30 January 2015

Clive Betts MP
Chair, Communities and Local Government Committee
House of Commons
London
SW1P 3JA

If telephoning contact: Lisa Penny on 024 7682 0019
email address: l.penny@lgo.org.uk

Dear Clive,

Thank you for your letter of 6 January inviting me to provide a further progress report on the work of the Local Government Ombudsman.

You asked that I cover four specific points:

• When the results of the 2014 staff survey will be published.

Given the significant improvements in staff feedback in the 2013 survey, and mindful of the costs associated with commissioning an independent survey, we have agreed that we will in future repeat our staff survey every two years. The next survey will therefore be carried out in the 2015/16 business year. I will ensure that the outcome is shared with the Committee at that time.

• A report setting out the 2014-15 budget with spend to date

The Local Government Ombudsman service continues to operate on a lean budget and has one of the lowest costs per complaint of any comparable scheme in the UK. Our management accounts for December 2014 forecast that LGO's spending in the 2014/15 financial year will be within 1% of planned budget. This forecast takes account of a declared under-spend of £169k. This figure is primarily related to salary costs, and is the result of difficulties we have faced during the year in recruiting investigative staff. This was due to restrictions on advertising and future budget uncertainty. As a consequence, we have operated for most of this year below our full establishment of investigators, which has put additional pressure on our staff to maintain casework performance. We are currently undertaking further recruitment exercises in order to fill remaining vacancies and we hope to have the full establishment we require, and a fully committed budget, during the new financial year.
• Current handling rates for cases before the LGO

Despite pressures on capacity, my staff have worked hard to maintain strong performance throughout the year to date. We continue to deal with case volumes at a level equivalent to those we experienced before we implemented our Transformation Plan and reduced our budget by 35%. The most recent performance figures for our case handling times (for the year to December) show:

<table>
<thead>
<tr>
<th>Service standard</th>
<th>Target</th>
<th>Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cells answered in 60 seconds</td>
<td>95%</td>
<td>98.1%</td>
</tr>
<tr>
<td>Initial contacts dealt with in one working day</td>
<td>99%</td>
<td>99.6%</td>
</tr>
<tr>
<td>Case decisions made in 13 weeks</td>
<td>65%</td>
<td>84.2%</td>
</tr>
<tr>
<td>Case decisions made in 26 weeks</td>
<td>85%</td>
<td>94.7%</td>
</tr>
<tr>
<td>Case decisions made in 52 weeks</td>
<td>99%</td>
<td>99.1%</td>
</tr>
</tbody>
</table>

However, behind this positive picture we are currently managing significant and rising internal pressures on team and individual caseloads, which do threaten the longer term sustainability of current service levels. It is therefore essential that we fill all vacant investigator posts if we are to maintain performance standards in the year ahead.

We will also be relocating the majority of our staff to shared government premises – this affects all staff in our headquarters in Coventry and in our York office. This will make further savings on accommodation costs but moving will inevitably bring with it business challenges associated with any upheaval and has the potential for further impact on organisational performance.

• Any developments in the next six months to which the Committee should be alerted

I intend to publish two reports in the next six months that will be of interest to the Committee.

  o In February I will be publishing a Focus Report drawing upon our experience of the operation of the children's services' complaints process in local authorities. As well as highlighting individual case studies, this report will be examining whether the existing children's complaints system is exhibiting signs of pressure.

  o In June I will be publishing my second annual review of local government complaints. This report will highlight trends in complaints over the year and will comment on the overall health and effectiveness of the local authority complaints process, looking in particular at councils' capacity to deal with complaints and their compliance with my recommendations. This report corresponds with the annual letters that I send to every local authority Chief Executive and Council Leader, which feedback our complaints data and any specific points we wish to raise.

In the wider policy environment, I anticipate two significant developments in the next six months that may affect the future work of the Local Government Ombudsman.

  o The first of these is the Triennial Review of the Local Government Act 1974. Every three years we are required to review the effectiveness of the statutory framework within which we work, and bring forward recommendations for changes to our primary legislation. The next review is due in Spring this year and provides a timely opportunity to ensure that the LGO's powers and remit continue to remain relevant to the public in a fast changing public service environment. In particular I expect to recommend changes that will clarify the role of the ombudsman in providing a simple route to redress for the
public where services are delivered through complex multi-agency arrangements. This review may also provide an opportunity for Government to address the recommendations that your Committee and Robert Gordon have previously made regarding the governance of the LGO scheme.

o A further opportunity to address these issues may arise from the recommendations contained in the Public Administration Select Committee report which called for the creation of a 'People's Ombudsman', and the wider review of public sector ombudsman services currently being carried out by Robert Gordon. I welcome the opportunity that may bring to modernise the powers and accessibility of public ombudsmen arrangements. Should the opportunity arise, I will be happy to share the experience of the LGO to help inform that debate about the particular context of local service complaints and local accountability.

Finally, the Committee may be interested to learn that, building upon your previous recommendation that we establish a panel of service users to provide feedback on our work, we are now establishing an additional panel made up of local councillors to provide stakeholder views from the perspective of elected members. This panel will be looking at how we can better support councillors to bring complaints to the LGO in their role as constituency representatives, and also how LGO can provide more information to members to further empower their role in the local scrutiny process. Should you, or a member of your Committee, wish to attend a meeting of the Councillor Forum, I would be delighted to make the necessary arrangements.

Thank you for your continued interest in the work of the Local Government Ombudsman. I hope that this information assists the work of the Committee.

Dr Jane Martin  
Chair, Commission for Local Administration in England  
Local Government Ombudsman