

Please note

The telephone numbers of the Parliamentary and Health Service Ombudsman changed on 15 March 2009.

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**Parliamentary
and Health Service
Ombudsman**

Three Year Strategic Plan 2008-11

Table of contents

Foreword	3
1 Role, vision and values	5
2 Strategic objectives: 2008-11	6
3 Measuring success	9
4 Governance and Risk Management.....	12
5 Resources	14

Foreword

PHSO reviews and refreshes its Three Year Strategic Plan every year. This Plan outlines our objectives and priorities for the period from 2008-11. These are based on previous achievements, but they have been refined both in the light of our developing understanding of our business and also to reflect significant changes in the environment in which we work.

During 2007-08 we undertook a major restructuring programme focused on enabling us to move closer towards achieving our strategic aims and objectives. Central to the new structure, completed in the late autumn of 2007, was a recognition of both the individual benefit that we provide to complainants through our core business of investigating complaints and the wider public benefit which stems from the effective use of our evidence base and our expertise in good administration and good complaint handling to drive improvements in public service delivery and to inform public policy. This thinking was at the heart of the publication in March 2007 of our *Principles of Good Administration* and in October 2007 of our *Principles for Remedy*. This framework of principles, along with an enhanced understanding of the importance of human rights in our work, enables us to set out clearly what the Ombudsman expects of public bodies and, indeed, the tests which we apply to our own work.

A number of external developments have been or will be highly significant in our work. Notable among these is the planned change to health and social care complaints arrangements. The removal of the complaint handling function of the Healthcare Commission - scheduled for April 2009 - and the move from a three-stage to a two-stage system for NHS complaints - is a welcome development because it will simplify the system for the user. But the change will make it even more important that we manage our workload effectively. The new arrangements for child support and any changes to the handling of prison complaints could also have an impact on our work.

Our Three Year Strategic Plan has been reviewed and updated to reflect these important internal and external developments. The Plan includes a new statement of aim and vision, firmly based on past wording but expressing more clearly how our ability to help the individual and to support improvements in public services is dependent on our expertise in complaint handling and on our capability to deliver a high quality, independent service.

Restating our aim and vision has led us to restate our strategic objectives to better reflect the two main aspects of our work: delivering benefit to individuals through our complaint handling service and providing public benefit by driving improvements in public services through the use of our unique knowledge and expertise. These objectives are supported by a performance framework linked to specific, measurable outcomes.

It is perhaps as important to say what has not changed: the statement of my role as Parliamentary and Health Service Ombudsman remains, as do our core organisational values of excellence, leadership, integrity and diversity, albeit strengthened by our commitment to the *Principles of Good Administration*.

Delivering our objectives will be challenging, but I believe that they are framed with the necessary clarity and realism. I am also confident that we have the right structures in place and that during the coming years the Office will continue to build on the skills and resources it already has in order to meet the challenge and to succeed. I look forward to working with PHSO staff to achieve that.

Ann Abraham
Parliamentary and Health Service Ombudsman

1 Role, vision and values

The Parliamentary and Health Service Ombudsman (PHSO) exists to:

Provide a service to the public by undertaking independent investigations into 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 aim and vision is:

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

Our values shape our behaviour, both as an organisation and as individuals working in PHSO, and incorporate our *Principles of Good Administration*.

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 staff 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.

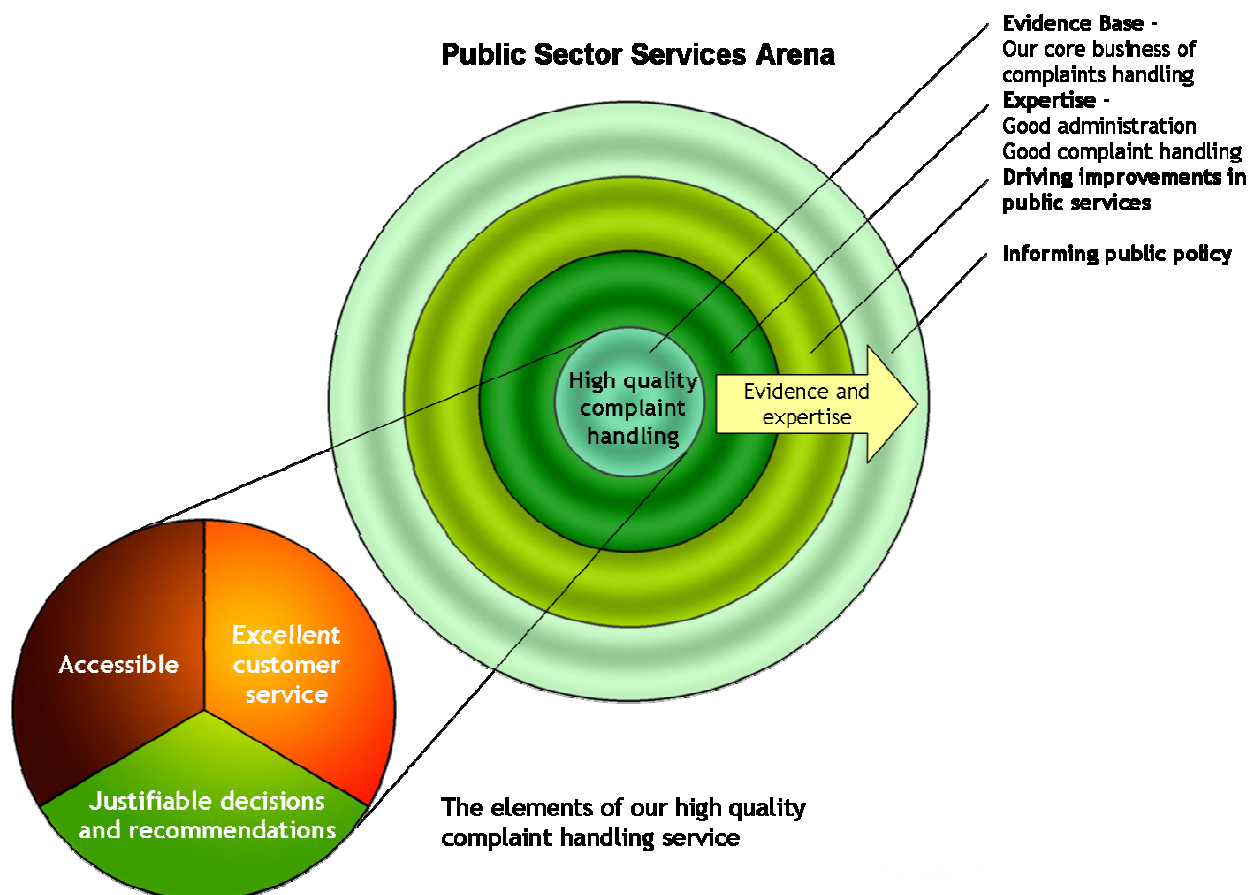
2 Strategic objectives: 2008-11

The work of the Ombudsman has a dual aspect: individual benefit through our core business to complainants, and others who have suffered as a result of the same maladministration or poor service, and the provision of a wider ‘public benefit’.

This wider ‘public benefit’ stems from the effective use of our evidence base and our expertise in providing a high quality complaint handling service, together with an acknowledged reputation for independence and impartiality. This enables us to provide expertise in good administration and good complaint handling, drive improvements in public service delivery, and inform public policy.

This approach recognises that the purpose of PHSO is not just to provide a retrospective remedy for injustice resulting from maladministration, but also to act with a view to securing prospective improvements in the wider public interest.

We must also recognise that there are various stages of influence in the wider public sector arena, and that it is through a joint focus on our core business and a sound external relations strategy that we will enable our influence to spread. This dual aspect of the work of the Ombudsman (internal and external) is demonstrated in the following model:



The model clearly shows PHSO’s two strategic objectives. These are described below, together with a description of the measurable outcomes that we will use to demonstrate success in meeting those objectives.

Individual benefit

Strategic Objective 1	<i>To provide an independent, high quality and accessible complaints handling service that rights individual wrongs</i>		
Outcome	People who need us come to us at the right time for the right reason	Excellent customer service	Decisions and recommendations are clear, impartial and justified, and remedies are secured

Public benefit

Strategic Objective 2	<i>To drive improvements in public services and inform public policy</i>			
Outcome	We are recognised as the authority on good administration and good complaint handling	Bodies in jurisdiction apply PHSO’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 our people is a key objective of any organisation and is at the heart of enabling successful delivery of PHSO’s strategic objectives. We have summarised this in what we describe as our ‘enabling objective’, together with the measurable outcomes we will use to demonstrate success in this area.

Enabling objective

	<i>To equip our people with the skills, knowledge, systems and resources to deliver our strategic objectives</i>				
Outcome	We effectively manage our financial resources to secure maximum benefit	We have a diverse workforce with the motivation, capability and capacity for 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

		delivery			
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Each year we review our business priorities to ensure that we can make demonstrable progress towards delivering our strategic objectives. These priorities can be found in our published annual Corporate Business Plans and they provide the framework and structure for the activities and deliverables in those Plans.

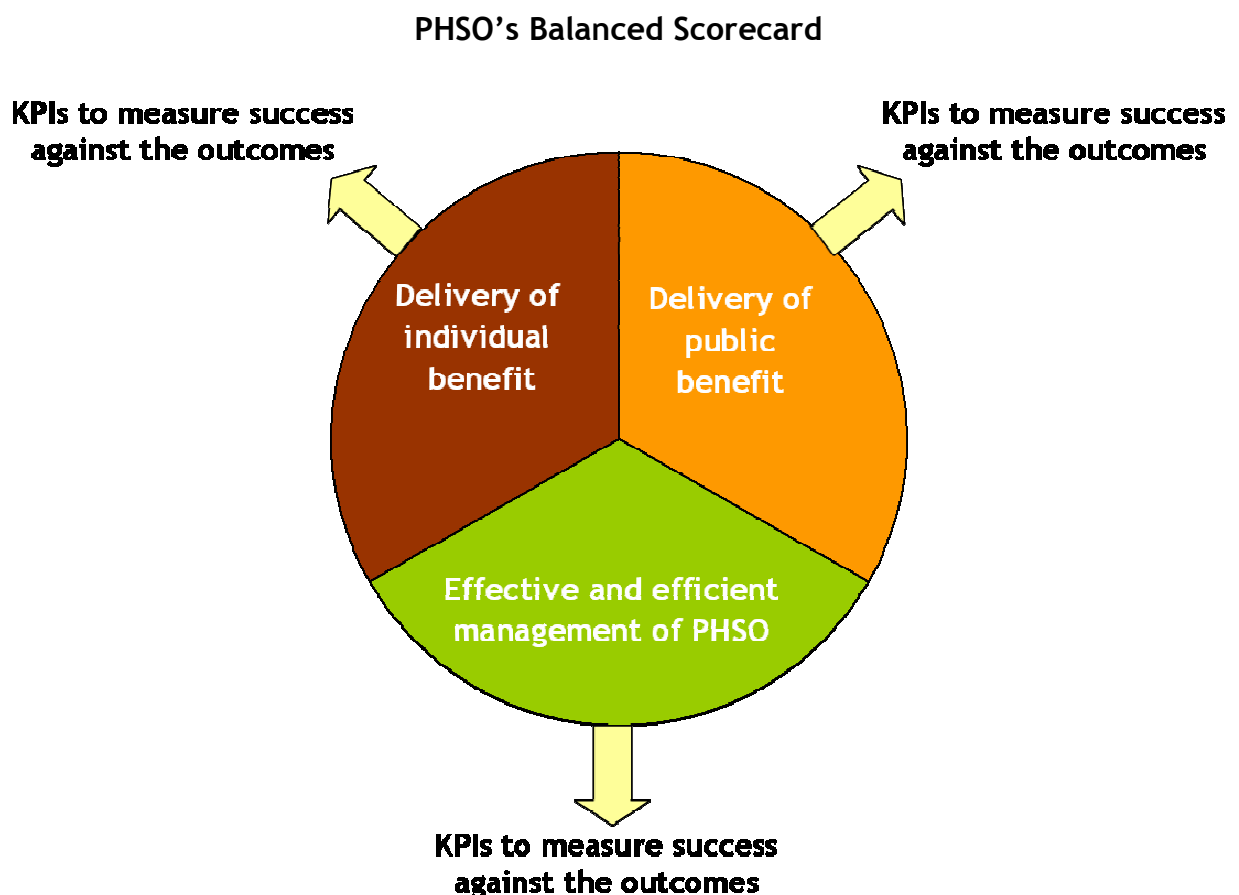
3 Measuring success

We have developed a range of performance measures and indicators that provide a performance framework - a 'Balanced Scorecard' that is specific to PHSO's needs and which will:

- support decision making at a strategic and tactical level; and
- provide a monitoring and review process to demonstrate ongoing progress towards the achievement of our annual business targets, and our strategic aims and objectives set out in this plan.

Under the performance framework, the management of PHSO will receive monthly and quarterly reports focused on core business performance and the ongoing management of the business, with a more detailed analysis of the strategic position of the organisation being provided on an annual basis.

PHSO's 'Balanced Scorecard' is based on a range of measures and indicators that assess our performance in three key areas: delivery of individual benefit to complainants; delivery of public benefit; and the effective and efficient management of our business.



The assessment of the achievement of outcomes through associated key performance indicators (KPIs) will give a balanced view of our strategic performance and achievements over each successive year. These indicators are set out in the following tables:

Strategic objective 1: individual benefit

Outcome	Key Performance Indicator
People who need us come to us at the right time for the right reason	<ul style="list-style-type: none"> • Comparisons of demographic profiles • Proportion of premature, out of time and out of remit enquiries
An excellent customer service	<ul style="list-style-type: none"> • Performance against customer service standards • Performance on complaints about our service • Customer service satisfaction ratings
Decisions and recommendations are clear, impartial and justified, and remedies are secured	<ul style="list-style-type: none"> • Outcome of legal challenges (applications for judicial review) • Outcome of legal challenges (judicial reviews) • Percentage of recommendations accepted • Performance on complaints about our decisions

Strategic objective 2: public benefit

Outcome	Key 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 complaints handling by the 'wider community' • Public profile statistics
Bodies in jurisdiction apply PHSO's principles in the design and delivery of public services	<ul style="list-style-type: none"> • Bodies applying our principles
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

Enabling objective: effective and efficient leadership and management

Outcome	Key Performance Indicator
We effectively manage 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
We have a diverse workforce with the motivation, capability and capacity for high performance delivery	<ul style="list-style-type: none"> • Investors in People accreditation • Engagement index from the staff survey • Workforce statistics • Performance management assessment • Diversity of our workforce
We are effective in sharing our knowledge and in managing our information	<ul style="list-style-type: none"> • Corporate information capability • Records 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>Principles of Good Administration</i>) • Effective governance

To support our Balanced Scorecard we have a Research Action Plan that outlines how PHSO will gather quality-assured data from a number of internal and external sources that can be used to populate and report on our KPIs.

We are in the process of reviewing our customer service standards to reflect the impact on our casework of preparation for the move to PHSO becoming the second-stage NHS complaint handler in England from 1 April 2009. Our customer service standards will be published in our 2008-09 Corporate Business Plan.

4 Governance and Risk Management

The Parliamentary and Health Service Ombudsman (the 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 PHSO and for the decisions made in each case.

The PHSO Advisory Board

To enhance the governance of PHSO, 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 four non-executive external members who bring an external perspective to PHSO's work. With the exception of another Ombudsman as a member, all PHSO Advisory Board members are appointed through a process of fair and open competition. In addition to the Ombudsman, the other members of PHSO'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 PHSO 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 PHSO Advisory Board has two formal sub-committees - an Audit Committee and a Pay Committee - which have key roles in supporting the effective governance of PHSO. 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 PHSO's internal control arrangements as evidenced by PHSO's audit programme. The Pay Committee is comprised of the Ombudsman and two of the Advisory Board members, and provides advice on PHSO'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 Policy, Information and Communications - exercises management of PHSO's functions and activities. The Executive Board is responsible for the delivery of PHSO'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 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

PHSO's Governance Statement sets out the basis on which it 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/governance/governance_statement.html.

Risk Management

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

The full Risk Management Framework is available on request.

5 Resources

On 12 April 2007 Treasury Ministers sanctioned PHSO's next three year funding settlement, which covers the period 2008-09 to 2010-11 (the period of this Strategic Plan). The settlement provides for annual net resources of £24.026 million and capital investment funding of £1.600 million per annum. In addition, under End-Year Flexibility arrangements, PHSO can utilise resource and capital underspends from previous years, the value of these reserves for 2008-09 will not be confirmed until the 2007-08 Resource Account has been laid before Parliament (expected date October 2008).

The planned removal in England of the Healthcare Commission's role in handling complaints about the NHS from 1 April 2009 (referred to in the Foreword) will mean a significantly increased health complaints workload for PHSO, requiring additional resources - both to meet implementation and transitional costs in 2008-09 and operation needs thereafter. This is under discussion with the Treasury.

We remain committed to managing our resources effectively and to securing good value for money through sound and appropriate financial and governance arrangements. At the same time, we seek to be responsive to changes in demand for our services. In allocating budgets across PHSO our aim has been to ensure that we support the achievement of our strategic and business objectives. Specifically, we will:

- operate within the public funding sanctioned by the Treasury and approved by Parliament;
- closely monitor the use of our resources and implications of changes to our workload over the year;
- effectively manage financial pressures and risks to achieving our business objectives, through reallocation and utilisation of contingency arrangements where necessary and discussing with the Treasury at an early stage any major new demands requiring additional resources;
- ensure that we make sound and cost-effective investment in new technology, systems and infrastructure which support improved customer service in the future; and
- invest in our staff development.