

16 January 2013

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Convener of the Local Government and Regeneration Committee
The Scottish Parliament
EDINBURGH
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Dear Convener,

I would like to thank the Committee for the opportunity to discuss our 2011-12 annual report and other matters relating to the office. The annual report marked the ten year anniversary of the setting up of the SPSO in October 2002, and, as well as providing the yearly update on casework and financial performance, we took the opportunity to outline the changes to our role and remit that have taken place over the past decade.

Further expansions are in the pipeline for the current year and beyond, and I discuss these in my briefing below. The changes have potential resourcing implications which the Committee may wish to probe. I also invite questions on the work of our Complaints Standards Authority, which has reached a number of milestones since I last gave evidence, not least the development of a standardised complaints handling procedure for all local authorities, which they are well on the way to implementing.

At the previous annual report evidence session in November 2011, a question was raised about the SPSO complaints handling guidance and at the March 2012 evidence session we discussed audit mechanisms. We subsequently provided the Committee with details about both areas (on our Guidance in December 2011 and on internal and external audit in April 2012). As there were no follow-up questions I trust that the information we provided assured the Committee about both areas, but I would be pleased to discuss these further.

In March 2012, we also discussed the Parliamentary procedure for considering 'special reports' laid by this office. I would like to place on record my thanks to the Committee for referring the matter to the Standards Committee. As you will be aware, that Committee discussed this issue late last year and wrote to me for more information, which I will be providing by the end of this month.

I and my colleagues look forward to taking questions from the Committee about these and any other matters you may wish to raise.

1. Complaints: rising demand and improved productivity

As the annual report states, we received a record number of complaints in 2011-12 with a total of 3,918 complaints (12% more than the previous year). The increase can mostly be attributed to complaints from the new areas brought under our remit (prisons and water). We also resolved a record number of complaints (3,748, again 12% more than the previous year). I can also provide some initial figures for the first three quarters of the current financial year. We received 3,320 complaints (a rise of 5% compared to the same period the previous year) and resolved 3,298 (a rise of 7% compared to the same period the previous year).

I am pleased that our productivity has risen, and this is a tribute to my staff who have kept pace with demand, despite the additional resources committed to taking on new areas of responsibility. As you know, we radically overhauled our business process in May 2010 and I believe this has paid dividends in terms of shortening timescales with no reduction in the quality of our service. As outlined in the annual report, following a pilot scheme we implemented a revised quality assurance process in April 2011, which was positively reviewed by our internal auditors, the Scottish Legal Aid Board.

We have also continued to ask users of our service about their experience of dealing with our office. Over the past six years we have regularly sought user feedback as a means of informing improvement, and our latest independent customer satisfaction survey was published in August 2012. It is summarised in the annual report and the findings and our action plan are on our website.

In terms of dealing with the increased demand for our service, I am of the view that the revised business process has helped us reach a high productivity level and that there are unlikely to be future significant gains without an increase in resourcing.

Local government complaints numbers and issues are discussed in the dedicated chapter in the annual report (pp 18 – 23), which is attached. In 2011-12 we received 1,527 complaints, a 4% drop compared with the previous year, although this sector still represented 39% of all the complaints we received. In the first three quarters of the current financial year we received proportionately the same as last year (1,117 complaints). There is also no change in the top areas of complaint, with housing, planning and social work topping the list.

In terms of significant trends, 2011-12 saw:

- *An increase in upholds (complaints that were valid for investigation and that we fully or partially upheld).* The overall level of upheld complaints rose from 34% in 2010-11 to 39% in 2011-12. In the health sector – where we can look at clinical decisions as well as administrative processes – the level of upheld complaints rose from 45% to 56%. In the local government sector, where we cannot look at discretionary decisions, it rose from 29% to 32%. I believe the fact that around a third of all duly made complaints reviewed by the SPSO were upheld as a result of public bodies getting decisions wrong clearly demonstrates the need for changes in both the process and culture of public service providers' complaints procedures.
- *A decrease in premature complaints (complaints that came to the SPSO too early).* The overall level of premature complaints we received fell from 51% in 2009-10 to 45% in 2010-11 and 43% in 2011-12. Sectoral differences remained, but it is satisfying that the level of premature complaints received about local government has fallen from 55% in 2010-11 to 52% in 2011-12.

2. Expansion of SPSO remit

The increase in overall complaints numbers comes against a backdrop of a number of potential or planned changes to our remit, either incrementally as a result of changes in responsibilities of bodies under jurisdiction or through direct additions or extensions to our remit. There is an additional significant pressure that affects us more widely, in terms of our expanded role in improving complaints standards across the public sector. I will deal with these areas in turn.

2.1 Changes to the landscape

I am currently aware of the following potential or confirmed changes:

- *Social Work complaints procedures* These are currently under review by the Government and any change to the current system will have an impact on complaints numbers and the expertise required within the SPSO. The volume and scope of our involvement will depend on the decisions made through the working group in which we are participating and which will meet in early 2013.
- *Health and social care services integration* Changes in the way services are organised and delivered also throw up challenges for users. We are continuing to highlight our concerns about the lack of reference to how complaints should be handled, given the overlapping procedures and legislative routes for complaints under the proposed integration model. There are significant implications for us in terms of how to deal with complaints that come to us through the different routes.
- *Prison health complaints* SPSO automatically assumed responsibility for these in November 2011 following the transfer of responsibility for prison healthcare to the NHS. Numbers coming to SPSO have been low when compared to the volume taken to review by Scottish Ministers under the previous arrangements, and I expect to see them rise in future.
- *Abolition of the UK-based Social Fund scheme and the independent review of the social fund decisions review body (IRS)* Scottish local authorities will take on a new role providing a replacement for the Community Care Grants and Crisis Loans and the current proposal is for local authorities to also provide a second tier review of the decision. This automatically comes within the remit of the SPSO and the impact could be significant.
- *Other structural changes* There is potential impact on us from changes to the powers of bodies under our jurisdiction, or from new bodies. For example we expect that Revenue Scotland, a new tax administration body, will come under the remit of the SPSO in 2015.

The cumulative effect of these changes (if all confirmed) is difficult to predict due to lack of existing equivalent provision or difficulties comparing existing provision. We are considering ways in which we can help address this, including working more intensively with those bodies who, by the nature of their size or their business, bring a higher volume of complaints to this office. However, our ability to achieve this is also subject to resource constraints. We are also considering creating a Scottish panel of advisers, particularly for health complaints, which we believe will bring about further efficiencies by reducing the current timescales involved in accessing independent advice from other parts of the UK.

I would also add, as outlined in the financial performance section of the annual report (p 52), that we have been proactive on the shared services agenda and made significant savings

by sharing office space with, and providing corporate services to, other offices that the SPCB support. Nevertheless, there is a clear picture emerging of increasing demand on our services at a time of reduced resources. I have had discussions with the SPCB and the Government about the potential impact on SPSO of these expansions, and while I fully appreciate the climate of financial constraints, I would be remiss not to lay down a marker with this Committee as well.

2.2 Standardising complaints procedures

While I am very pleased indeed with the progress our Complaints Standards Authority has made in developing standardised complaints procedures (CHPs) and setting up monitoring arrangements (outlined below), I believe that the key to ensuring that complaints are handled 'right first time' is to provide on-going support. I want us to be able to continue to focus on supporting bodies through direct engagement, training and guidance to improve their investigation and resolution of complaints. There is a real opportunity to improve services through these more accessible, streamlined processes, but there is also a possibility of these processes prompting increased numbers of complaints to us - an unintended consequence of the changes.

3. Complaints Standards Authority

The dedicated chapter in the annual report outlines the background to this work and there is much more information on the CSA's website at www.valuingcomplaints.org.uk. To bring the Committee up to date I outline below the most significant achievements to date in implementing the Sinclair recommendations:

- Standardised CHPs published and currently being implemented across the local government, housing, FE and HE sectors. All local authorities and RSLs have committed to implementing the new 2-stage approach by March 2013, and over a quarter of local authorities and over 40% of RSLs have already confirmed implementation across all services;
- an e-learning platform established providing training to frontline public sector staff to complement the on-going direct delivery of courses by our Training Unit service ;
- complaints handling networks established for key sectors to share best practice, benchmark performance and to provide input on complaints handling issues on a sectoral basis;
- Valuing Complaints website developed to include an online forum for complaints handlers to network and share best practice and to provide good practice guidance electronically, bringing together complaints handlers from across sectors;
- We are on the way to having clear and consistent complaints performance information collected and published by all bodies for the first time in 2013/14, through the requirements of the CHPs and our engagement with Audit Scotland and other regulatory bodies. I am conscious of the Committee's locus in matters of benchmarking and performance management in public services and local government, and trust that standardised definitions and reporting criteria for complaints are a welcome addition.

Our focus for 2013/14 is to publish and implement the model CHP for the remaining (approximately 100) bodies in the 'sector' covering the Scottish Government, Scottish Parliament and associated bodies, including agencies, NDPBs and other sponsored bodies.

On an on-going basis we will also be continuing our support for all bodies to implement the CHPs and to improve handling of complaints through direct support from the CSA, training and the recently established complaints handling networks.

Throughout this period, and on an on-going basis, we will continue to monitor compliance and performance. Compliance, although monitored through the frameworks of the Scottish Housing Regulator, Audit Scotland and Scottish Funding Council, will primarily consist of SPSO assessment of procedures and whether these are operating effectively in practice and it is this that will take up most of the available CSA time.

I believe that by adopting streamlined procedures, ensuring ownership from the top, empowering frontline staff and skilling up investigative staff, public service providers can bring about the culture change envisaged by Lorne Crerar and Douglas Sinclair and use complaints effectively to drive improvements in our public services.

I hope Committee members find this summary useful. I look forward to discussing our work with you in more detail at the meeting.

Yours sincerely

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