

# 2012 ANZOA Conference

*Growing pains - Large increases in complaints and substantial variation in demand for Ombudsman services, the what, why and how to manage*

Chris Field, Western Australian Ombudsman

Wednesday, 2 May 2012

**Ombudsman Western Australia**

Serving Parliament – Serving Western Australians

# Introduction

- In this session we have a valuable opportunity to share our experiences of the growth in demand for Ombudsman services.
- Copies of a short background paper on growth in demand for Ombudsman services is available from the conference organisers.

# Introduction

- To ensure the maximum time possible for discussion, I will speak for no more than 15 minutes. In this presentation I will focus my attention on:
- An increase in demand for Ombudsman services generally;

# Introduction

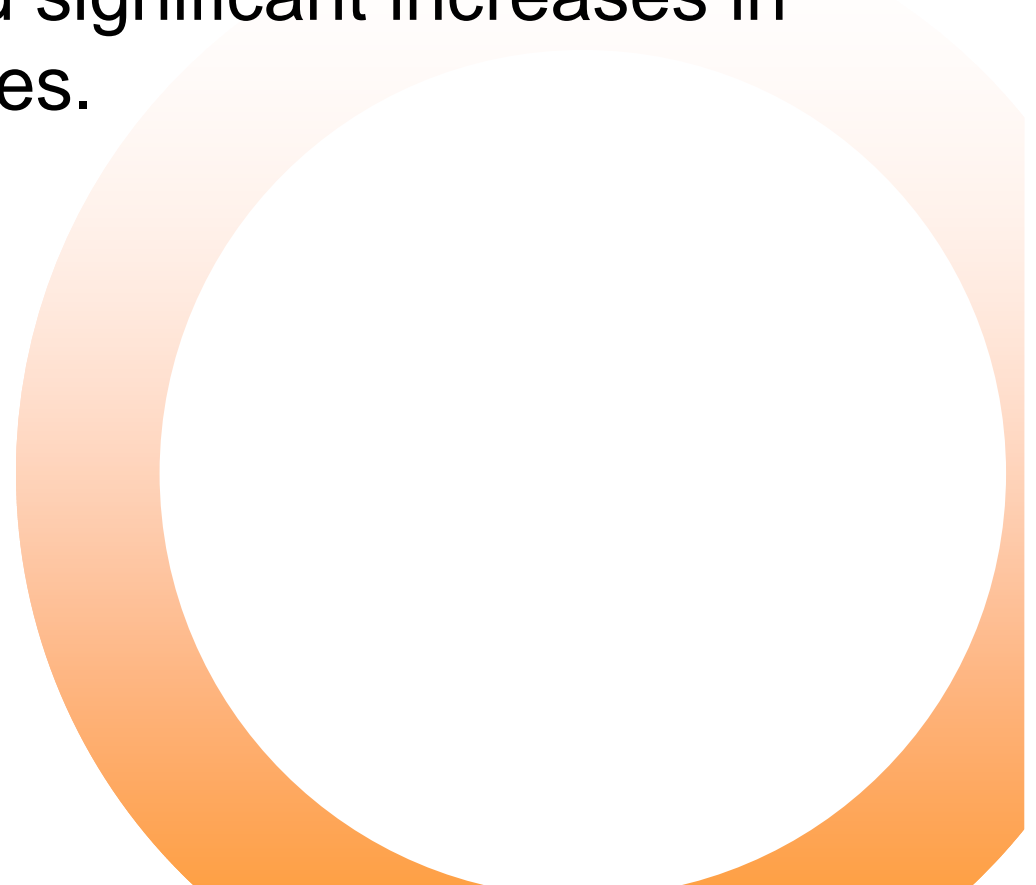
- The “what, why and how to manage” in relation to increases in demand for services for the Western Australian Ombudsman and Energy Ombudsman; and
- Identifying opportunities and challenges that arise from increases in demand for services, before making some concluding remarks.

# An increase in demand for Ombudsman services generally

- The experience of the last 40 years in Australia, and longer again in New Zealand, has been:
  1. For a growth in the number of Ombudsman offices; and
  2. Although not universal or all at the same level, an increase in the demand for the services of Ombudsmen.

# An increase in demand for Ombudsman services generally

- Over the last few years in particular, Ombudsman schemes have reported significant increases in demand for their services.



# What has been the increase in demand for our services?

- The Western Australian Ombudsman has experienced significant growth in the last five years with our operating expenditure and FTEs more than doubling during that time, with further growth to come in the next few years. This growth has resulted from increased demand for services.

# What has been the increase in demand for our services?

- First, the Western Australian Ombudsman, has experienced a 67% increase in the number of complaints received.
- Second, we have experienced a 225% increase in complaints to the Energy Ombudsman.
- Third, we have been asked to undertake a range of new oversight functions.



# Why has demand increased?

- The following is a non-exhaustive list of factors that may have contributed to the increase in demand for Ombudsman services:
  - Significant industry or market events, for example, retailer failure, increased marketing activities or new entrants to competitive markets. In our case, the introduction of a new billing system by a retailer is related to increased complaints;

# Why has demand increased?

- Significant changes in the price of goods and services;
- Government regulatory activity and services, combined with the desire for the Ombudsman to play an inspectorate, investigatory or oversight role in relation to a range of these activities and services;

# Why has demand increased?

- Increased demand for building the capacity of public authorities/scheme members in the resolution of complaints and good governance generally;
- General economic circumstances. For example, we believe that the Global Financial Crisis (GFC) and ongoing economic pressures has impacted on our complaint increases;

# Why has demand increased?

- Changes to IDR in both government and industry. This can result in less complaints being referred to Ombudsmen, but can also increase complaints, including increasing the number of intractable disputes.

# Why has demand increased?

- Increased accessibility and awareness of Ombudsman services, including increased use of electronic media and on-line access. For example, our office undertook a major Regional Awareness and Accessibility Program which focused on improved access for regional and Indigenous Western Australians;

# Why has demand increased?

- Increased community willingness to use complaint processes when dissatisfied with government services; and
- We should also remember that variability of demand can be a major issue for Ombudsmen, particularly industry Ombudsmen, as complaints go up and down depending on a range of factors, including those listed above.

# How have we managed the increase?

1. Engaged stakeholders.
2. Studied other Ombudsman offices and complaint handling agencies who have handled increases successfully.
3. Reviewed and revised organisational structures.
4. Attracted and developed staff.
5. The CEECH project – precedents, template letters, quality assurance and file audits.

# How have we managed the increase?

6. Eliminated aged complaints.
7. Created a high risk/priority and triage process.
8. Established an early resolution culture and process.
9. Sought budget appropriations.
10. Provided strong executive management engagement with the establishment of each new function.



# Opportunities and Challenges

- Opportunities created through the growth in demand include:
  - Greater economies of scale and scope allow us to undertake our work more efficiently and effectively;
  - Enhanced and varied career paths assist with attracting and retaining skilled staff across all functions;

# Opportunities and Challenges

- The introduction of new functions stimulates us to examine and improve our existing processes as does the opportunity to work with, and learn from, new stakeholders; and

# Opportunities and Challenges

- The ongoing growth and strengthening of the institution of the Parliamentary Ombudsman contributes to good government. There is a very high correlation between, on one hand, accountable government hallmarked by integrity, and on the other, stable, successful societies. Similarly, industry ombudsmen play an important role in ensuring confidence in businesses, markets and our economy generally.

# Opportunities and Challenges

- There are also a number of challenges including:
  - In undertaking new functions, we do not compromise the fundamental precepts that underpin the institution of the Ombudsman;
  - That we are able to continue to offer effective access to justice despite increases in demand – the brand name of the Ombudsman is, and will need to remain, synonymous with timely, high quality complaint resolution;

# Opportunities and Challenges

- Attracting, developing and retaining staff with the required skillsets for new functions;
- Balancing the need to undertake individual investigations whilst also undertaking work dedicated to promoting improved administration across government/industries;and
- Ensuring appropriate resourcing to meet increasing demands.

# Conclusion

- The growth in demand for Ombudsman services is, I think, evident and very likely to continue. This is particularly the case due to the ongoing recognition of the Ombudsman as a trusted brand name with the capacity to offer low cost, timely dispute resolution and, in the case of Parliamentary Ombudsmen, as an integral part of our system of government and the rule of law.

# Conclusion

- This growth presents opportunities and challenges.
- It is also something about which we need to continue to improve our understanding - the what, why and how to manage and the costs and benefits.
- In the words of former Commonwealth Ombudsman, Professor John McMillan:

# Conclusion

“The effectiveness and durability of the Ombudsman will ultimately rest on whether the office adheres to the fundamental precepts of the Ombudsman model. Those are well established, but how they apply from one instance to the next is not always clear-cut. Difficult questions are more likely to arise if we strive - as I believe we must - to be adaptable and flexible in order to grow and remain relevant. It is important that we highlight these difficult questions and continue to debate them.”