



Parliamentary
and Health Service
Ombudsman

Four year strategic plan 2011-15



Contents

1	Foreword	3
2	Role, vision and values	4
3	Strategic objectives: 2011-15	5
4	Measuring success	7
5	Governance	13
6	Risk management	15
7	Resources	16

1 Foreword



This *Strategic Plan* sets out the objectives for the Parliamentary and Health Service Ombudsman from 2011-15 and explains how individuals and the wider public will benefit from the work that we do. It outlines how we will measure our success over this period, and explains how our organisation is run and how we will manage the risks we face in delivering our objectives.

This is our first *Strategic Plan* to cover a four year period, reflecting our Parliamentary funding settlement for 2011-15 which was sanctioned in October 2010. Our new financial strategy, outlined here, sets out how we will use the resources available to us and ensure the most effective use of public funds.

Our work provides a dual benefit, for individual complainants and for the wider public. This *Strategic Plan* sets out 40 performance indicators that measure our success in achieving this. Ten of these, our key performance indicators, are particular priorities for us in the delivery of our objectives – to provide an independent, high quality and accessible complaint handling service and to drive improvements in public services and inform public policy. Our *Corporate Business Plan 2011-12*, which is published alongside this four year *Strategic Plan*, identifies the particular activities we will be undertaking in the year ahead to meet these objectives.

We aim to secure good outcomes for the individuals who complain to us, from providing advice and assistance on where and how to complain, through to independent and impartial assessment or investigation of their complaint. We measure our success in doing this through the public awareness of our service, our performance against our customer service standards, independent customer satisfaction research, challenges made to our decisions and what complainants and bodies in jurisdiction say about our decisions.

The wider public benefits from the evidence emerging from our casework and from our expertise in good administration and complaint handling. By using this information effectively, we can help drive improvements to public services and inform public policy. We measure our success in achieving this objective by the extent to which our authority is recognised, the impact of our reports and recommendations and the public policies that are informed by our work.

We aim to equip our people with all that they need to deliver these benefits to individuals and the wider public. We measure our success in achieving this through regular audits of our governance and financial management systems, the engagement and diversity of our people, the way we manage information and the effectiveness of the systems and technologies we use every day.

As this plan explains, we want to be known as an organisation that lives its values of Excellence, Leadership, Integrity and Diversity and also for our independence and authority. The way in which we undertake our work is as important to us as what we achieve and this four year Plan, together with our more detailed *Corporate Business Plan* for the year ahead, sets out for our customers, staff and stakeholders not only what we will do, but how we will do it, and what they can expect from us.

A handwritten signature in black ink that reads "Ann Abraham". The signature is written in a cursive, flowing style.

Ann Abraham
Parliamentary and Health Service Ombudsman
July 2011

2 Role, vision and values

Our role

The Parliamentary and Health Service Ombudsman considers complaints that government departments, a range of other public bodies in the UK, and the NHS in England, have not acted properly or fairly or have provided a poor service.

Our vision

To provide an independent, high quality complaint handling service that rights individual wrongs, drives improvements in public services and informs public policy.

Our values

Excellence

We pursue excellence in all that we do in order to provide the best possible service:

- We seek feedback to achieve learning and continuous improvement.
- We operate thorough and rigorous processes to reach sound, evidence-based judgments.
- We are committed to enabling and developing our people so that they can provide an excellent service.

Leadership

We lead by example so that our work will have a positive impact:

- We set high standards for ourselves and others.
- We are an exemplar and provide expert advice in complaint handling.
- We share learning to achieve improvement.

Integrity

We are open, honest and straightforward in all our dealings, and use time, money and resources effectively:

- We are consistent and transparent in our actions and decisions.
- We take responsibility for our actions and hold ourselves accountable for all that we do.
- We treat people fairly.

Diversity

We value people and their diversity and strive to be inclusive:

- We respect others, regardless of personal differences.
- We listen to people to understand their needs and tailor our service accordingly.
- We promote equal access to our service for all members of the community.

Our values shape our behaviour, both as an organisation and as individuals, and incorporate the *Ombudsman's Principles*.

3 Strategic objectives: 2011-15

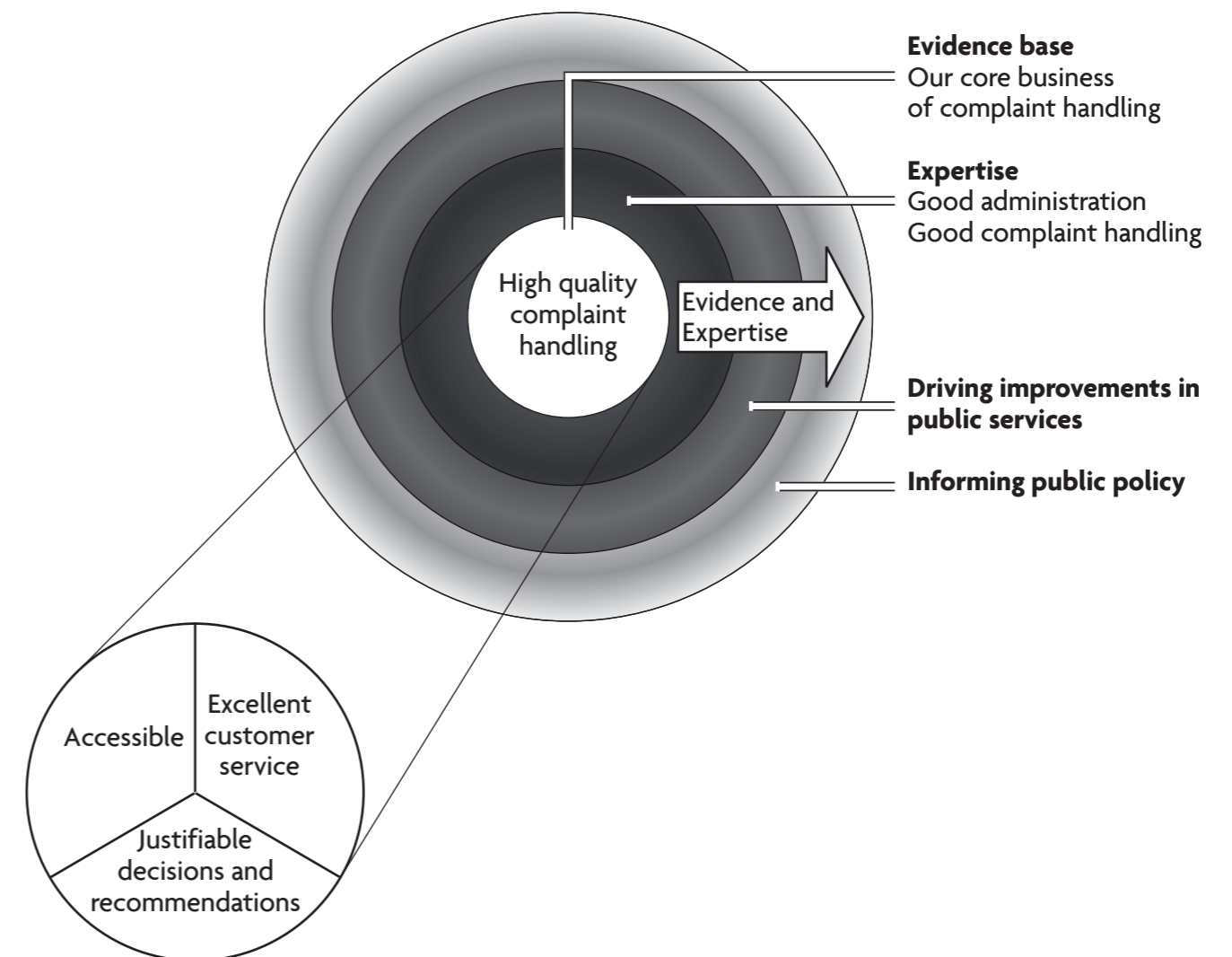
The Parliamentary and Health Service Ombudsman has two strategic objectives which reflect our aim and vision of providing an independent, high quality complaint handling service that rights individual wrongs, drives improvements in public services and informs public policy.

Our two strategic objectives also reflect the dual aspect of our work: individual benefit through our core business of complaint handling; and a wider public benefit through sharing our evidence and expertise.

Individual benefit is delivered by securing good outcomes for complainants, and others who have suffered as a result of the same maladministration or poor service, through our interventions and investigations.

The wider public benefit is secured through the combination of our evidence base, our expertise in good administration and good complaint handling, and our acknowledged independence and impartiality. This mix enables us to provide authoritative evidence and expertise to support public bodies in our jurisdiction in improving their service; and which others may draw on in developing public policy.

The dual aspect of the Office's work is illustrated in the following model.



The model incorporates the Office's two strategic objectives. These are described below, together with a description of the associated outcomes that we will use to measure success in meeting our objectives.

Individual benefit

Strategic objective 1

To provide an independent, high quality and accessible complaint handling service that rights individual wrongs.

Outcomes

- People who need us come to us at the right time for the right reason
- Excellent customer service
- Our decisions are clear, soundly-based and impartial
- Good outcomes for complainants are achieved as a result of our interventions and our investigations.

Public benefit

Strategic objective 2

To drive improvements in public services and inform public policy.

Outcomes

- We are recognised as the authority on good administration and good complaint handling
- Bodies in jurisdiction apply the *Ombudsman's Principles* in the design and delivery of public services
- Improvements in public services are secured as a result of our reports and recommendations
- Specific policies are informed by our work.

Good management of the business and of people is critical to the success of any organisation and essential to the delivery of our strategic objectives. We have summarised this in what we describe as our 'enabling objective', which is shown below together with a description of the associated outcomes that we will use to measure our success in meeting it.

Enabling objective

Enabling objective

To equip our people with the skills, knowledge, systems and resources to deliver our strategic objectives.

Outcomes

- We effectively manage our business and our financial resources to secure maximum benefit
- We have a well-led, diverse workforce with the motivation, capability and capacity to deliver high performance
- We are effective in sharing our knowledge and in managing our information
- We have effective and efficient systems and a positive working environment
- We live our values and meet or exceed our corporate statutory responsibilities.

4 Measuring success

We measure our success according to the achievement of our strategic and enabling objectives, and by the way in which we go about our work. We want our customers and wider stakeholders to know us as an organisation that lives its values of Excellence, Leadership, Integrity and Diversity and demonstrates its independence and authority.

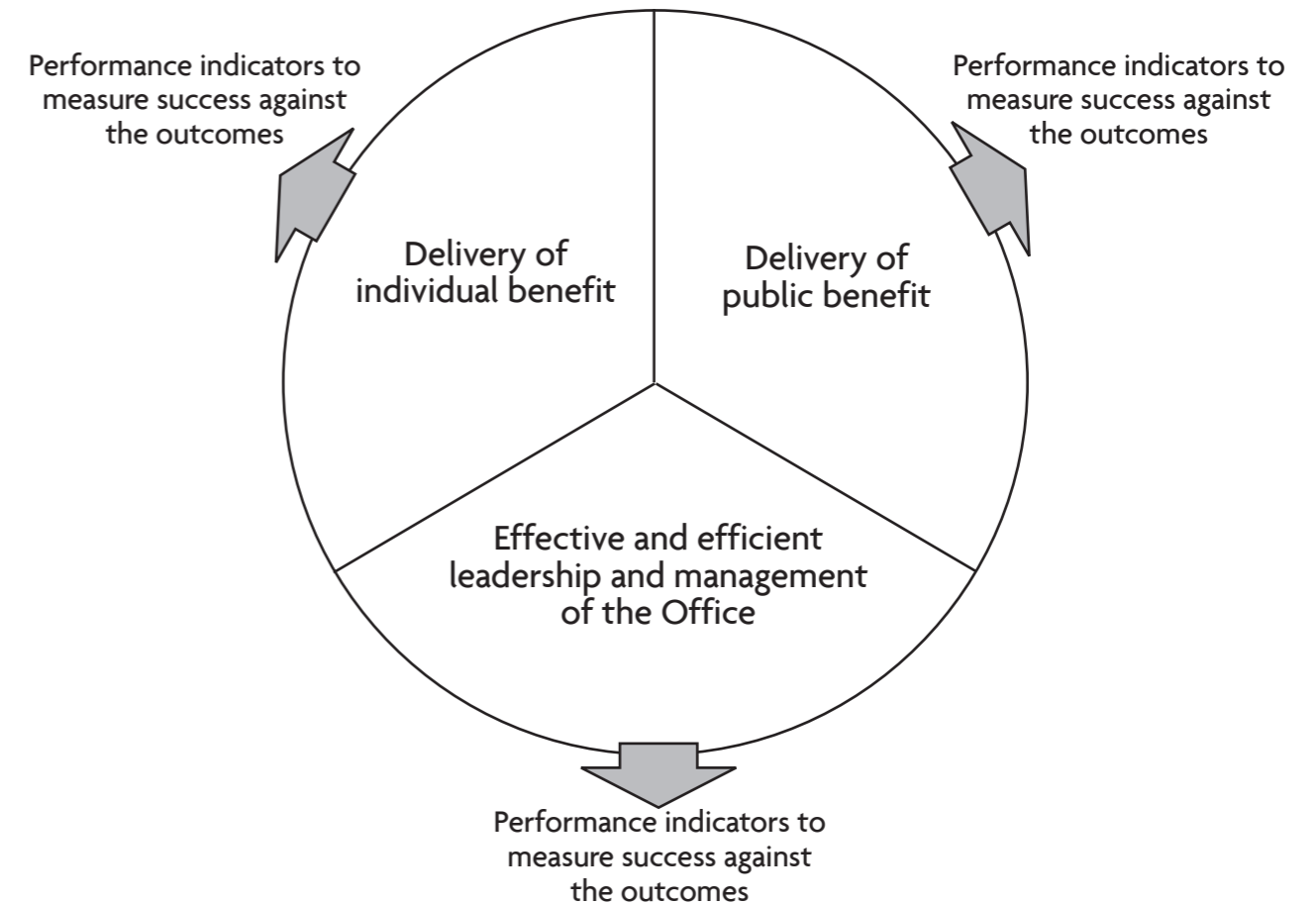
We assess our reputation in these areas by using a range of appropriate performance indicators from our Balanced Scorecard (see below), supplemented by additional specific research as necessary.

Our Balanced Scorecard

The Parliamentary and Health Service Ombudsman uses a 'Balanced Scorecard' approach to measuring the successful delivery of our strategic and enabling objectives. Our scorecard has been designed to be specific to our needs and balances:

- The delivery of individual benefit
- The delivery of public benefit
- Effective and efficient leadership and management of the Office.

The Balanced Scorecard



Our scorecard comprises a range of forty performance indicators that measure our success year on year against the outcomes of our strategic and enabling objectives and these are shown on the following pages. Ten of these are our Key Performance Indicators which we judge to be the most significant.

The Parliamentary and Health Service Ombudsman's ten Key Performance Indicators:

- Public awareness of our service
- Comparisons of demographic profiles
- Performance against customer service standards
- Customer service satisfaction ratings
- What complainants say about our decisions
- Percentage of recommendations accepted
- Impact of our reports and recommendations
- Audits of our governance
- Engagement index from our People Survey
- Diversity of our workforce at all levels

Strategic Objective 1: Individual Benefit

Outcome	Performance Indicator
People who need us come to us at the right time for the right reason	→ Public awareness of our service
	◆ Accessibility of our service
	→ Comparisons of demographic profiles
	◆ Proportion of premature, out of time and out of remit enquiries
An excellent customer service	→ Performance against customer service standards
	◆ Performance on complaints about our service
	→ Customer service satisfaction ratings
Our decisions are clear, soundly-based and impartial	◆ Outcome of legal challenges (applications for judicial review)
	◆ Outcome of legal challenges (judicial reviews)
	◆ Performance on complaints about our decisions
	→ What complainants say about our decisions
	◆ What bodies in jurisdiction say about our decisions
Good outcomes for complainants are achieved as a result of our interventions and our investigations	◆ Percentage of interventions with a positive outcome for the complainant
	→ Percentage of recommendations accepted
	◆ What complainants say about the outcome of our interventions and investigations

→ Key Performance Indicator

◆ Performance Indicator

Strategic Objective 2: Public Benefit

Outcome	Performance Indicator
We are recognised as the authority on good administration and good complaint handling	<ul style="list-style-type: none"> ◆ Extent of recognition of authority on good administration by bodies in jurisdiction ◆ Extent of recognition of authority on good administration by the 'wider community' ◆ Extent of recognition of authority on good complaint handling by bodies in jurisdiction ◆ Extent of recognition of authority on good complaint handling by the 'wider community' ◆ Public profile statistics
Bodies in jurisdiction apply the <i>Ombudsman's Principles</i> in the design and delivery of public services	<ul style="list-style-type: none"> ◆ Bodies applying the <i>Ombudsman's Principles</i>
Improvements in public services are secured as a result of our reports and recommendations	<ul style="list-style-type: none"> → Impact of our reports and recommendations
Specific policies are informed by our work	<ul style="list-style-type: none"> ◆ Public policies informed by our work

→ Key Performance Indicator

◆ Performance Indicator

Enabling Objective: Effective and Efficient Leadership and Management

Outcome	Performance Indicator
We effectively manage our business and our financial resources to secure maximum benefit	<ul style="list-style-type: none"> ◆ Audits of financial accounting and reporting systems ◆ Financial performance measures ◆ Value for money audits → Audits of our governance
We have a well-led, diverse workforce with the motivation, capability and capacity to deliver high performance	<ul style="list-style-type: none"> ◆ Investors in People accreditation → Engagement index from our People Survey ◆ Comments from our People Survey ◆ Workforce statistics ◆ Performance management assessment → Diversity of our workforce at all levels
We are effective in sharing our knowledge and in managing our information	<ul style="list-style-type: none"> ◆ Records and Information Management ◆ Publication Scheme
We have effective and efficient systems and a positive working environment	<ul style="list-style-type: none"> ◆ ICT performance statistics ◆ Effectiveness of the working environment ◆ Case management system performance
We live our values and meet or exceed our corporate statutory responsibilities	<ul style="list-style-type: none"> ◆ Compliance with our statutory responsibilities ◆ Values (incorporating the <i>Ombudsman's Principles</i>)

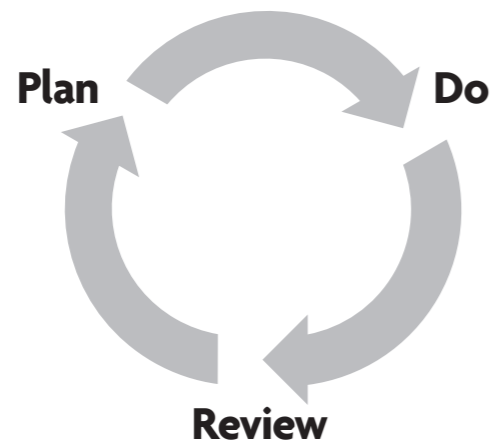
→ Key Performance Indicator

◆ Performance Indicator

Our Research Strategy outlines how we will gather and analyse quality-assured data from a number of internal and external sources to monitor our performance indicators and populate our scorecard.

Performance Monitoring

The Office uses a standard 'Plan-Do-Review' Corporate Planning and Performance Framework.



Each year we review and refresh our *Strategic Plan* and develop an annual *Corporate Business Plan* which identifies the priorities and key activities for the business year ahead, including our service standards and any numeric performance targets.

During the year, management receives monthly and quarterly reports on performance against the *Corporate Business Plan* deliverables. At the end of each year we report our performance against our *Corporate Business Plan* deliverables in our published statutory *Annual Report* and in our *Resource Accounts*.

An analysis of the strategic position of the organisation, based on our Key Performance Indicators and an assessment of our reputation, is provided on an annual basis to senior management and to our Advisory Board to inform each planning round.

5 Governance

The Parliamentary and Health Service Ombudsman combines the two statutory roles of Parliamentary Commissioner for Administration and Health Service Commissioner for England, whose powers are set out in the *Parliamentary Commissioner Act 1967* and the *Health Service Commissioners Act 1993* respectively. The Ombudsman is solely responsible and accountable for the conduct and administration of all work carried out by the Office and for the decisions made in each case.

The Advisory Board

To enhance the governance of the Office, improve the transparency with which it operates and bolster the independence of the role, the Ombudsman has appointed a non-statutory Advisory Board. This comprises the Ombudsman herself (as Chair and Chief Executive in line with her statutory accountability); and up to four non-executive members who bring an external perspective to the Office's work. In addition to the Ombudsman, the other members of the Office's Executive Board (see below) are also in attendance at the Advisory Board.

The role of the Advisory Board is to act as a 'critical friend', to provide support and advice to the Ombudsman in providing leadership and good governance of the Office and to bring an external perspective to assist in the development of policy and practice. The Advisory Board provides specific advice and support on:

- purpose, vision and values;
- strategic direction and planning;
- accountability to stakeholders, including stewardship of public funds; and
- internal control arrangements and risk management arrangements.

The Advisory Board has two formal sub-committees – an Audit Committee and a Pay Committee – which have key roles in supporting the effective governance of the Office. The Audit Committee is comprised of an external Chair, two further external members and the Ombudsman; the Committee is responsible for providing advice and assurance on the Office's internal control arrangements as evidenced by the Office's audit programme. The Pay Committee is comprised of the Ombudsman and two of the Advisory Board members, and provides advice on the Office's pay arrangements and determines the pay of senior staff.

Executive Board

An Executive Board chaired by the Ombudsman – and including the Deputy Ombudsman, Deputy Chief Executive and the Director of Communications – exercises management of the Office's functions and activities. The Executive Board is responsible for the delivery of the Office's strategic vision, policies and services to the public and other stakeholders.

The Executive Board meets regularly and is responsible for co-ordinating activity across the organisation. It is the primary forum for making executive decisions about operational, resource, communications and other administrative matters in order to deliver the annual *Corporate Business Plan*, and for monitoring performance. The role of the Executive Board in decision making carries with it a recognition that, on occasion, there will be some issues for which the decision maker must be the Ombudsman alone.

Governance

The Parliamentary and Health Service Ombudsman's Governance Statement sets out the basis on which the Office has been established, the way in which it is governed and managed, and how it is accountable for what it does.

The Governance Statement can be found at:

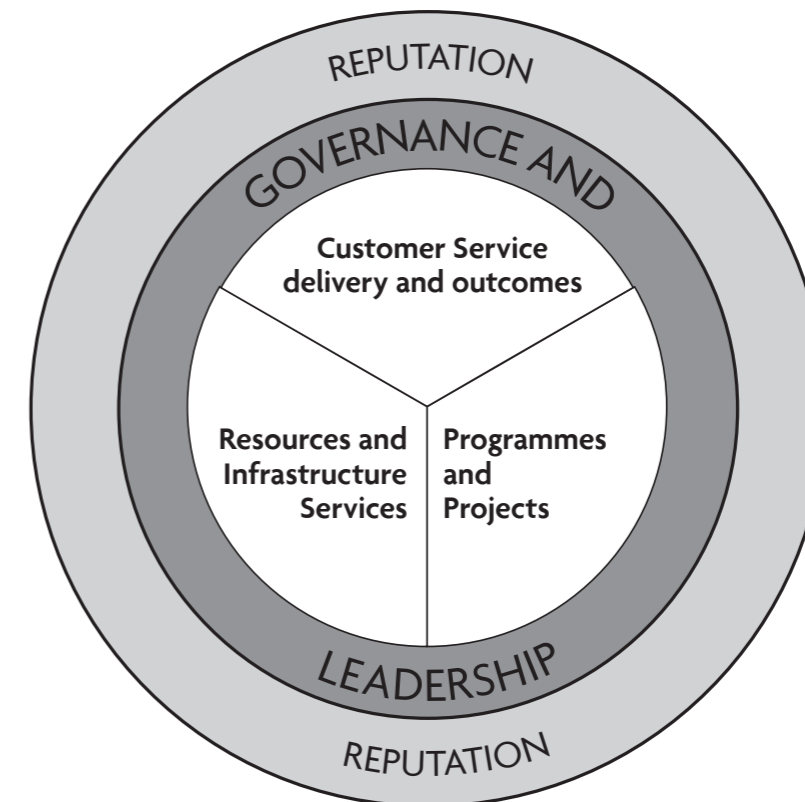
<http://www.ombudsman.org.uk/about-us/our-role/governance/governance-statement>.

6 Risk management

The Office has a Risk Management Framework that sets out our risk policy, risk appetite and management approach. The framework uses simple, non-bureaucratic processes reflecting best practice. The key aim is to encourage our staff at all levels to identify and respond to risks in a positive way, which supports effective delivery, innovation and improvement – within a framework of analysis, evaluation and review.

Our Framework is based on a strategic risk model that identifies key risk areas and is designed to work dynamically in recognising and addressing risks changing or emerging through the year. The current model was reviewed during 2010-11 and we are content that it remains valid. Key strategic risk areas are:

- Overarching risks to the Office's reputation and credibility in providing an effective complaint handling service that delivers on its objectives
- Risks to effective governance and leadership required to manage the Office's business effectively
- Risks at operational, infrastructure, and programme and project levels critical to the delivery of our business.



Strategic risks are reviewed by the Executive Board on a quarterly basis and periodically by the Advisory Board and the Audit Committee. A review of the strategic risks, and the processes by which they are managed, is carried out at least biennially, but also in-year when appropriate. The adequacy of the Office's risk management framework is subject to an internal audit on an annual basis.

Risk is also managed below the strategic level (at Divisional, Directorate, project and contractual level). In order to integrate risk management with the business planning process, these local level risks are managed alongside business plan activities within our business plan activity monitoring system.

The Office's full Risk Management Framework is available on request.

7 Resources

The Office's four-year Parliamentary funding settlement for the period 2011-15 was sanctioned in October 2010. The settlement provides for annual net resources of £34m each year and annual capital investment funding of £0.7m.

The settlement continues the 'flat cash' basis applied for the previous period, 2008-11, which means that salary and other inflationary pressures will again be met through savings, rather than being funded through taxation. In addition, the Office has agreed to absorb expected increases in our workload other than the emergence of some exceptionally challenging cases which means this is impossible and when we may require additional resources. The Office will continuously and closely monitor changes to our workload and the implications for the use of our resources over the settlement period.

To mitigate financial risks and to provide some cover for exceptional cases, the settlement provides for access to further funding of up to £2.5m (resource) and £0.25m (capital) in total over the four-year period if the need arises.

In April 2011 the Executive Board agreed the Office's 2011-15 Financial Strategy, which will:

- meet the four-year Parliamentary funding settlement for 2011-15
- support the delivery of the Office's strategic and enabling objectives set out in this *Strategic Plan* and the corporate priorities set out annually in our published *Corporate Business Plans*
- reflect the Office's values, particularly in respect of ensuring the effective use of our money and resources, by promoting and supporting effective resource management in the Office
- establish annual financial management and budgetary control targets which will be set out annually in our published *Corporate Business Plans*.

The Office's capital investment plans are laid out in its 2011-15 Capital Investment Strategy, which was agreed by the Executive Board in November 2010.

If you would like this report in a different format, such as DAISY or large print, please contact us.

0300 061 4102
phso.enquiries@ombudsman.org.uk

www.ombudsman.org.uk

