all TOSL staff at the Communications Update meeting. The Chairman began the meeting by recording the Council's appreciation of the opportunity this had afforded for members to talk to staff and to observe their enthusiasm and commitment to the Ombudsman Service.

1 Apologies for Absence

Apologies were received from Tony Allen and from the Surveyors Ombudsman Service Member Board.

2 Minutes of the Council Meeting, held on 18 September 2007

Subject to minor amendments, the Minutes were approved for publication on the TOSL website.

3 Matters Arising

- The Investors in People report had been uploaded to the Council extranet.
- Ofgem's review of the Energy Supply Ombudsman had been uploaded to the Council extranet. It was briefly highlighted that there may be some potential misunderstanding arising from the wording of paragraph 6 of the document. **AP: The Ombudsman to liaise directly with Ofgem in this regard.**
- All Council Members had been informed of the appointment of the new Principal Ombudsman Andrew Walker. It was noted that he would take up post on 3 March 2008.
- **Disaster Recovery plan to be sent to the Chairman and to Jean Couper for consideration.** This report will be put forward to the Council in January and progressed during a meeting between Jean Couper and the Chief Operating Officer before then.

4 Draft TOSL response to the Ofgem consultation paper: Complaint handling standards

Minor amendments to the drafting were proposed. It was agreed that any comments should be sent directly to the Ombudsman.

5 Draft response to the Carsberg review of residential property: standards, regulation, redress and competition in the 21st century consultation paper

The draft had been prepared incorporating the comments of the Surveyors Ombudsman Service Member Board. The drafting was considered appropriate subject to a minor amendment.

6 Chairman's Report

The Chairman met Teresa Graham and Steven Gould from RICS on 27 November. The main issues discussed were the governance of the Surveyors Ombudsman Service Member Board and also Surveyors Ombudsman Service representatives for the Finance Board and TOSL Council. Further periodic meetings between the Chairman and Teresa Graham are planned.

The Chairman also reported that he would be liaising with individual Council members in January (either at January's meeting or beforehand) over their respective terms of office in order to inform decisions on succession planning.

7 Ombudsman's Report

Finance

As the December meeting is a week earlier than usual the finance report had not been issued in advance of the meeting – an oral report was provided.

Operations

The Otelo workload is steady, the figures for the 13 months from November 2006 show fluctuations month on month but no sustained upward trend. The Energy Supply Ombudsman workloads continue their steady increase. The number of forms issued and returned now suggesting, without other changes, a run rate of some 5,000 cases a year. For the Surveyors Ombudsman Service the issue of the first Provisional Conclusion (PC) arising from a case taken after June 2007 was awaited – though cases which had arisen before then have been taken forward.

A huge effort by the Enquiry teams has led to a significant improvement in the percentage of correspondence dealt with within 5 days. Their other targets were met. The targets for the issue of PCs for Otelo and Energy were missed and the percentage of cases over 8 weeks old has grown to its highest level. This had come at a time when internal promotions and recruitment had temporarily detracted from the ability to process cases at the expected rate. The performance of the Investigation Teams is being carefully managed but the stock of work suggests that targets will not be met in December (which it should be noted is a short working month).

There was a discussion surrounding the KPIs particularly in relation to the Otelo and Energy sectors. The Council agreed the importance of not focusing solely on one particular sector and to allow the Executive to use their judgment in order to try and reverse the current KPI trend.

The Council also briefly discussed the possibility of introducing Service Level Agreements. The Chairman confirmed that this was strictly a Member Board issue, though any Council views formed in discussion of the strategy in January might be provided as recommendations to the Boards.

Otelo

Statistical information has been provided to the Ofcom Consumer Panel which is doing some work on customer expectations in relation to promised broadband speeds.

Energy Supply Ombudsman

David Laird the Energy Retail Association Billing Code Manager had talked to staff about the application of the Code. This contact would be maintained as part of the education and development, It was recognized that sharing general information, would help to ensure consistent decision taking.

Surveyor Ombudsman

Chris Hamer, the Ombudsman for Estate Agents had confirmed that he was content with the Memorandum of Understanding between the Ombudsmen and with the arrangements in place to ensure that consumers are well served by us.

The Council's attention was drawn to the website for PACS (www.yourpacs.co.uk) which is the service run by IDRS (a wholly owned subsidiary of the Chartered Institute of Arbitrators) and put forward as the body for the Office of Fair Trading (OFT) approval under CEAR. There was some concern at the tone of the marketing of the service and the inherent call to fragmentation of Alternate Dispute Resolution services in the sector.

Personnel and Training

12 new members of staff joined TOSL during the month and were in training. This was the largest intake so far and Council noted the positive feedback reported in relation to the induction process.

ICT

A leasing arrangement for desk top PCs and laptops has been signed, and the oldest computers were now being replaced.

Meetings of interest to Council between 20 November and 11 December:

Note was taken of representation at:

- 19 November: launch of warm homes campaign
- 20 November: launch of the Administrative Justice and Tribunals Council (AJTC)
- 20 November : Ofcom launch of Consumer experience research and evaluation

- 27 November: Parliamentary Warm Homes Annual Dinner
- 29 November : Phonepay Plus stakeholder forum
- 10 December: Consumer Action Network meeting at energywatch.

The Ombudsman had the third of her monthly meetings with Allan Asher of energywatch to ensure a smooth transition in the autumn.

Future Meetings of interest to Council:

- 18 December: Chairman to meet Lord Whitty
- 16 January: Ombudsman for Estate Agents and the Removals Ombudsman to visit TOSL
- 23 January: PostComm to visit TOSL.

8 Otelo Member Update

A membership update was given. The Chief Operating Officer also reported that TOSL had taken a member firm (GCI) to court over the non-payment of subscription and case-fees. GCI did not attend the hearing and the court ruling went in favour of TOSL. In making her decision the Judge commented on an apparent gap in the law which allowed a company to leave the membership of one ADR scheme without having joined another. She asked that this be drawn to the Regulator's attention. Richard Brown had, accordingly, written to Claudio Pollock at Ofcom.

9 Otelo Member Board Report

The Chairman of the Otelo Member Board reported that Gary Rodgus had resigned from the Board and therefore a vacancy had arisen. It was noted that this also left a vacancy on the Audit Committee. The term of another Board Member (Amanda Chandler) was also due to expire. The Chairmanship is due for review as planned and Tony Allen has agreed to facilitate this process with Otelo Board Members.

The Group B member election is currently underway. It is expected this vacancy will be filled by the end of January 2008.

January's Board meeting will focus on finance issues and the funding of the Otelo Service.

10 Energy Member Board Report

The Chairman of the Energy Supply Ombudsman reported that the Board had projected a volume of approximately 6000 energy cases per year. He reported that governance (proposed changes) and finance (funding) were the main topics of discussion at the most recent Board meeting, to be discussed further at the next scheduled meeting.

11 Surveyors Member Board Report

The Chief Operating Officer reported on the main issues discussed at the most recent Surveyors Ombudsman Service Board meeting. These were:

- The independence of the Surveyors Ombudsman Service Member Board
- The definition of a consumer

- Finance.

It was also reported that the Surveyors Ombudsman Service had received an initial response from the OFT to its recent application for approval as a redress scheme for estate agency complaints. The OFT has raised some further queries and consideration will be given to this over the Christmas period with a response being provided in the New Year.

AP: OFT response and draft covering letter from TOSL to be forwarded with a first draft response to Chris Kenny and Jean Couper for their consideration.

12 AOB

The Council were reminded that the draft Business Plan would be prepared for their consideration at January's meeting.

The Chairman of the Audit, Julie Meadows, reported a meeting with the external auditors about the possible need for internal audit. The view had been taken that external audit provided adequate financial assurance for TOSL Council but that, once the risk assessment for next year had been completed, there might be particular aspects of the business which would benefit from independent review.

Time & Date of Next Meeting

15 January 2008 at the offices of The Ombudsman Service Limited, Wilderspool Park, Greenall's Avenue, Warrington WA4 6HL. This meeting will be preceded by dinner with the Executive on the evening of 14 January and a strategy discussion from **09.30**.