



Cabinet Office

A Public Service Ombudsman

A Consultation

Cabinet Office
70 Whitehall
London
SW1A 2AS

© Crown copyright 2015

Contents

- 1. Ministerial Foreword - Oliver Letwin..... 1
- 2. Purpose of this consultation..... 3
- 3. The current ombudsman provision and case for change 5
- 4. Principles to underpin reform of ombudsman services 8
- 5. The proposals 9
 - A new single Public Service Ombudsman (PSO)..... 9
 - A service accessible to all.....12
 - An enhanced role for the Ombudsman14
- 6. How to respond to this consultation 16
 - How to respond, or make an enquiry16
 - After the consultation18

1. Ministerial Foreword - Oliver Letwin

Too often, public services regard complaints as a nuisance.

They are nothing of the sort.

Rapid, effective redress does an enormous amount to restore the confidence of the individual user in the service about which he or she has complained. And intelligent analysis of patterns of complaints can do an equally enormous amount to identify and locate systemic defects in public services - and hence to prompt repair of these defects. When something goes wrong, our customers deserve not just an apology, but also action from the organisations concerned to repair the problem and to learn from the mistake.

In the very near future, the government will launch two trial projects in two important public services. These trials will test new methods of collecting complaints and of analysing them, to see if patterns can be accurately identified and systemic defects can be precisely located. My intention is for these pilots to show the way - so that, early in the next parliament, every public service provides transparent analysis of patterns of complaint on its website.

Today, I am publishing this consultation about the other side of complaint handling - our effort to ensure more effective redress for individual service-users when they make a justified complaint.

The first step is to make it easier for the service-user to pursue a complaint. This means ensuring that there is access to help in formulating a complex complaint so that it will be taken seriously; providing the user with easy access to an Ombudsman; and enabling the Ombudsman to act speedily in response to any serious complaint.

These were amongst the issues that I asked Robert Gordon to review - and today simultaneously with our consultation document, we are publishing his report.

One of the main points he makes is that public services are changing, and that the lines between central and local government, between public and private sectors and across services - for example, social care, healthcare and local government - are increasingly blurred. Accordingly, in line with the thinking of the Public Administration Select Committee, Mr Gordon has recommended bringing together the jurisdictions of the Parliamentary and Health Ombudsman, the Local Government Ombudsman and the Housing Ombudsman, to create a clearer pathway for complainants, to ensure the Ombudsmen can respond effectively to changes in the shape of public services, and to help the Ombudsmen operate more efficiently for the taxpayer.

I believe that there is great merit in the Gordon recommendations; but these are issues with long running consequences, and we should take the time to consider them carefully. I look forward to seeing in due course what views a wide range of service users and other interested parties take once they have had the opportunity to reflect on his report.

2. Purpose of this consultation

The Gordon report was commissioned by the Minister for Government Policy in 2014 and was invited to test whether the current public sector ombudsman sector is best for citizens, best for Parliament and delivers value for money.

The report puts forward the case for reform of the current ombudsman sector and, in particular, recommends the creation of a new Public Service Ombudsman (PSO), bringing together the existing jurisdictions of the Parliamentary and Health Service Ombudsman (PHSO), Local Government Ombudsman (LGO) and Housing Ombudsman (HO). Gordon underlines the benefits to be gained from such a move, highlighting the improved customer experience (through providing an integrated service) and the opportunities to improve public service systems.

The Government welcomes this recommendation and is keen to make progress towards creating a new PSO. The Review process involved a wide consideration of available evidence, including that submitted to PASC in the course of its own Inquiry. It also had significant input from the Ombudsman organisations and other stakeholders.

The Government recognises that a relatively short internal review could not provide for the widest possible perspective and that it is important to develop an ombudsman service which retains and builds on the strengths of the current system. This consultation aims to provide a further opportunity to test this proposition (and the principles underpinning it) - and in particular to get the customer perspective on what any new ombudsman service should deliver, as well as how those services should be delivered. Responses to this consultation will inform the development of plans for future legislation changes.

Should the Government confirm its intention to create a new PSO, detailed further work will be required to look at the precise powers of, and structures within, such an organisation. There are currently a number of differences between these ombudsman services which need to be taken into account when looking at any modernisation

programme. These include their jurisdictions, their local lines of accountability and their funding mechanisms - including how existing charging models might transition.

This consultation does not seek to test this level of detail, instead seeking views on the premise in question, and whether the proposal of a single PSO meets the needs of consumers in terms of what a modern Ombudsman service should/can provide.

This consultation relates to proposals for the Ombudsman services in England. In light of the ongoing discussions around devolution, any progress towards the establishment of a Public Service Ombudsman service would have to take account of any devolution settlement.

3. The current ombudsman provision and case for change

The Gordon review captured and reflected the groundswell of interest and support for reform of the Ombudsman environment. This has been most clearly articulated by PASC - but calls have also come from consumers and the bodies themselves.

An independent ombudsman service is crucial for making sure that customers get the appropriate support and redress when they need to complain about public services through providing the final tier of complaints redress for the public. The Gordon Review considered the extent to which current services are able to deliver this appropriately, identifying a number of barriers and challenges that underpin the case for change.

As Gordon sets out in chapter 3 of his report, consumers today face a complicated and confusing picture with a proliferation of organisations across the public and private sectors. There are currently over twenty ombudsman services in the UK and over ten public service ombudsmen alone. The report raises questions about the extent to which consumers are aware of ombudsman provision as a means of redress, citing relatively low levels of brand recognition for some ombudsman organisations¹, and highlighting the restrictions currently in place in terms of the ways in which ombudsmen are able to take receipt of complaints.

Gordon recognises the steps taken by PHSO, LGO and THO to reform their organisations in light of the changing way public services are delivered and the impact of new technologies on consumers' behaviour. The review makes clear, however, that the existing structures and associated legislation applying to public sector ombudsmen in England place constraints on the role they can play. The proliferation of service delivery arrangements, the integration of previously discrete services, the partnering of

¹ Gordon Review – paras 4 and 5

delivery agents and the blurring of institutional boundaries increasingly tests the validity of the current boundaries and jurisdictions of ombudsmen.

Growing complexity in public service delivery should be balanced by determined efforts to simplify access to redress. The public should not have to make complex determinations about who is accountable for delivering a service and to whom they should turn for redress if the service deliverer fails to address their complaint to their satisfaction. The Ombudsmen themselves should be freed of complex and fine jurisdictional judgements - and find themselves better able to handle the increasing likelihood of complaints which may cut across a range of services and service providers.

Any reform should not simply be about rectifying existing problems with the traditional role of any ombudsman service. Both PASC and Gordon have identified real opportunities for a reformed Ombudsman service - and consider the potential for any PSO to support the government's work in making better use of complaints and driving improvements in public service delivery. Learning from customer complaints is an essential part of any business and government is no exception. Complaints can give organisations clear information about how to improve their business and serve their customers better. Ombudsmen already play a part in seeing that effective complaint handling systems are in place - an important part of their function is to provide advice and guidance on good administrative practice. Efforts have also been made, for example by the Housing Ombudsman, to ensure that customers can get their complaints resolved at a local level before they are escalated further, a principle which must be retained in taking forward any reform.

The Gordon report outlined a potential enhanced role for a reformed Ombudsman focussed on making complaining about public services as easy as possible for the public and for public services to make effective use of complaints. This enhanced role might include: helping the public to access the processes for complaints more easily; providing insight to departmental boards or local authority scrutiny bodies (e.g. through analysing trends from the complaints they hold); or setting the expected standards in complaint handling.

The Government agrees with his recommendation that we need an ombudsman service that acknowledges this new complexity of structure and helps the customer navigate this complex environment.

As reflected in the Gordon report, there is already work being done to establish how these organisations could achieve efficiency benefits by closer working, for example by sharing back office functions. It is also anticipated that there would also be significant benefits in terms of sharing, developing and promulgating best practice in complaints handling.

4. Principles to underpin reform of ombudsman services

Gordon set out a number of key principles and assumptions which should underpin any reform of Ombudsman Services². The Government endorses those principles and, building on these, the principles behind this consultation are as follows:

Citizens

Reformed arrangements and institutions should be easily accessible by and intelligible to members of the public with a complaint. They should facilitate early, effective and (where relevant) local resolution of complaints and inspire confidence that, where needed, complaints will be investigated thoroughly and should provide assurance that public service providers will take action to learn from mistakes.

Parliament

Reformed arrangements should meet contemporary standards by delivering clear accountability to Parliament, both in terms of performance against key objectives, standards and for the effective and prudent use of public money. As now, Ombudsmen should be independent of Government.

Value for Money

Reformed arrangements should maximise the potential to deliver ever greater value for money reflecting continuing pressure on public funds and the perennial imperative of seeking to achieve more with less.

1.	Do you agree that these principles should underpin reform of the Ombudsman service?
----	---

² Gordon Review pages 5-6

5. The proposals

This chapter sets out three aspects of a new Ombudsman service that the Government believes will deliver those principles and seeks the views of members of the public and interested bodies on these proposals.

A new single Public Service Ombudsman (PSO)

The Gordon review recommended that a new, single organisation would best deliver a new public ombudsman service that is consumer focussed, accessible and responsive. Public service delivery is changing radically and such a move would provide clarity for the customer, and ensure that the Ombudsman is able to provide a comprehensive and seamless service, maximising their impact across existing jurisdictional lines. Complaints are increasingly related to services which cross organisational and jurisdictional boundaries, particularly in the areas of health, social care and housing. It is incumbent upon us to ensure that the customer is well served by the ombudsman services, in spite of the increasing complexity in public service delivery. Similar initiatives in Scotland, Northern Ireland and Wales have illustrated the benefits of an ombudsman service operating seamlessly across public services.

The Public Service Ombudsman would, in the first instance, embrace the remit and responsibilities of:

- The Parliamentary Ombudsman
- The Health Service Ombudsman
- The Local Government Ombudsman
- The Housing Ombudsman

We recognise that there is further work to be done in terms of understanding how all these jurisdictions and responsibilities would fit together and in identifying issues that are specific to individual sectors.

As now, the Government is clear that the Ombudsman's primary purpose would remain that of operating as an effective final tier of the redress process. We would also expect the Ombudsman to facilitate the early resolution of complaints at a local level where possible, to ensure the swiftest and most effective form of redress for complainants.

Any future organisation should have the scope/ability to respond to further shifts in public sector delivery to ensure additional or new jurisdictional complexities do not arise. We envisage that the Public Service Ombudsman's responsibilities would extend to all who are delivering services, including those services which have been contracted by the bodies within jurisdiction to a third party.

The Housing Ombudsman spans both public and private sector responsibilities and the significance of housing to wider public sector delivery provides the impetus for inclusion of THO in the new body, although we also recognise that there is a debate to be had about whether including THO in a 'Public Service Ombudsman' is appropriate given the increasingly commercial nature of many registered providers' activities.

Any new Ombudsman service should retain the current high level of expertise and experience which exists in current organisations, ensuring no diminution in the provision of service to the public or to the sectors involved. There is an expectation that a Chief Ombudsman would have a series of senior ombudsmen reporting to them with full expertise in specific areas eg Housing. We recognise that the new service needs to retain - and build upon - the relationship and trust that has existed in the current separate organisations.

Government remains committed to an independent organisation - i.e. one that is not accountable to those institutions within its jurisdiction. The new organisation should therefore continue to be accountable to Parliament who would hold the organisation to account. While the governance and accountability structures are primarily a matter for

Parliament, the Government agrees with Gordon that a strengthened governance and accountability structure is required. A governance structure that separates out oversight of the running of the organisation from reporting of findings can provide stronger external challenge to how the organisation is run and in turn build public trust. Similarly, the introduction of a strengthened Board structure would enhance internal challenge to the organisation.

2	Would you welcome the creation of a single Public Service Ombudsman service and are these the right services to be included?
3	If so, do you agree that these are the right founding principles for such organisation?
4	Should a single public service ombudsman organisation also retain specific sector facing services and staff in eg. Health or Housing?
5	Should each sector within the organisation be led by a senior Ombudsman (or someone of equivalent status) eg a Housing, Local Government or Health Ombudsman?
6	Is 'Public Service Ombudsman' the appropriate title for a new organisation?

A service accessible to all

A modern ombudsman service needs to engage fully with all of its customers, be accessible, and be in a position to provide communications channels that respond to a range of needs. There are various routes to accessing ombudsman services according to the nature of the complaint; for example complaints to the Parliamentary Ombudsman go via an MP and the Health Service Ombudsman receives complaints in writing.

The principle would remain that customers would only seek assistance from the Ombudsman once initial formal avenues of complaint had been explored. We will continue to support local complaints resolution and current local arrangements for designated persons where they support the individual customer (eg for Housing complaints). The priority is effective and early resolution of complaints. Any new structure would not cut across or undermine the first point of redress.

Both PASC and Gordon heard consistent evidence that there are barriers that prevent the Ombudsman from responding as effectively as they would like, and it is important to make access to the Ombudsman as simple as possible, so once any current local arrangements have been followed, Gordon suggested that any new organisation would then be able to receive complaints via -

- email
- telephone
- online

Any new Public Service Ombudsman could also operate a 'no wrong door' policy - taking receipt of complaints and redirecting to the appropriate organisation where a complaint does not fall within its own jurisdiction. This would include building and maintaining effective relationships with the equivalent organisations in Scotland, Wales

and Northern Ireland to ensure seamless delivery across geographical as well as jurisdictional boundaries.

7.	Do you agree that there should be the widest possible routes of entry to a Public Service Ombudsman?
8.	In what ways could it be made easier for citizens to access resolution and redress?

An enhanced role for the Ombudsman

As part of its primary purpose of acting as the final tier of complaints redress for citizens, any new PSO will operate the highest standards of complaint handling processes, and provide consumers with absolute confidence that final stage complaints have been handled effectively and fairly.

Alongside this, however, the Government supports Gordon's proposal that a Public Service Ombudsman should be well equipped to make a play a wider and enhanced role in dispute resolution and effective complaint handling - becoming the champion of best practice, and taking a lead in supporting a shift in the culture of complaint handling within the public sector.

Making it easier for the public to pursue a complaint to the final Ombudsman tier should mean that a Public Service Ombudsman would take receipt of a larger and more diverse range of complaints - and in turn be able to make use of a more complete set of data. By dint of working across services and jurisdictions, a new Public Service Ombudsman would have more opportunity to identify trends across sectors or emerging concerns about organisations or places. In this respect, a PSO would be well placed to highlight and challenge issues arising across the public sector, ensuring the relevant organisations are informed, and able to take early action.

A PSO will be well placed to build on the work already undertaken by the Ombudsmen to make use of emerging complaints as a means of ensuring others do not make the same mistakes. The Government will consider whether the PSO should have the discretion to instigate investigations (or widen the scope of existing complaints), working with others in the redress or regulatory sector, and with Parliament, to assess where issues are best considered. This consideration would include when the PSO would benefit from a wider range of tools and what the triggers for the use of tools could be. For example, this could include the ability for bodies to self refer to the Ombudsman where they believe an investigation is merited.

The Public Service Ombudsman, with its greater reach and greater clarity of identity, will also have an opportunity to provide a centre of excellence and expertise in complaints handling, setting standards of best practise, and providing challenge to Departments and others where those standards are not being met. This would encompass both helping organisations to drive up the quality of their complaints handling and in turn supporting those organisations through better understanding of data to improve public service provision and standards.

9	Would you support a wider role for a PSO as a champion of effective complaints handling across the public sector?
10	What range of investigative tools do you think the PSO might need?

6. How to respond to this consultation

About this consultation

Scope

This consultation applies to the law of England.

Audience

Anyone may respond to this consultation and all responses will be fully considered.

Body responsible for the consultation

Cabinet Office Ministers are responsible for this consultation.

Duration

The Government wishes to consult over 12 weeks from 25 March 2015 to 16 June 2015. The deadline for responses is 16 June 2015.

How to respond, or make an enquiry

There are two ways to respond to the consultation:

Email:

Submit your response or enquiry via email to proprietyandethicsteam@cabinetoffice.gov.uk. Please mark your email 'Ombudsman Consultation'

Postal:

Send a written response to

Ombudsman Consultation

Propriety and Ethics

Room 208

Cabinet Office

70 Whitehall

London, SW1A 2AS

If you have any questions about the consultation, please e-mail them to proprietyandethicsteam@cabinetoffice.gov.uk

When they respond, representative groups are asked to give a summary of the people and organisations they represent, and where relevant who else they have consulted in reaching their conclusions.

Responses to this consultation may be shared with other Government departments. Responses may be published in full or in a summary of responses.

All information in responses, including personal information, may be subject to publication or disclosure in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000, the Data Protection Act 1998 and the Environmental Information Regulations 2004). If you want your response to remain confidential, you should explain why confidentiality is necessary and your request will be acceded to only if it is appropriate in the circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the department.

After the consultation

We will acknowledge receipt of all responses, and all responses will be considered. A summary of responses will be published.