

Housing, Communities and Local Government Committee

Oral evidence: Housing Ombudsman Pre-appointment Hearing, HC 817

Monday 1 July 2019

Ordered by the House of Commons to be published on 1 July 2019.

[Watch the meeting](#)

Members present: Mr Clive Betts (Chair); Bob Blackman; Helen Hayes; Andrew Lewer; Teresa Pearce; Mr Mark Prisk; Mary Robinson; Matt Western.

Questions 1 – 56

Witness

Richard Blakeway, the Government's preferred candidate for the Housing Ombudsman.

Examination of Witness

Witness: Richard Blakeway.

Chair: Thank you very much for coming to the Committee, Mr Blakeway, for this one-off session we are having regarding a pre-appointment hearing for the Housing Ombudsman. We will come over to you in a second. We will just ask the Committee to put on record any interests they have that may be relevant to this. I am a vice-president of the Local Government Association.

Teresa Pearce: I refer to my entry in the register of interests. I also employ two councillors in my office, one of whom is a Bexley councillor.

Matt Western: I employ a councillor in my office.

Bob Blackman: I am a vice-president of the LGA and employ a councillor in my office.

Andrew Lewer: I am a vice-president of the LGA.

Q1 **Chair:** Thank you very much for coming to be with us this afternoon and answer a few questions. The Secretary of State has recommended you for this post, and we are asked to look into that this afternoon and to explore certain issues with you. I suppose the obvious question is this:



why do you want to be the Housing Ombudsman?

Richard Blakeway: That is a good question. In this session, in the process today, I hope I get across my enthusiasm to do this role. It is an incredibly exciting opportunity. There are a couple of reasons. First, there is an unprecedented focus at the moment on redress and, in particular, consumer redress. It is an important and evolving policy landscape, and there is an opportunity, with the Housing Ombudsman Service, to engage fully in that.

Secondly, looking at different points in my career, I would highlight some of the time I spent at the Greater London Authority, for example. We spent real time looking at service delivery and the consumer experience, even when our statutory powers did not stretch that far—they did not stretch that far at all in terms of engaging on those issues, but we sought to. For example—I think back in 2013—we published some policy that set out our views on the private rented sector, which had doubled over the previous decade in the capital. Our view was that there should be greater oversight and regulation of the private rented sector. We were very clear, for example, that we thought it should be statutory that landlords are members of a redress scheme.

As I say, we did not have any powers ourselves, but we sought to engage on these issues. For example, we launched a framework for landlord accreditation, where we worked with accreditation bodies and redress bodies to bring them together, which was quite a novel and interesting thing to do.

For a number of reasons, this is an important time for the ombudsman and I would love the opportunity to work as it.

Q2 Chair: When you have been in the Mayor's office and then No. 10, looking at somebody's leaking roof that has not been put right, or a tenancy agreement that has not been kept, seems a little low key and unexciting, does it not?

Richard Blakeway: Personally, I would not characterise it as that. For the people who live in social housing, their choice of landlord is often very limited, and their wellbeing is very affected by the condition of their property and other issues in relation to their tenancy. These are important matters. Moreover, as I say, notwithstanding the statutory responsibilities that we had at the GLA, particularly for housing, investment and some planning issues, we sought opportunities to look at how we improved the life particularly of social tenants. In addition to the accreditation scheme I talked about, which was for the private rented sector, we launched something called Housing Moves. I led a negotiation with landlords and with all of London's councils to top-slice re-lets for social tenants so that people could move across the different boundaries of local housing authorities in London. These were important issues that we spent time on and created time to focus on. This is an important policy area, and I would love to get involved in it.



Q3 Chair: The job has been advertised three times now. You did not apply on the first two occasions. Why?

Richard Blakeway: As you know, three years ago I left working for Government as an adviser. I had a number of different things I was doing. I saw the job advertised in the new year this year and I thought, "I would love to have a go at that." I had had a couple of years doing predominantly consultancy work and some board work, and I thought, "I really want to get my teeth into something, get stuck into something, and this looks a really exciting opportunity."

Q4 Mr Prisk: Mr Blakeway, what personal qualities do you bring to this role?

Richard Blakeway: I would like to think I bring a number of qualities that are important at the moment for this role. First, the ombudsman has produced a really ambitious and exciting corporate plan, which runs over the next three years. The team, some of whom are here today, should be given a lot of credit for the thought they have given to how the service can operate and respond to the issues that have been raised over recent years, particularly the timeliness of decision-making, of determinations. Delivering that is critical. In the past, I have worked on a number of change management programmes. That is a quality I can bring to the ombudsman at a time of what will be evolution and change at the service.

Secondly, I bring a significant amount of policy experience and, I would like to think, a real depth of knowledge about the sector. Given that we have two consultations—in particular, the social housing Green Paper, on which we are waiting for a response from Government—there is a changing policy landscape. That policy knowledge, that experience of working with Government and indeed within Government, is important so the ombudsman can fulfil its full potential. There are new powers the ombudsman could have that will make a real difference for the people who rely on the service. For example, we know there will be a redress working group. I could be a useful, active member of that with the skills and experience I have. Those are two things I would highlight.

The third important thing is that, over previous roles, I played a high-profile role that involved engaging with very senior leadership, particularly within housing associations, which, as we know, are the bulk of the membership of the scheme. One of the most important things about the ombudsman's role is to make sure there is a positive climate—as positive as it can be—around redress. Being able to engage with the senior leadership in the way that I have in previous roles, and the skills and experience I have of doing that, are a key thing to make sure that service is delivering for the people who use it and to create a really effective climate around redress.

Q5 Mr Prisk: You mentioned change and that you have had experience in that field. Is there any particular example you could explain to the Committee of how you have managed a particular process of change



HOUSE OF COMMONS

previously? As you say, this is a policy area, but the organisation is also about to go through quite significant change in response to that.

Richard Blakeway: There are a number. At the moment, I have been working, as a non-executive, of course, with Homes England, which is going through a significant change programme, a new operating model and a significant growth in terms of staff.

The one that is most significant in my recent career is the time at the GLA, where the Localism Act 2011 gave the GLA devolved housing powers. That led to three organisations being brought within the GLA and the GLA creating a new directorate to operate those powers. Frankly, it moved the GLA from being just a strategic body into a commissioning body. We had to set up not just a new directorate but a new leadership team, new governance arrangements around that, a new strategy around that. We had about 90 FTEs in that team, which was a significant growth in terms of the number of people working within the organisation on housing and land, as it was.

This was a profound thing, which we had to do at a time when we had to deliver existing programmes. Not only did you have change to manage but you had to make sure you were able to continue to deliver the programme that you were doing. It is not dissimilar for the ombudsman. There may be a change in operating model, but it has to continue to do the job that it is there to do. Given the significant progress the team has made on determination timescales, no one wants to see that going backwards while the change programme is happening.

Q6 Mr Prisk: I accept that. Looking at the nature of the role of the ombudsman as an organisation, your predecessors have come from the area of complaint handling or dispute resolution—those specific skills. What experience can you bring to that particular level of activity?

Richard Blakeway: In the past, I played roles around mediation. In the role that I played at the Greater London Authority, I would highlight one example where we proactively went out to mediate in a situation around the rent review on the New Era estate. It was, I think, in 2015. You may remember this, because Russell Brand became a very active campaigner on it, and the residents were very concerned that the investor that owned the estate was going to review their rents. I personally played a very active role, working with the local authority, which was Hackney, working with the owners of the estate, hearing the concerns of the residents on the estate, and working with the investor. The outcome was that the owner of the estate decided to sell the estate to Dolphin Living. I played a really active role, which I would characterise as a mediation role. There are points in my past where I have played a role around the kinds of issues the ombudsman is dealing with.

Q7 Matt Western: Mr Blakeway, I want to touch on political impartiality and the perception of partiality or impartiality. As I understand it, you worked for Boris Johnson as a campaign adviser. You were also deputy Mayor



HOUSE OF COMMONS

under his mayoralty. You also worked as a policy adviser for David Cameron, and you worked on a Conservative party manifesto. Does that not suggest that, while you might not have an affiliation to a political party, you have an affinity for a political party?

Richard Blakeway: The first point to make is that I did not work on the Conservative party's manifesto. That was not something I did. I joined the No. 10 policy unit after the general election.

Q8 Matt Western: Sorry, it is policy review.

Richard Blakeway: I see. Some time ago, yes, I worked on international development issues and was a commissioner on a policy group looking at the role of DFID and other things. That is correct, sorry. The roles that I have performed have been politically restricted. I have taken that incredibly seriously. I have acted in a way that reinforces that. I have worked incredibly productively with people from across the political spectrum, whether at a national level or, indeed, at a local level. That was particularly the case, of course, at the time where I was at the GLA, where I had a very successful role. The impartiality and independence of the ombudsman is obviously critical, and I take that really seriously. I am not active in any political party. As I say, my roles have been politically restricted, so I would hope that offers some assurance.

Q9 Matt Western: Have you done work for any other political party or any other political candidate of another party?

Richard Blakeway: I have worked with Labour-controlled local authorities. At the moment, I am working with a London borough, supporting it on its regeneration work. With the exception of working for Boris Johnson in his first mayoral campaign, I would argue I have not done that much political activity. I am not currently a member of a political party, for example. As I say, I have not been active in a political party for some considerable length of time.

Q10 Matt Western: How will you demonstrate your political impartiality and independence from the Government if you are appointed?

Richard Blakeway: As I stress, the roles I have done have been politically restricted. I am not currently a member of any political party, so I think that gives me political independence. The role of the ombudsman is to make sure the service is the best service it can be. That would obviously be a significant part of my focus. The other role—the very outward role—would be working with Government of any colour, of any composition, on policy changes that will affect the ombudsman service.

The experience I have will bring real value to the ombudsman and make sure we can secure the kinds of changes, the kinds of powers for the scheme, that we would like to see, to make sure the scheme is effective in the way everyone wants it to be. How do I demonstrate it? I am not



HOUSE OF COMMONS

politically active. I am not a member of a political party; nor would I be, obviously, if I were the ombudsman.

Q11 Matt Western: To go back to the point about Boris Johnson's campaign, what specifically did you do on that?

Richard Blakeway: I did some policy work in his policy team.

Q12 Matt Western: In which area?

Richard Blakeway: I covered, I think, three policy areas. I covered housing and planning, hence why I ended up working at the GLA after that campaign. I am trying to remember. I did some work around the environment policy, I think. I did some work on a whole collection of themes that were called quality of life, which covered some transport issues and other things. My dominant focus was on housing and planning.

Q13 Matt Western: You were hesitating on a few things. So that is exactly what you did? There were not any other areas?

Richard Blakeway: The majority of my time was spent on housing and planning issues. I think I got pulled in to do some work on environment issues, and then there was a piece of policy work that was done around quality of life, which covered a whole range of different areas for London.

Q14 Matt Western: Could you just confirm that in writing?

Richard Blakeway: Yes, of course.

Q15 Teresa Pearce: In your application, you considered yourself to have no real or perceived conflict of interest for this role, but the Department disagreed. Why did you consider your roles at Homes England and BexleyCo and your consultancy work not to be conflicts?

Richard Blakeway: I do not consider them conflicts on the basis that, as far as I am aware, none of them is involved in the scheme or members of the scheme. In relation to Homes England, as you know, the regulatory function of Homes England separated from the agency last year. If it had still been part of the governance of the agency, there would have been a conflict, but it had separated out.

As for my role chairing a local authority's housing company, as you know, Bexley is not a stock-owning authority. It is a stock-transfer authority, and therefore is not one of the local housing authorities that falls under the scheme. For the commercial work I do, none of them are members of the scheme. I am not doing any work with housing associations, for example, so I did not see there was a conflict there.

I completely take the point that the Department made. You are highlighting things at the point of application, but through this process I have been very clear with the Department that I will not do any of those going forward. This is a full-time role that I would want to do. It would not be appropriate to do any of them, even if there are not actual conflicts. It just would not be appropriate. There would not be time.



HOUSE OF COMMONS

Q16 **Teresa Pearce:** If you are appointed, you will resign from BexleyCo and Homes England. What about your consultancy? If you resign from that, will it continue, or will you close it altogether?

Richard Blakeway: I think I will close it altogether. I would certainly resign from Homes England and BexleyCo. The contracts that the consultancy company has—my consultancy contracts—would be terminated, and I would probably close the company.

Q17 **Teresa Pearce:** Have you ever provided consultancy to a firm that has commercial interests in social housing?

Richard Blakeway: No, not as far as I am aware. Not that I can recall, no.

Q18 **Teresa Pearce:** There is just one more thing. Your CV, as provided, only dates back to 2008, when I think you were around 30. What did you do before that? What was your employment prior to that?

Richard Blakeway: I did a number of things. I did some work in publishing, which was predominantly for a magazine that was focused on international development, and I worked as an adviser to a Chair of a Select Committee.

Q19 **Teresa Pearce:** On BexleyCo, as I have an interest in it, you would resign from that as chair. It recently lost its managing director as well, did it not? That would be quite sad, really, to see you leave there at such an early stage.

Richard Blakeway: Yes.

Q20 **Teresa Pearce:** Do they know that you are going to leave?

Richard Blakeway: They do.

Q21 **Teresa Pearce:** It is not going to be a surprise when they hear this.

Richard Blakeway: No, it is not going to be a surprise. They are supportive of my decision to say I want to do this role. As you say, the company is still in set-up mode really. It has planning on its first site, which is important, but it is still early stages for a lot of housing companies, and it is no different for the London Borough of Bexley's housing company. They have good people there. They have a strong and talented board, all of whom will continue there.

Q22 **Chair:** You said you would "probably" close your consultancy.

Richard Blakeway: I do not think I have, no.

Chair: You said you "probably" would. Is the word "probably" still there, though? Will you close your consultancy?

Richard Blakeway: Sorry, yes. It would certainly be non-trading, and it would be my intention to close it, yes.

Q23 **Chair:** You would not have any active clients; that is what you were



HOUSE OF COMMONS

saying.

Richard Blakeway: No, absolutely not.

Q24 **Bob Blackman:** Moving on to the job in relation to social housing, the Department has revised the job specification twice in order to ramp up the importance of social housing. What qualities do you bring to that role that make you the ideal person to take up this new, enhanced position on social housing?

Richard Blakeway: Looking at the scheme, there is an ambition to make sure it is performing an important function, reflecting the Green Paper and the concerns raised in it about people feeling the complaints process—not necessarily the ombudsman, but possibly their own landlord's complaints process—is not as responsive as they would like it to be. Because there is an ongoing tenant-landlord relationship, there are concerns about making a complaint and how that would affect their experience going forward. The Green Paper raises a number of really important issues.

In terms of my role, and the skills and experience I would bring, there is the quality of the service. The team has done a tremendous amount of work to think through how this service can be more responsive and more transparent. There is an action plan essentially set out in the corporate plan. I have demonstrated in the past an ability to deliver some really stretching goals, to deliver corporate plans of a similar nature. That is something that I would hope to bring to this role.

There is then a series of asks in relation to how the service could be better. I will give an example. One of the unique aspects of the ombudsman service is its ability to work with landlords while a complaint is held locally by the landlord. It is termed local resolution. Potentially, there is the ability for the service to set a single complaint handling standard across all landlords so it is fair and clear. There is the ability to drive decision-making within that landlord process. There is the ability to get evidence from a landlord within set timescales, some of which would put this ombudsman on a parity with other ombudsmen.

Those are really important things, but they require changes to the scheme. Potentially, in the case, for example, of the democratic filter that is often highlighted as a real delay on people getting timely resolutions to their concerns, that requires legislative change. The experience that I have of working in a complex policy environment will be really valuable for the scheme to realise those ambitions.

Q25 **Bob Blackman:** In answer to earlier questions, you raised the experience of dealing with the private sector, but you did not actually cover any relationship or dealing with the public sector, the social housing side. Is there any experience that you have in your past of dealing with those social renting providers?



HOUSE OF COMMONS

Richard Blakeway: I have lots of experience of dealing with social rented providers. That was predominantly through the commissioning role, for example, that I oversaw at the GLA—a sort of funding role with housing associations. It goes beyond that. We made a clear case, for example, about decent homes funding and decent homes funding continuing. The GLA played a role in that. It is very important for the condition of tenants' properties. I know it sets a very basic standard, but nonetheless it was important to see that through.

I worked very closely with social landlords around the scheme that I mentioned, which was called Housing Moves, which top-sliced about 10% of re-lets so that tenants could move across borough boundaries. It was a voluntary agreement, but that was brokered with all the boroughs, which I think was a real success. It became a really valuable scheme.

Q26 **Bob Blackman:** Looking at your attitude towards people in social housing, *Inside Housing* reported that, back in 2009, quite a long time ago I know, you were quite derogatory about tenants in social housing. In fact, you said, "Quality of life is a joke. 46% of social tenants on estates love their dog more than their neighbour". What led you to make that comment about social tenants?

Richard Blakeway: I really do not feel that reflects the view I have of social tenants. As I say, I worked incredibly hard while I was at the Greater London Authority to secure funding like the decent homes funding to continue.

Q27 **Bob Blackman:** I have long experience of being a councillor, dealing with lots of problems with social housing tenants and bad landlords, frankly, and with social housing. This goes to the centre of how you are going to treat social housing tenants who feel they have been let down very badly by their social housing provider. They will want to feel confident that you are going to be on their side to produce justice for them. How can you convince us? Do you say you did not make those remarks, or they were made a long time ago and you do not actually believe in them any more? We just want clarity.

Richard Blakeway: I really do not think the quotes you have given, either then or now, reflect my view of social tenants.

Q28 **Bob Blackman:** You did not say them.

Richard Blakeway: I do not know the context in which you are quoting them.

Q29 **Bob Blackman:** According to the information I have been provided with, you made these remarks at a British Property Federation conference. Presumably you were a speaker and made these comments at the time.

Richard Blakeway: That does not reflect my view. I want to be really clear about that. As you say, it is critically important, and it is a key role of the ombudsman, to make sure that people feel the ombudsman is fair,



HOUSE OF COMMONS

impartial and independent. It is critically important for the success of the ombudsman, not only for people's ability to get faster redress by getting complaints resolved through the landlord's process, but also to create what I have described as a kind of positive culture around redress, that the ombudsman is able to interact effectively with members of the scheme.

I have demonstrated over a number of years an ability to work very effectively with the senior leadership of many of the members of the scheme, whether those be the local authority members or the majority of members, which are obviously housing associations. I would like to think I have had a constructive and positive working relationship with those organisations and would be perceived as someone who has been very committed to improving the quality of life for households in social housing.

Q30 **Bob Blackman:** I have one last thing. Obviously your experience has been very London-centric, but this role covers the whole country. What differences do you see in social housing across the rest of the country compared to London?

Richard Blakeway: You are absolutely right to say that a lot of my experience has been within London. I would highlight that, for two and a half years now, I have been a board member of Homes England. That has taken me out and about around the whole country, looking at schemes and developments there. Some of the policy debates within London about social housing are very high profile at the moment, with issues of affordability, mix and balance of communities and so on. In other cities, you will experience similar issues. In rural areas, it is very different.

As you know, many of those landlords now have significant geographies, particularly after a number of mergers between landlords recently. Wherever you live in the country, your expectation from a landlord would be that you have timely, effective redress. There is a tremendous amount of work that can be done to improve redress. It would be a really powerful thing for the ombudsman to be able to set what is considered a single complaint handling standard that sets out expectations like you get other ombudsmen to do. The Scottish Public Services Ombudsman, for example, sets out what it considers to be criteria for effective redress and effective complaints procedure. Wherever you live in the country, it would be a really important thing for the Housing Ombudsman to be able to do the same.

Q31 **Matt Western:** Can I go back to the remarks attributed to you that you do not recall? I think it was *Inside Housing* that this came from, which is hardly a red top. What do you think you would have meant by that? How would you translate that now, just reading those lines? It sounds incredibly derogatory. It has to be of great concern.

Richard Blakeway: Hearing what was said, what was quoted, I certainly had a real concern, and continue to have a concern, about the quality of



HOUSE OF COMMONS

some of the accommodation and some of the things that I was seeing while I was working in London. For example, we set a policy in the Mayor's housing strategy to try to address overcrowding. I remember particularly going around Tower Hamlets, meeting with families and seeing their accommodation, where you had a large number of people in the family living in accommodation that was clearly not appropriate for their needs. That was a real concern. We had a concern, for example, about the proportion of family-sized accommodation that was coming through the Affordable Homes Programme, and how we could nudge that up and increase it. Some of that preceded the GLA taking on commissioning responsibilities itself, so it was a case of trying to influence the shape of the then HCA's programmes. I would have certainly had a concern about the quality of some of the accommodation that I was seeing and the impact on individuals' life chances if that was not good enough. That was a real concern of mine at the time.

Q32 **Matt Western:** Are you in favour of council housing?

Richard Blakeway: Yes. When I was at the GLA, the GLA actively encouraged London boroughs to bid for the GLA's programmes. I was very proud that I think we had something like 26 boroughs in one of the first funding rounds following the devolution settlement. I think 26 boroughs signed a funding agreement with the GLA. I was really proud of that. As I say, we actively worked with local authorities to try to encourage them to do more. We were very clear about the restrictions that the housing revenue account applied and that the cap should be removed—something that is now happening. As you know from my CV, I am chairing a council's development company, where it will actively develop, which is clearly a very positive thing. It is notable in particular that, as a stock-transfer borough, it is going out to develop itself again.

Q33 **Andrew Lewer:** We have touched on this already, but I would like you to expand it some more. Could you relate your experience of managing an organisation through a period of significant change?

Richard Blakeway: I would refer again to the time at the GLA when it was a period of significant change over a number of years—at least a couple of years. To emphasise, I was at the forefront of arguing that the GLA should have the ability to invest direct into housing, something that the original GLA Act had prevented. That was changed through the Localism Act in 2011. The result of that was to bring together the assets and teams across three organisations, the Thames Gateway Development Corporation, the London arm of the Homes and Communities Agency, and part of the London Development Agency, London's RDA. Those came to form a new directorate. I was there, working with the team to design the architecture of that new directorate, to appoint a senior leadership team and to put into place a number of policies and the business plan for that directorate, which was very new for the organisation. I chaired the investment committee. That was a key part of governance in relation to the organisation, which had moved from being predominantly strategic into suddenly having a significant capital budget to invest.



Q34 Andrew Lewer: The term “present but not involved” has been doing the political rounds in recent months. I wondered what you could say was your involvement. What did you actually do that made all those things that would have happened because someone was sitting, chairing a meeting, different because you were doing it?

Richard Blakeway: Having made the case internally within the GLA, I think I was absolutely integral to those powers happening in the first place. I participated in the initial meetings between the GLA and DCLG, as it was then, to start to come together with a kind of framework of what this would look like. I was then very much at the heart of the design of this new directorate, how it was organised, how we balanced, for example, the existing policy team with a new assets team, and how we brought together the ways in which we worked on assets, which were very different between the LDA and the HCA. I went through a process of appointing the senior leadership team. I am incredibly proud today of those people we appointed at very senior levels. In particular, two of the assistant directors we appointed were very young, but I am incredibly proud that we took the step to appoint them and of the role they performed in the GLA.

We had to put in new framework agreements with other bodies, one of those being the MoU we put in place with the Department, the MoU we put in place with the HCA. I was part of the ongoing liaison between us and the regulator, which at that point was obviously part of the HCA. On the rest, we had separate meetings with them. That has a parallel to the ombudsman role, given the importance of the relationship between the ombudsman service and the regulator, particularly in the context of the Green Paper.

Q35 Andrew Lewer: The question about significant change arises because there is likely to be so much change within consumer redress over the next few years. I wonder what you see those major changes as being, if you can crystallise those down, and what the challenges to your ombudsman role would be within those particular changes that are coming through.

Richard Blakeway: It is a really important area. The decision-making in Government will emerge over time. There is a clear direction of travel, and I would characterise it as follows. First, there are clearly changes to the ombudsman scheme that could be made that will result in more effective redress. I have referred to some of those changes that could be made, particularly in how the ombudsman can set a standard, drive decision-making, and potentially issue orders if a decision has not been made in time as part of the local resolution.

There are then a number of changes that I think will emerge around consumer regulation, which span across the ombudsman and the Regulator of Social Housing. We will have to see what emerges there. There is clearly an appetite to do more on the consumer standard and



HOUSE OF COMMONS

regulation of that, which, even though it is focused on the regulator, involves the ombudsman as well.

There is the potential to remove the democratic filter. As we know, 93% of cases wait the full eight weeks, which means you immediately have a two-month delay for people who are trying to solve a problem. The potential to remove that is really significant. It will have an implication for the ombudsman and its resources. It probably would need to increase its staffing to manage that.

Then there is the potential for the single portal the Government want to launch around redress schemes. At the moment, there are some cases that come forward that are cross-jurisdictional and transfer between us and the Local Government and Social Care Ombudsman. There are some cases already. Government have an ambition that you have a single portal. The shape of that we are yet to see, but it is going to be a key role for the ombudsman to work with the Government and work with the redress working group to articulate that, see what it looks like and make sure it performs well for the ombudsman.

Q36 Andrew Lewer: You have talked about a single portal. Would it be better just to have the one ombudsman, then, rather than several, to assist with that single point of contact concept?

Richard Blakeway: It depends what you are trying to achieve. There has been a debate over a number of years about a single ombudsman. My reading of policy statements is that it remains as an option, but it is currently in the background as an option. Instead, the focus is on how we make the redress schemes that exist effective and work effectively together, which is happening, but the Government clearly want to make sure, and rightly so, that if people have a complaint, when they raise that complaint, there is no wrong door and it goes to the right organisation to resolve.

The thing that I will say about the Housing Ombudsman Service is that, over 20 years now, it has built up a real expertise working with landlords, working to really try to improve the redress system. There is a lot of knowledge there, and you would not want to lose that knowledge in any changes. Deploying more of that knowledge at a local level is only going to be better for everyone.

Q37 Andrew Lewer: You would make use of that knowledge with the Government's announcement of private landlords being required to register for redress schemes now. Will that have a marginal or a significant impact on the workload and budget requirements within the ombudsman and its Department?

Richard Blakeway: You can have voluntary members of the ombudsman service, and there are some. The last figures that I saw said there were 65 voluntary members who have privately owned stock. Across the 4.8 million homes that come into the ombudsman service,



HOUSE OF COMMONS

those 65 landlords make up something like 180,000 homes, I think. It is a small number. However, it is certainly one of the things to look at.

Why has a landlord chosen to join the ombudsman scheme versus their other options? For example, there are two private schemes. The largest is the Property Ombudsman. Why have they chosen the Housing Ombudsman scheme versus choosing the Property Ombudsman? I do not know the answer to that, but that is something important to explore. Given my work in London on the London rental standard, I would be interested to see what the potential is to increase that, because I see the importance of redress in the private rented sector.

However, there is a lot to do to focus on the statutory membership of the scheme, to get that right. That is the primary focus, but we should certainly explore what more we can do in the private rented sector as well.

Q38 Chair: It is all a bit of a mess, is it not? You have just mentioned that you have a Housing Ombudsman, a Property Ombudsman, a housing regulator, perhaps a new homes ombudsman and a Local Government Ombudsman.

Richard Blakeway: Yes, they all do different things, as you well know. What would I say? One of the really interesting things to watch is the development of the ombudsman service alongside the development of the social housing regulator. An important principle has been established that it is for the ombudsman to deal with individual complaints and for the regulator to deal with systemic failure where that exists. It is important to stress that I would see that as systemic failure rather than serious detriment, which is where the bar is currently set, and a lot of folk would say the bar is set too high. Distinguishing between that is important, so that there is not a sense of ambiguity as to the roles and responsibilities of those two organisations.

Q39 Chair: What do you see your role being with the Local Government Ombudsman?

Richard Blakeway: In any given year something like 700 cases go into the one ombudsman, the Local Government Ombudsman, and get referred over. It is important that there is a strong relationship, which currently exists, to make sure that where cross-jurisdictional issues come up, or where the case has gone to the wrong place, it is reported and it is transferred through, so that people get their case dealt with as they would expect. A strong working relationship with the Local Government Ombudsman is important. We have an MoU. The area where you will probably see more change, though, will be the relationship between the ombudsman and the Regulator of Social Housing in the context of the Green Paper.

Q40 Chair: We may come back to that one in a second. One of the key things for people is getting reasonably quick resolution. When I look at the



HOUSE OF COMMONS

recent history of the Housing Ombudsman, average times for dealing with cases are coming down, but they are not hitting the targets on a regular basis. It is a six-month target for the average, and we have not got there yet. It is disappointing, is it not?

Richard Blakeway: There has been a noticeable improvement in recent years. The team are at roughly six months or seven months at the moment, which is a significant improvement on where we were a couple of years ago, where typically it was nine months. The team should be credited with the work they have done to bring down those timescales.

There are changes, which are being tested at the moment, to the way the ombudsman operates, to see whether more can be done to reduce those timescales further and achieve that goal, which is absolutely the right goal, of six months: for example, working intensively with some landlords where there might be a higher volume or more complex casework, separating teams between those dealing with local resolution and those dealing with the full determination. There are some specialisms that can go on there. That work needs to be evaluated.

One of the really interesting things is where more could be done on mediation when a case goes so far. At the moment, of cases that have been unresolved by the time you get to them going through the full ombudsman service, about 5% end up being mediated. Those cases that are mediated are dealt with much more quickly as a result. It certainly will not be appropriate in all circumstances, but it is worth looking to see whether more can be done on mediation.

Then there is the work that is ongoing on the operating models for the service. That is work that I have not looked at closely yet but that I know the team are doing. They are being really creative about rethinking the operating model to try to hit that performance. Whatever happens, you are probably going to continue to see an increase in casework, so that work is critical to get right. That can start to be unfolded in the next financial year.

Q41 **Chair:** The democratic filter you mentioned. Does it serve a useful purpose any more?

Richard Blakeway: No, it does not serve its purpose. It was well intentioned, but it clearly has not worked. I spoke about the 93% of cases. Changing that requires legislation, though. Even the eight weeks is legislative. You could not have a plan to remove the filter but halve the eight weeks as an interim measure. It just all has to go through the primary legislation, as I understand it. It will take time to remove it, but there is a consensus that it needs to be removed. That time is probably important for the ombudsman, to make sure that it can plan for the change, because that change will see cases coming to it more quickly. That will place pressure on the service.

Q42 **Bob Blackman:** Mr Blakeway, in terms of the current position, the



current ombudsman said that, to deliver the next three-year plan, there will be a need for significant investment in the resources available. Therefore, because of the demand that you have raised, that requires one of two things: either an increase in fees, with increased staffing, or a very radical difference in the way that the scheme is operated. Which do you favour?

Richard Blakeway: I suspect there is not a choice. I suspect it is a case of doing both. As you know, the current fee is held at £1.25 per unit. There was a consultation ahead of the corporate plan, which modelled different options for increasing those fees. It is right that further work is done on the operating model and what the results would be of changing the way of operating to deliver what everyone wants, in particular in terms of timescales for redress. There is a strong suggestion that those changes would still result in an increase in the fee, but it is too early to say what the new fee would actually be. We all need to be very careful about any increase in the fee, but things are probably pointing towards some increase.

Alongside that, as you say, there will need to be new ways of working, some of which are unfolding now, and some of which could change the design of the scheme, to effectively give the ombudsman more teeth in some circumstances, particularly in driving decision-making at the local resolution stage. During this process, I looked at three landlords' policies around their complaints system. I was struck at just how different they all are. Some were very detailed. Some even included timescales, so they would say, "We expect to respond within 10 days to a complaint being made. If you are unhappy with the response, we expect to respond 10 days after that." Others were very high level and did not have timescales set down.

There is some work to do there, hence the importance of the single standard around complaint handling is important and of using the knowledge and experience of the ombudsman, given its unique remit, to work positively with landlords to make sure that is really effective, before it even has to go through full determination, which then takes more time and increases the demand on the resources of the ombudsman.

Q43 **Bob Blackman:** One of the options within the consultation was to halve the length of time it takes to resolve an issue, but with a greater increase in fees. Is that an idea that you favour?

Richard Blakeway: It is too early for me to make a judgment on it, because I have not seen in detail the work the team has been doing on the operating model. We need to be clear, if there is an increase in fees, about what you get as a result of it. One of the key things that people want to see is the timescale it takes to make decisions in. It would be premature for me to say, "I think this is the price point at which the service should be set and this is the timescale you could achieve." The starting point is to say, "We are all signed up to six months being the period in which you would like decisions to be made. What changes need



HOUSE OF COMMONS

to be made to achieve that? What is the cost implication for the service of doing so?" That is the starting point.

Q44 **Bob Blackman:** If you do not increase the fees, how are you going to deliver that level of service?

Richard Blakeway: There is some work that you can do on the operating model, some of which is happening already.

Q45 **Bob Blackman:** Is that more standardisation? What do you see as being the way forward on that?

Richard Blakeway: One of the interesting things that the ombudsman has been doing is to try to work intensively with landlords that have a higher volume of complaints or more complex complaints. Another interesting thing the ombudsman is doing is trying to capture on its management system the learning and lessons from the casework that it does, roll that out and do workshops with members, for example, to make sure that those lessons are carried beyond the organisation where the complaint was made so that others can learn from it. Hopefully, those issues will not appear so often.

There was a good piece of work done on repairs. As you know, the lion's share of complaints that come through to the ombudsman—about 37%—are about responsive repairs. Changing the management system to unlock that knowledge is an important thing. There are things that can be done within the existing scheme and those are being done in this year. This year, the price is set at £1.25. It has been static. Going forward, if we want a step change, it might lead to an increase in the fee, but I need to see the detail of that, and we need to work through it.

Q46 **Bob Blackman:** You mentioned that you have already done some work about the standards of performance that different suppliers have. Do you see your role as trying to introduce higher quality standards that will go across the sector?

Richard Blakeway: Yes, that really is part of the ombudsman's role. It has this unique remit, which allows it to work with members while a complaint is in their system, and offer guidance and nudging. That is a really important and unique aspect of the scheme, which we should harness and do more around. A common complaint standard is an important feature that could be introduced. I would also like to see that go a step further, where you are able to issue orders. For example, if a complaint is stuck in the landlord's system you are able to say, "It is taking too long. It should not be stuck," and issue orders earlier. That strengthens and reinforces that common complaint standard.

Also, I would like to do a significant amount of work with tenants, to talk about the scheme and understand their experience of the scheme, so that we are able to develop greater understanding of the consumer experience and make sure the scheme is responsive to them.



HOUSE OF COMMONS

The other area that is coming up and is set out, which is important and could be very significant, is transparency around the data. We are moving potentially to a stage where the ombudsman publishes its determinations, names the landlord and then publishes annual data on landlords. While I recognise that, for tenants, it is not as if they are going to be able, in most cases, to say, "I want to change my landlord," shining a light on performance could be quite transformative. That needs to be handled carefully, though. The publication of that data needs to be handled carefully, not least to ensure we continue to promote a positive culture around redress, rather than members becoming a bit defensive, particularly as more data is published.

Q47 Matt Western: Do you think the Housing Ombudsman has all the powers it needs to do the job?

Richard Blakeway: No. This is why it is a good opportunity for it to look at what more powers it could have and what changes could be made to the scheme so that it can promote more effective redress. I have talked about some of those. Some of them are very specific to the scheme itself. I have talked about the complaint handling standard, for example. Some of those are legislative, and the democratic filter is one of those. Then, there is the one that will come through the Green Paper, and the questions being asked in it, which is investigating further and escalating to the regulator things that are considered systemic—setting the bar at systemic rather than serious detriment. That ability to take cases and escalate them is quite significant.

Q48 Matt Western: Should cases where there are systemic issues be referred to the Regulator of Social Housing?

Richard Blakeway: Yes.

Q49 Matt Western: If complaints do get stuck in the system, would you advocate additional powers that enable the ombudsman to force a landlord to provide residents with an outcome?

Richard Blakeway: Yes. The starting point is to try to get a common standard so that it is fair and transparent across all members. If a case is stuck, the ability to unstick that case is a very valuable thing for the ombudsman to have. I also think the ability of the ombudsman, for example, to compel evidence to be provided to it within a set timescale is important. That just puts it on parity with other ombudsmen. The powers you could give the ombudsman in relation to the complaints system of members are very similar to what other ombudsmen have. There is a clear precedent there that could be applied to this service.

Q50 Chair: Is there a problem, though, that, in the private sector, landlords can choose to go somewhere else? If you require more of them and perhaps give judgments they are not happy with, they could just go somewhere else where they think it might be easier and less restrictive.



HOUSE OF COMMONS

Richard Blakeway: The scheme is set out so that there is a statutory membership there, predominantly among social landlords and housing associations, as well as, more recently, among local housing authorities. We should not shy away from trying to achieve more effective redress by changing the scope of the scheme in a way that addresses the issues that we know keep coming up. This Committee has looked a number of times at the timescales it takes. Everyone would agree, and I am sure that many of the members of the scheme would agree, that having an effective redress system is an important part of a positive landlord-tenant relationship.

The scheme is set up by statute. Its membership is therefore enshrined in that statute, and we can work together to make it an effective scheme.

Q51 **Chair:** Finally, you mentioned the systemic issues in terms of referring to the housing regulator. By “referring”, do you mean you would set out what you see the problems to be on a systemic basis and the regulator to deal with them?

Richard Blakeway: That is policy work that the Department is doing in relation to the Green Paper. That Green Paper has asked the question about serious detriment and systemic failure. The definition of that, the scope of that, is something that will happen through the Green Paper work. It is the role of the ombudsman, and it would be my role, to work with the Department, but the Department controls the policy. Then, how to enshrine it in the regulatory standards will be a decision for the Department.

Q52 **Chair:** You are going to have a conversation with them about it, are you not?

Richard Blakeway: Of course.

Q53 **Chair:** What will you say in that conversation?

Richard Blakeway: We are all agreed that serious detriment is a bar that is set quite high. Therefore, a number of cases where you would have concerns are not dealt with by the regulator under its regulatory standards, because they do not meet the serious detriment. On the full definition of a systemic failure, I would need to work with the team to ask, “Where do we believe there has been systemic failure where it has not met the threshold test of serious detriment?” That knowledge would inform any dialogue that I had with the Department.

Q54 **Chair:** You have seen the reports that the Local Government Ombudsman has been producing, where it has concerns arising from a number of individual cases, which indicate a particular problem for authorities. It has drawn out and produced a more holistic report on them. Is that something you would see yourself doing as well?

Richard Blakeway: Yes, absolutely. I would want to work with the ombudsman service to understand the kind of casework that we have had



where we believe there is systemic failure, in presenting our view to the Department on how it could define that policy and define it in the regulatory standards. I have not had the opportunity to go through the kind of casework where we believe there have been issues.

Q55 Chair: Would you want to do that as well, to advise members—housing associations and councils—about issues that perhaps collectively they are not dealing with very well?

Richard Blakeway: Yes, it is important to work with members, tenant panels and others, given that the democratic filter will still exist for now, because it takes primarily legislation to change it. If we can make that more effective by sharing knowledge, that could be a positive thing.

It is important that the ombudsman continues its role around individual complaints and that, where it believes there is systemic failure, it identifies that and can escalate it to the regulator. You need to look at the powers that the ombudsman has to do that effectively. You need to look at how the standards are enshrined, and that is a decision for Government. There is plenty of casework out there, and I would need to work with the team to understand how we would like to see the policy drawn. I would need to do that work with the team.

Q56 Chair: Is there anything you would like to say to us before we close the session?

Richard Blakeway: From what I said at the start, consumer redress is at a very important point in the policy landscape. I would relish the opportunity to help the ombudsman deliver its corporate plan, to go beyond the corporate plan to deliver the service improvements that we all want to see, and to work with partners on improving the policy landscape around redress.

Chair: Thank you very much indeed for coming in this afternoon to see us.

Richard Blakeway: Thank you very much.