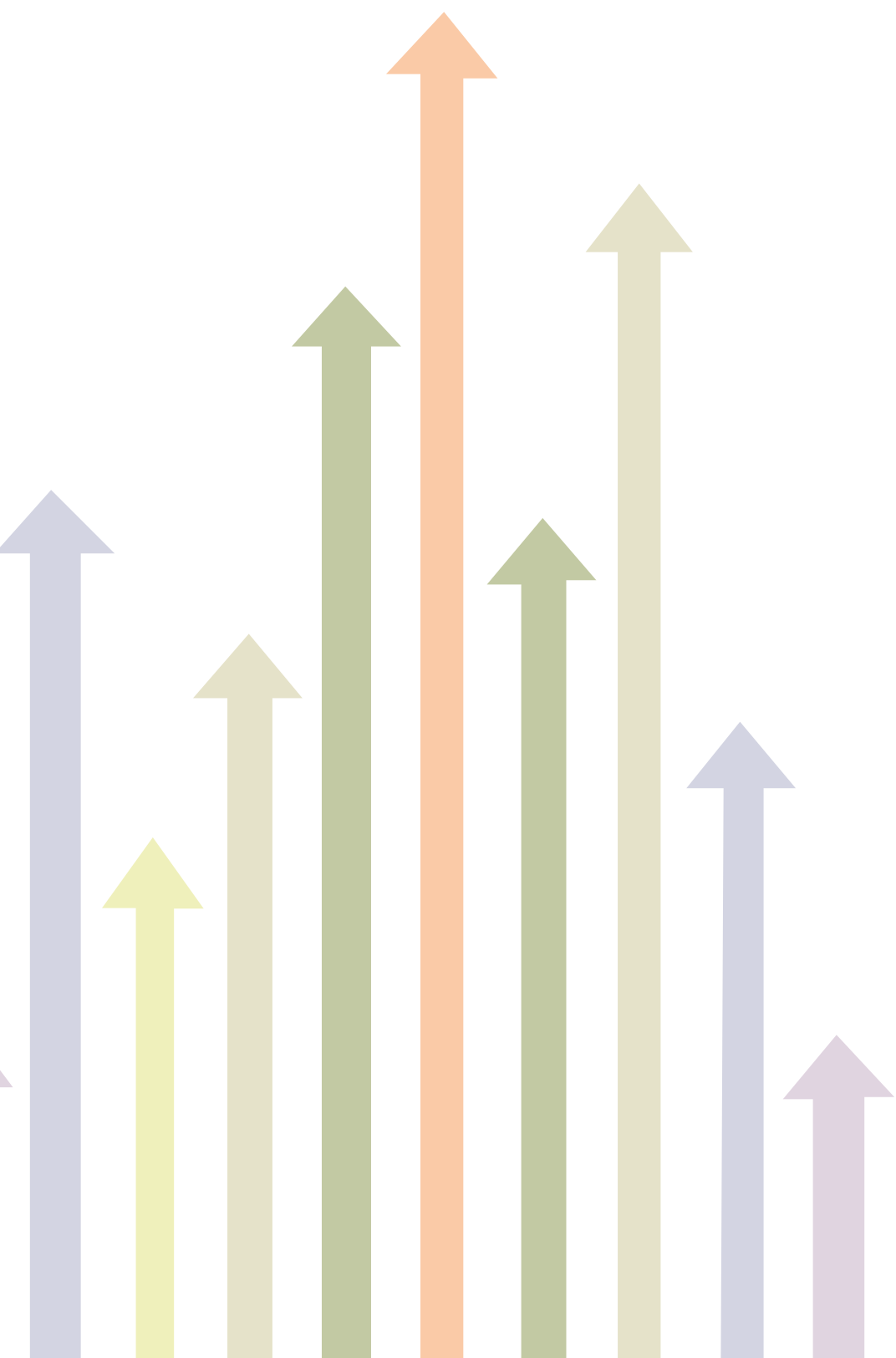




# Corporate Business Plan

## 2012-13

Delivering more impact  
for more people



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# 1. Our role and strategic objectives

## 1.1 Our role

The Parliamentary and Health Service Ombudsman (PHSO) 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.

## 1.2 Our strategic objectives

PHSO's two strategic objectives are:

- *Individual Benefit - To provide an independent, high quality and accessible complaint handling service that rights individual wrongs*

Outcomes aimed for are:

- people who need us come to us at the right time and for the right reasons
- excellent customer service
- decisions are clear, soundly based and impartial
- good outcomes for complainants are achieved as a result of our interventions and investigations
- *Public Benefit - To drive improvements in public services and inform public policy*

Outcomes aimed for are:

- we are recognised as the authority on good administration and 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.

Further detail about our strategic objectives, including the strategic model from which they are derived, can be found in PHSO's 2011-15 Strategic Plan.

## 1.3 Our 'enabling objective'

We also have an 'enabling objective' which is *"to equip our people with the skills, knowledge, systems and resources to deliver our strategic objectives"*.

In previous years, work on this objective has focused on achieving the following outcomes:

- effective management of our business and our financial resources to secure maximum benefit;
- a well-led, diverse workforce with the motivation, capability and capacity to deliver high performance;
- effective sharing of our knowledge and management of our information;
- effective and efficient systems and a positive working environment; and
- living our corporate values and meeting or exceeding our corporate statutory responsibilities.

This year, we have extended this to include:

- effective communications that increase the public's and other stakeholders' awareness and understanding of PHSO's role; and
- PHSO's influence to shape law and policy that make it easier for people to get access to justice.

## 2. Corporate workstreams for 2012-13

The main areas of work we will focus on in the year ahead, to achieve our strategic objectives at a corporate level, are detailed here. In support of these corporate workstreams we have more detailed internal business plans that have been agreed by PHSO's Executive Board and communicated throughout the organisation.

### 2.1 The context for PHSO's corporate workstreams in 2012-13

In drawing up our business plans for 2012-13 we recognise the importance of ensuring that we continue to deliver a high quality and accessible complaint handling service to our customers. Much work has been done in recent years to enhance and improve our customer service and we are now meeting five of our six customer service standards. We are also achieving consistently high customer satisfaction scores. Nevertheless, there is also a recognition of areas where we need to improve further around for example public and stakeholder awareness of what we do, and the timeliness and accessibility of our services.

The appointment of a new Ombudsman in January 2012, provided a new opportunity for PHSO to build on its past success and to shape the way we will work in the future, taking into account constraints on future funding and demand for our services. As a result, the Executive Board has commissioned a project to refresh PHSO's strategic plan with a view to publishing a new four year strategy before the end of December 2012.

Called *refresh 2012*, the project will deliver a new four year corporate strategy aimed at delivering more impact for more people.

The strategy will reflect new directional aims for PHSO agreed by the Executive Board. These are to:

- *enhance and improve the delivery of individual benefit through high quality casework and effective and efficient casework process,*
- *increase PHSO's delivery of public benefit,*
- *increase significantly the public's and other stakeholders' awareness and understanding of PHSO's role, and*
- *expand PHSO's influencing role in order to help shape law and policy that make it easier for people to get access to administrative justice.*

The *refresh 2012* project will help us to turn these aims into reality. It will inform our medium to long term planning to ensure we are best placed to deliver our core role. The initial stage of the project will be a diagnostic and research involving listening to the views of staff, customers, bodies in jurisdiction, MPs and other stakeholders to better understand future priorities. This will result in our new corporate strategy, which we aim to publish before the end of 2012. It will provide the framework for implementation actions, commencing in 2012-13 and continuing into the next business year.

Alongside this, the new Ombudsman has announced plans to reshape the leadership of PHSO to support her in achieving the outcomes and change which will emerge from the strategy refresh project. Actions will be needed during the year to agree a new senior management structure and implement it, while ensuring the continuing effectiveness of our services and management of PHSO.

## 2.2 Delivery of our core business

During 2012-13, our top business priority will continue to be the delivery of an effective and efficient complaint handling service which meets our quality and service standards. Our customer service standards for the year can be found in section 3 of this plan on how we measure our performance.

In addition, we will continue to ensure that PHSO is a well-run and well-managed organisation. To support this we have financial management, governance and workforce targets which can also be found in section 4.

## 2.3 PHSO's corporate developmental objectives for 2012-13

PHSO's four corporate developmental objectives for 2012-13 are listed below. The objectives reflect the directional aims of *refresh 2012*. They also include a number of other themes related to customer service and internal development priorities which will ensure we are positioned and equipped to deliver what emerges from the new strategy.

### 1. Develop PHSO's strategy to deliver more impact for more people and fulfil the Ombudsman's directional aims.

*refresh 2012* - a project to deliver our new 2013-17 corporate strategy – will run throughout the year and be completed by the end of 2012. The project will deliver results of research amongst staff and stakeholders to inform the strategy and an ongoing organizational development programme to ensure all staff are engaged with and understand the new strategy. The *refresh 2012* project will also identify priorities for further development work in the remainder of 2012-13 which will continue in the following business year.

### 2. Enhance and improve the delivery of individual benefit through high quality casework.

In previous years we have carried out a substantial amount of work to improve the effectiveness and quality of our casework. This work will continue through 2012-13, taking into account emerging themes from *refresh 2012* and the learning and lessons we receive from our casework.

Deliverables under this heading will include work to improve the accessibility of communications about our casework; reviewing our customer service standards in light of *refresh 2012*; development of our work in further assessments; and commencing a review of our case management system requirements for the future.

### 3. Increase the public benefit of our work by: informing systemic change to public services; driving change to improve access to justice and increasing understanding of our role.

To support this priority, our focus for the year will be a series of tailored programmes aimed at the Health and Parliamentary sectors and focused on the wider landscape of Ombudsman reform. We will work to build awareness of the benefit of our work in Parliament, to raise our profile within the NHS and to influence the role of complaint handling across government and in the new health reforms. To do this, we will expand our influencing capability and publish a number of reports sharing the learning from our casework.

#### **4. Continue to develop and improve our organisational governance, capability and capacity.**

PHSO has built a reputation as being a well-managed organisation, as evidenced through the outcome of independently delivered internal audits, external audit by the NAO, and through the overall support and endorsement of PHSO's work by Parliament via the Public Administration Select Committee.

Throughout this year we will maintain our performance in this area. We will also be delivering on a number of actions required to improve the efficiency of our administrative services following the outcome of internal service reviews; ensuring we deliver on our financial management strategy for the current Spending Review period; investing effectively in our people; and ensuring the continuing integrity and effectiveness of our governance and risk management arrangements. We will also be supporting PHSO's Equality and Diversity strategy by rolling out a 'Disability Confidence' development programme to our managers and staff; and developing a secondment scheme to improve diversity in management roles.

## **2.4 Equality and Diversity**

In previous years we have recognised the importance of diversity from both an internal perspective in how we manage and treat our workforce – through to the external implications in relation to the accessibility and delivery of our service. In 2011-12 we refreshed our Equality and Diversity Strategy which comprises four strands: *Customer*; *People*; *Culture*; and *Reputation*. We also reviewed the progress we are making in this area through an internal assessment and independent audit. This year, instead of having a 'stand alone' developmental objective for Equality and Diversity, we will be taking forward our strategy by ensuring that it is an intrinsic part of our core business and is fully reflected in our developmental work above, in particular improving the accessibility of our service; identifying and responding to equality and human rights issues in our casework; building disability confidence in our managers and staff programme; and improving diversity in management roles. To monitor our success, we will also be putting in place appropriate Equality and Diversity measures.

## 3. Measuring performance

In this section we set out our customer service standards and identify our other targets for 2012-13 against which we will monitor and report our performance under our Corporate Planning and Performance Framework. Further detail about our Framework, including a description of PHSO's 'Balanced Scorecard', can be found in PHSO's 2011-15 Strategic Plan.

### 3.1 Core business performance

PHSO provides a complaint handling service for everyone who contacts us. At the point of **first contact** we examine every enquiry (what we call internally a 'preliminary assessment'). Here we identify whether the complaint might be for us to deal with:

- the public body concerned and the subject complained about must be within our jurisdiction to investigate (if not we can suggest who might be able to help);
- the public body concerned should have had an opportunity to respond to the complaint before it comes to us (if it hasn't we can advise on the process and how to bring the matter back to us if the response is unsatisfactory); and
- the complaint must be in a form that we can accept as the law requires that health complaints must be made to us in writing, and complaints about parliamentary bodies must be referred by an MP (if the complaint has already been made to the public body, we can help with putting it in writing, or finding an MP to refer it to us).

Before deciding what action to take with a complaint that is for us to deal with, we take a **closer look** at an enquiry in detail (undertaking what we call a 'further assessment'). This includes talking to the complainant, reviewing the papers, talking to the body complained about and taking professional advice. This can result in;

- explanation and reassurance: Our detailed assessment may conclude that no further action is required. We explain how the public body has already put things right or reassure the complainant that there is no case to answer; or
- swift resolution: If our assessment indicates that something has gone wrong and not been put right, we work to resolve the issue as quickly as possible. Where we can, we provide a remedy to the complainant ourselves or ask the public body to do so, without the need for a formal investigation. This provides a straightforward conclusion for the complainant and enables the public body to learn from what has gone wrong.

Only a small number of cases need to be resolved by a **formal investigation**. Our investigations are thorough and impartial, and conclude with a report of our findings.

Our customer service standards and targets as well as the workload planning assumptions for our complaint handling service are set out opposite.

## Our customer service standards

### Time we will take to acknowledge and respond to enquiries

Email enquiry	Acknowledgement sent within 1 working day
Written enquiry	Acknowledgement sent within 2 working days
Substantive response to enquiries	90% within 40 working days

### Time we will take to investigate complaints

*From acceptance for investigation:*

Within 12 months	90%
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### Time we will take to deal with complaints about us

Initial response to complaints	95% within 5 working days
Substantive response to complaints	90% within 16 weeks

In addition, we have the following target in respect of old investigations in hand:

### Old Investigations

A target of no more than 30 investigations over 12 months old at 31 March 2013.

## Our workload assumptions

For the purposes of planning our resources, we have made the following assumptions about our incoming workload and output. These will be monitored and reviewed throughout the year.

### Actual Caseload at 1 April 2012

Enquiries in hand	1,357
Investigations in hand	332
Complaints about us in hand	154

<b>Incoming Workload Assumptions</b>		<b>2012-13</b>
Enquiries		At or around 25,000
<i>Of which, passed for further assessment</i>		<i>At or around 7,000</i>
Complaints accepted for investigation		At or around 430
Complaints about us received		At or around 1,225
<b>Output Assumptions</b>		<b>2012-13</b>
Total enquiries closed		At or around 25,000
• Closed at preliminary assessment		At or around 18,000
• Closed at further assessment		At or around 7,000
Concluded investigations		At or around 420
Complaints about us resolved		At or around 1,225
<b>Forecast Caseload at 31 March 2013</b>		
Enquiries in hand		At or around 1,400
Investigations in hand		At or around 340
Complaints about us in hand		At or around 150

### 3.2 Financial Management Targets

#### (a) Parliamentary funding limits

- We will not exceed the limits on our funding for 2012-13 sanctioned and voted by Parliament.
- In addition we will:
  - limit any net resource underspend to less than £500k;
  - limit any capital expenditure to less than £100k; and
  - recover 100% of income due for the year.

#### (b) Payments to suppliers

- We will pay 99% of correctly presented supplier invoices within 30 days of receipt.

#### (c) Financial savings

- During 2012-13 we will deliver cashable savings of at least £400k, which will ensure that PHSO remains within its agreed financial resourcing limit and on track to deliver savings required over the period of the current spending review.

### 3.3 People Measures

#### (a) Sickness absence

- Our target is to maintain average sickness absence levels at less than 6 days per full time staff equivalent (FTE) employee per year.

#### (b) Diversity

- We benchmark the diversity of our workforce against the economically active populations in London and the South East, and Manchester and the North West, from where we draw most of our people.

We have chosen the *Equality Act 2010's* definition of disability (*a physical or mental impairment that has a substantial and long-term adverse effect on the ability to carry out normal day-to-day activities*) for the purposes of benchmarking as this provides the clearest and most commonly understood definition for the purposes of gathering and monitoring data.

Our aim is to see our workforce profile for staff at all levels move closer to the following benchmarks:

Black and Minority Ethnic (BME)	19%	6%
Disabled (using the <i>Equality Act</i> definition)	9%	10%

### 3.4 Freedom of Information and Data Protection Duties

PHSO processes information requests in line with the requirements of the *Freedom of Information Act 2000* (FOIA), the *Environmental Information Regulations 2004* (EIR), and the *Data Protection Act 1998* (DPA). The legislation that governs the Ombudsman's work, which specifically makes confidential that information obtained by the Ombudsman for the purposes of her investigations, must also be complied with. Information requests relating to casework usually involve the consideration of more than one piece of legislation. Handling information requests therefore requires a careful balancing of all these legislative requirements. Reviews of our decisions in respect of information requests are conducted in line with the Information Commissioner's guidelines.

The following time limits apply:

- Under the FOIA and EIR, the statutory time limit for responding to an information request is 20 working days from receipt of the request.
- Under the DPA, the statutory time limit for responding to an information request is 40 calendar days from receipt of the request.
- Under the Information Commissioner's guidelines, the time taken to respond to a request to review a decision should not exceed 40 working days.

Our target is to respond to 90% of requests within the statutory time limits and the Information Commissioner's guidelines.

### 3.5 Governance

Good governance is at the heart of being an effective and well-led organisation and this is reflected in the *Ombudsman's Principles*. Next to the Ombudsman, the Executive Board (EB) is PHSO's key executive decision making body and we will monitor its performance to ensure it is effective in providing direction to the organisation.

The following measures apply:

- An agreed Forward Programme of EB business is adopted following approval of Divisional Business Plans (but no later than 31 May 2012);
- All items which fall within EB's terms of reference are considered by EB in a timely fashion, are properly recorded in the minutes and are reported as appropriate;
- Minutes of EB meetings are published within 5 working days of the meeting at which they are approved; and
- An Action Log of actions arising from EB meetings is maintained and followed up as necessary to ensure all actions are completed within the agreed timescale.

Our target is to achieve 100% compliance with each measure.

## 4. Risk and resources for 2012-13

### 4.1 Risk Management

PHSO operates 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.

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 2011-12 and we are content that it remains valid for 2012-13, although we will keep it under review to ensure it remains aligned to the needs of the organisation when the outcome of the refresh 2012 Project is known. At the start of 2012-13, PHSO is strategically managing risks to the following areas:

- PHSO's reputation, and communication and external risks;
- PHSO's governance and leadership;
- operational risks around customer and user satisfaction;

- infrastructure risks around stewardship of resources, workforce, equality and diversity, tools for the job, business continuity management and security, and information and records management;
- Programme and project risks around the Refresh 2012 Project

During 2012-13 we will review our strategic risks in light of the refresh 2012 Project to ensure they are properly identified and managed and reflect the organisation's key risks.

Risk will continue to be managed at Divisional, Directorate, project and contractual level as part of local, 2012-13 business plans.

Further detail about PHSO's approach to risk, including our strategic risk model, can be found in PHSO's 2011-15 Strategic Plan.

### 4.2 Resources

2012-13 is the second year of PHSO's 2011-15 Parliamentary funding settlement. The baseline funding for 2012-13 provided under the settlement provides for the following:

	Voted £000	Non-Voted <sup>1</sup> £000	Total £000
Net Resource DEL	33,813	187	<b>34,000</b>
<i>Of which, non-cash<sup>2</sup></i>	1,600	-	1,600
Resource AME <sup>3</sup>	(400)	-	<b>(400)</b>
Total Resource Budget	33,413	187	<b>33,600</b>
Capital DEL (and Budget)	725 <sup>4</sup>	-	<b>725</b>
Net Cash Requirement	32,913	-	<b>32,913</b>

<sup>1</sup>To finance the Ombudsman's salary.

<sup>2</sup>To finance the cost of depreciation.

<sup>3</sup>To finance non-cash movements in accounting provisions, which may vary widely from year to year.

<sup>4</sup>Of which £25k has been brought forward from 2011-12 by way of Budget Exchange.

To mitigate financial risks, PHSO's settlement also provides access to additional, one-off funding of £2.5m (resource) and £0.5m (capital) over the four-year period.

The PHSO Executive Board has agreed the following allocations to budgets from the 2012-13 baseline:

	£000	2011-12 £000
Net Resource (Cash)*	31,548	31,621
Net Resource (Non-cash)	1,600	1,410
Net Resource (Cash Reserve)	265	182
Total Resource Budget Allocations	33,413	33,213
Use of Provisions	400	400
Ombudsman's Salary	187	187
Total Net Resource DEL	<b>34,000</b>	<b>34,000</b>
Capital DEL	725	650

*\*Of which £20,989k (£21,326k in 2011-12) is allocated to pay budgets to fund a workforce of 427.7 full-time equivalents (FTE) (434.2 FTE in 2011-12).*

PHSO's cash resources have been allocated on a divisional basis as follows:

	Operations £000	Comms £000	Corporate Resources £000	Others <sup>5</sup> £000	Total £000
Staff costs	14,745	1,194	3,585	1,465	20,989
General budgets <sup>6</sup>	292	39	102	57	490
Other Non-Pay Budgets	463	270	-	694	1,427
Income	(170)	(-)	(250)	(-)	(420)
<b>Total</b>	<b>15,330</b>	<b>1,503</b>	<b>3,437</b>	<b>2,216</b>	<b>22,486</b>
PHSO overhead costs <sup>7</sup>					9,062
Total Net Cash Resource					<b>31,548</b>

'Others' include a specific resource allocation of £381k in support of the strategic development activity described in Section 3.

<sup>5</sup>A variety of activities including the Legal Adviser; the Ombudsman's Private Office, Casework and Policy teams; and centrally met costs, such as maternity leave and losses.

<sup>6</sup>Mainly staff travel and subsistence.

<sup>7</sup>The majority of PHSO's overhead costs, such as accommodation costs, telephones and staff learning and development are managed centrally within Corporate Resources. However, PHSO does not apportion these costs to Corporate Resources or the other divisions on a headcount or other basis. The cash reserve is also included within 'overhead' until released for specific expenditure.



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