

Minutes of the sixty-eighth meeting of the Council of tOSI

1300 on Tuesday 20 May 2008

tOSI Offices, Wilderspool Park, Greenall's Avenue, Warrington

Present:

Council: Peter Holland (Chairman)

Tony Allen
Jean Couper
Margaret Doyle
Chris Holland
Chris Kenny
Duncan Sedgwick

In Attendance: Elizabeth France (Chief Ombudsman)
Dick Sills (Ombudsman)
Ian Smith (Ombudsman)
Andrew Walker (Ombudsman)
Richard Brown (Chief Operating Officer)
Robbie Allcock (Council Secretary)
Steven Gould (Director of Professional Regulation and Consumer Protection at RICS)

The meeting was preceded at 1230 by a presentation on the Customer Satisfaction Surveys, from Lucy Robertson of Craigforth. The report showed sustained high levels of satisfaction for all of tOSI's activities with particular praise for the quality and helpfulness of staff. The chairs of the Member Boards and the rest of Council thanked staff for their efforts in achieving this commendable level of performance.

1 Apologies for Absence

An apology was received from Maggie Jones. Steven Gould was in attendance as representative for the Surveyors Ombudsman Service.

2 Minutes of the Council Meeting, held on 15 April 2008

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

3 Matters Arising

The Absence Management presentation had been placed on the Council extranet.

The Royal Mail Request For Information (RFI) had been placed on the extranet.

A draft amendment to the Articles of Association was presented to Council to cover the proposed change to the Finance Board remit. The Chair of the Finance Board confirmed her support of the draft wording and this will now be put to the Council for formal approval at its AGM in July.

The Independent Assessor's report had been placed on the extranet.

4 Energy sector redress scheme

The Chief Ombudsman thanked Council members for their responses to Ofgem's questions of 9 May. A formal response was sent to Ofgem on 16 May, and she was to attend a meeting to discuss it, accompanied by Richard Sills and Margaret Doyle, on 21 May.

There was a brief discussion on the issue of technical cases and the potential use of independent experts. A clause had been added to the Terms of Reference to exclude 'technical' cases, with the addition of the ENA to the Service. However, the ENA have agreed to this clause being removed in order to assist in meeting Ofgem's criteria. An agreement, probably through the MOU with Ofgem, on the use of independent technical advice for such cases would be developed.

It was also noted that the most critical issue for approval would be the constitution of the Member Board. The Executive sought to highlight to Ofgem the limited role of the Member Board and that any key decisions about the Service are ultimately made by the Council (and Finance Board).

It was noted that tOSI's application was the only application Ofgem had received. It was assumed that tOSI's most recent response to Ofgem dated 16 May will be published on its website.

5 Postal sector redress scheme

tOSI had received an initial RFI from Royal Mail which had been completed on 8 May. The submission included costs to cover all possibilities such as new accommodation. Further notification had been expected by 16 May but nothing had been received.

Council members discussed how the company should proceed if shortlisted. The primary concern was the lack of clarity about what was wanted, and concern that there may be a disproportionate number of complaints compared to a relatively small number of cases, which themselves might be very straightforward. This could distort the funding model and the way the company's processes operate. The general consensus of the Council was that the company should proceed with its application making clear the service we were prepared to offer: the processes would have to map on to those provided for other sectors. The Chairman stressed that tOSI should not compromise its current service model. The test that there should be advantage to members of existing services also had to be met. It was made clear that the Executive should not spend a disproportionate amount of time on this matter. Service delivery for existing services should not be put at risk.

[Secretary's note: on 21 May Royal Mail confirmed that tOSI has been shortlisted to proceed to tender for this work, further information has now been received.]

6 Approval of Surveyors Ombudsman Service under CEARA - update

It was reported to the Council that no response had been received since our response to OFT's letter of 19 February which had been sent on 7 April. **[Secretary's note:** A Further letter and questions were received from OFT on 21 May. Ian Smith is co-ordinating the response to this].

7 Chairman's Report

Chris Kenny provided the Council with an update on Succession Planning for the role of Chief Ombudsman. It was noted that the process was still on target for the planned appointment date.

The Chairman also reported back from his meeting with Claudio Pollack, Ofcom Director of Consumer Policy. During this meeting, Ofcom outlined its progress on its Review of ADR within the telecoms sector; this is expected to be published in May with a further consultation period up to a statement in September and then an implementation period, to be either three or six months.

8 Ombudsman's Report

For the year 2008/09 the Executive will report to the Council each month against each key area of risk as identified following staff Risk Management workshops. The Executive will welcome any comments from Council members on the level of information provided within this report.

Volume of work

The Executive had prepared a paper for the Council setting out the progress being made to deal with the backlog of cases. It was confirmed that some additional information will now be included in the performance information already provided to Council each month. This will now: distinguish between Pre-Investigation Case Closure (PICCs - initiated by companies) and Mediated cases (initiated by us); and also distinguish between financial and non-financial awards. The Executive expects mediation to help to increase productivity.

On the possibility of intervention earlier in the process (Pre Enquiry Case Closure), the Chief Ombudsman had concluded that the work involved would be disproportionate to the benefit likely to be gained. She was satisfied that the same result could be gained by promoting the PICC process and developing mediation at stage 3. The Council agreed that this pilot would not be pursued at this stage. The Chief Ombudsman confirmed that the way cases were resolved was a matter kept under review. Indeed the TORs of each service require that the Ombudsman seeks to achieve a mutually acceptable settlement of a complaint wherever practical and appropriate.

It was noted that 931 PCs were issued in April (against planned issue of 680). However, the number of complaint forms returned during the month totalled 1040, significantly more than the forecast rate for the month. This will have an impact on the Action Plan to deal with the stock. However, new outworkers were now in place and would complete training by 23 May. Using this additional capacity, continued overtime and close management work will continue to achieve the target as soon as possible. The timescale was also dependent on whether the 'spike' in telecoms work has passed its peak.

Although only one month into the new financial year, currently Otelo was ahead of budget for both Enquiries and Investigations, whilst Energy was under budget. The contact ratio was currently at 13 contacts to every case accepted for investigation.

In discussion the Chairman of the Energy Board made clear that the relative position of the two services would need to be kept under review, particularly as energy members had agreed to underwrite the additional staffing which had been put in place.

There was now a full complement of EOs and IOs to deal with the budgeted volumes of enquiries and investigations for the year ahead.

In preparing for new working arrangements in the energy sector, the Executive had arranged quarterly meetings with all the 6 major energy suppliers. Meetings have also been held with some of the smaller suppliers and distributors.

IT

There was now an IT Project Officer in place to deal with any IT related problems which may arise in the first instance. By working closely with the Chief Operating Officer and our external IT Support the impact of any problems which arise will be minimised.

A revised draft of the Disaster Recovery Plan was being considered by Jean Couper.

Customer Satisfaction Survey

A presentation on the Customer Satisfaction Survey's from last year will be delivered by Craigforth prior to the meeting and the Executive are currently working closely with our Communications department on the Annual Reports for each Service and tOSI.

Staff turnover

There had been no significant changes in staff turnover levels to report. However, it was noted that, due to expansion, several new roles have been created and are currently being advertised, both internally and externally. These include Case Support Workers, IO Experts, Admin Manger and also an HR Advisor. In addition, tOSI has also recently recruited an Executive Support Officer who will work closely with the Executive team and the Ombudsman's Secretary. These posts leave us without the exposure in some areas where there had been no support for singleton post-holders.

It has been agreed that quarterly absence management information would be provided to the Council – the first report will be July.

Other points of interest:

- BIOA AGM proved a valuable meeting for all who attended
- Information on SOS fees and charges has been issued by RICS
- The Ombudsman (Dick Sills) gave an interview to Meridian TV and the Chief Ombudsman to BBC Radio York, both were on telecoms issues.

9 Otelo Member Update

A membership update was given. The Chief Operating Officer reported that 32 member firms had so far failed to submit their Total Relevant Retail Revenue (TRRR). Those companies will now be given a period of 21 days in which to submit their TRRR prior to facing expulsion from the scheme. A report will be provided to Council at its June meeting for formal agreement to any expulsions. The Executive will keep Ofcom up to date.

10 Otelo Member Board Report

The Otelo Member Board Chairman reported on the last Member Board meeting which took place on 24 April.

- The Board had discussed performance in relation to the KPIs for the financial year 2007/008. This led to some discussion in Council on the relative position of the Services and the importance of Council keeping under review the processing balance between them, particularly at times when stocks in one service were higher than had been anticipated. It was agreed that any concomitant funding issues were a matter for the Finance Board and member Boards.
- The Chairman had reported back from the Finance Board meeting of 1 April and the Board confirmed its agreement for the widening remit of the Finance Board (although it was noted no formal acceptance from the Board was required).
- It was noted that the elections process for a Group A and Group B member have commenced.
- The Board discussed in some detail Otelo case ratios/volumes to which the Chief Operating Officer provided some valuable anonymised data and there was also some discussion surrounding the expected decision of Ofcom to reduce the time frame for a complainant to access redress to 8 weeks. The Board agreed to consider such action prior to any formal requirement to do so but would not do so until the current performance levels were recovered.
- Both the Chief Ombudsman and, Andrew Walker, attended the latter part of the meeting for an informal discussion with Board members and Margaret Doyle accepted an invitation to attend July's Board meeting.

11 Energy Member Board Report

The Energy Member Board Chairman reported on the first meeting of the new Energy Ombudsman Member Board.

- The new Board now consists of three Suppliers, one ERA representative (the Chairman), one ENA representative and also the independent Council representative.
- Provision had been made for a representative of independent suppliers to join the Board.
- It was agreed, in principle, that the current Board members would be replaced by other Energy Supplier representatives who do not already occupy a seat on the Board, at intervals of 12, 18 and 24 months. It was also noted that should Board members be unable to attend a future meeting, they should make arrangements for another representative of their respective trade association (who does not currently occupy a seat on the Board) to attend as their substitute.
- The Chairman of the Board was unanimously elected at the first meeting and it was also unanimously agreed he should retain the position as the Energy industry representative on the tOSI Council.
- It was also reported that all Energy Ombudsman members represented on the Board would receive minutes of meetings and that an election process would have to take place to fill the position of the Independent Supplier seat, should this be required.

12 Surveyors Member Board Report

Steven Gould reported on the last Member Board meeting which took place on 28 April.

- The Board had discussed the current KPIs and performance levels, financing for the second operational year of the Service (the setup and administration costs would be funded by RICS but a case fee will be introduced from January 2009 for all members) and there was also an ongoing debate as to what information was required for their Members' Pack.
- The previous contact from the **British Property Federation (BPF)** was for RICS to approve its Code of Practice and not setup a Redress Scheme. It was noted that RICS members who are also members of the BPF would already have access to the SOS as an approved redress scheme.
- the Board's sub-meeting, as an advisory body to RICS on matters of redress noted that reports from both Bryan Carsberg and Professor Colin Jones were expected in June and the Council noted in particular that the Carsberg report was expected to make 'sweeping' recommendations for the industry.

Ian Smith reported that he had received an approach from Jodie Berg to provide information on the work of SOS to feed in to work she is doing for the **Royal Institute of British Architects (RIBA)**.

13 AOB

A request was made for some feedback to be provided to those Council members who had not attended the BIOA conference in May. It was agreed that the note to be produced by BIOA would be circulated to all Council members once received.

AP: Upload note from BIOA Conference to extranet when received.

Time & Date of Next Meeting

13:00 on 17 June 2008 at the offices of tOSI, Wilderspool Park, Greenall's Avenue, Warrington WA4 6HL.