



SEVENTH ANNUAL REPORT To the Board of the Removals Industry Ombudsman Scheme April 2008 – March 2009

OVERVIEW:

The inevitable start to most Annual Reports this year will be the effect of the economy on the market in question. This Report from the Removals Ombudsman is no exception.

Although constitutionally independent of the removals business, the work of the Ombudsman's Office has undoubtedly been affected by the reticence of consumers to move house in an uncertain financial and employment environment, and the consequent impact this has had on removers.

This effect has taken several forms. The number of formal complaints has reduced by almost 10% though informal enquiries have remained robust, but in analyzing their substance there are no significant changes in trend or content from previous years, with one exception.

Many of this year's complaints and enquiries have emanated from abroad and involve international rather than domestic removals. The Ombudsman can deal with both UK and international categories provided the removal or storage company is a member of the National Guild of Removers and Storers (NGRS).

But it exceeds the Ombudsman's remit and the protection afforded to consumers when they use non-UK or Irish/non-member companies, and some of these complaints have fallen into that category.

In this Report there is a selection of Case Studies that describe typical complaints and their outcomes. These examples are accompanied by advice to removers about how similar situations might be handled, both to avoid complaints and to help with guidance to staff.

My experience this year is that the reaction of removers and storers to complaints has been responsive and positive. Most complaints have been resolved quickly and to the satisfaction of customers.

One formal referral from the Ombudsman to expel a member of the Guild, the fifth since the instigation of the Scheme, resulted in a welcome tightening of procedures between the Ombudsman's office, the Board of the Removals Industry Ombudsman Scheme (RIOS), and the NGRS.

COMPLAINTS:

The Ombudsman deals with complaints against members of the NGRS only when they have passed through the conciliation service provided by the Guild and resulted in no agreement being reached between the parties. NGRS members sign a contract in which they undertake to follow its Code of Practice, submit to independent annual inspections and quality monitoring, and abide by the Ombudsman's rulings.

During the year Guild members undertook around 80,000 removals. Of the 88 formal complaints made to the Ombudsman, 31 resulted in pursued cases and 10 remained open at the end of March; the others were reviewed and subsequently either withdrawn or fell outside the Ombudsman's remit. Wherever possible the Ombudsman aims to resolve complaints informally between the remover and the claimant because a swift intervention and a mutually satisfactory compromise is often the best course of action to ensure a fair outcome. This alternative dispute resolution approach is used wherever possible and to good effect by many other Regulators and Ombudsmen.

The Ombudsman issued four formal Determinations during the year in three of which an Award was made against the remover, the highest being £576. In one case the claimant's allegations proved to be unsubstantiated. A fifth Determination is pending and the remover has not yet responded satisfactorily. A breakdown of cases and their status is presented to the Board of RIOS each month.

The Ombudsman's Office also deals with a significant volume of telephone calls and emails during the year and they inevitably take time to consider, research and answer. Most consumer requests for advice involve relating the experiences they have had with a remover and learning if they have a case to proceed under the Code of Practice. These calls are important because they provide a picture of issues that affect individual customers; they can take up to 25% of the Ombudsman's time in the course of any week.

The categories below set out where the Ombudsman can and cannot take action:

The Ombudsman can consider complaints about:

Breaches of contract: eg a failure to provide a service to the standard contracted or excessive charges over and above what was agreed
Allegations of unprofessional, inefficient or unfitting conduct
Breaches of the Code of Practice
Substantial delays in dealing with a complaint

The Ombudsman cannot deal with:

Any complaint against a non-member of the Scheme
Insurance matters
Complaints which are, or have been, dealt with by the Court or another body
A complaint sent to the Ombudsman more than three months after it was last considered by the NGRS
Frivolous or vexatious complaints or those without substance

CASE STUDIES:

Case 1:

- In a large move involving awkward access and a significant academic library collected over many years, the remover was alleged to have left numerous household items behind and mislabelled boxes. But of equal or perhaps greater importance the library was packed with inadequate care, causing significant damage to the books and folders involved. The claimant submitted a large volume of photographic evidence.
- Everyone agreed that the claimants had sought and been given assurances on several occasions that the remover was experienced in moving a substantial quantity of books.
- In response to the complaint the remover apologised that anything had been omitted or mislabelled, agreed that one inexperienced member of staff had been retrained, but said that the only safe way to pack books was to wrap them individually. This was an argument that the Ombudsman did not accept.
- The claimants recouped part of the cost of replacing the books from their insurers. But this case was upheld and an Award made against the remover because the quality of work carried out was clearly below standard and caused significant distress and inconvenience.

Case 2:

- In a foreign move the UK firm appointed by the claimant subcontracted a local company to complete the final stage. That firm refused to drive into the claimant's street, citing a city ordinance that forbade heavy vehicles. The claimant used her own car, and labour, to complete the move. The claimant also alleged that she had been given less than two hours to leave work and take delivery of her goods.
- Although adamant, the remover failed to provide the necessary support for his position.
- The claimant produced written evidence from the City Council stating that there was no barrier to heavy vehicles entering the street in

question. The complaint was upheld and an Award made for inconvenience and distress.

Case 3:

- In a move where the claimant experienced substantial damage to sofas and bedding, ornaments and toys, she could not elicit an acceptable answer from the remover, despite considerable pressure.
- There was substantial dispute over the advice given by the remover and received by the claimant about fixing the problems she had experienced.
- The claimant generated a wave of adverse press coverage in her local media and threatened court action. The Ombudsman informed the claimant that the Office would cease to pursue the case if she instigated court action because the matter would then be *sub judice*; the claimant decided not to proceed with action in court.
- The remover failed to answer the detailed questions put by the Ombudsman.
- The remover was referred to NGRS and was subsequently expelled from membership and has since ceased trading.

Case 4:

- The claimant alleged that the remover had lost a lithograph.
- The remover checked his van and his yard and stated that neither had been open to access or abuse during the move.
- There was insufficient evidence to corroborate the allegation that the remover had lost the picture and the Ombudsman was therefore unable to find in favour of either party.

With the exception of Case 4 these complaints have a common theme, and it is one that was highlighted in the Ombudsman's 2007 Annual Report:

Communications

The Ombudsman has to deal each week with complaints that letters and emails, telephone calls and personal visits fail to elicit any reasonable response from a remover.

Most claimants can learn quickly where and how to complain, and have the advantage of advice on how best to achieve their objectives.

This makes it all the more important that removers are sensitive to complaints, reply to them promptly and appropriately, keep good records and in turn respond quickly to either the conciliation service provided by the NGRS, or if that does not provide a solution, to the Ombudsman.

This is an essential point to grasp; if the Ombudsman does not receive a reasonable answer from a remover then the complaint is likely to be upheld by default, and in consequence an Award may be made against the company or a recommendation may be made to the NGRS that the remover's membership be terminated.

Is there an ultimate sanction available to the Ombudsman? The answer is that all the processes and procedures in place to handle and resolve complaints are not mandatory. But the fact is that sanctions are seldom needed because compliance with the Code of Practice is high.

However, if a claimant remains dissatisfied they may ultimately take their case to their Trading Standards Authority who can prosecute if the law has been broken, or they may proceed against the remover in court.

It is also disquieting for the removals business that disaffected clients are increasingly prepared to use their local or national press to generate adverse publicity if they are dissatisfied with a remover or with the outcome of a complaint to either the Guild or the Ombudsman.

Removers are naturally keen to avoid adverse publicity; the fact is that a good reputation is hard to gain and maintain, and easy to lose.

THE REMOVALS OMBUDSMAN AND BIOA:

During 2009 the Ombudsman model will celebrate its 200th Anniversary; the first 'modern' establishment was the Swedish Parliamentary Ombudsman in 1809 though the first record of an Ombudsman was a Danish reference in the Law of Jutland in 1241.

As one of its complement of 28 Voting Members, the Removals Industry Ombudsman Scheme, though young and small, plays an active part in the work of the British and Irish Ombudsman Association.

According to BIOA, Ombudsman Schemes have proved increasingly popular as a means to investigate and resolve, determine or make recommendations on complaints. This is a view shared by the Cabinet Office in their advice on alternative dispute resolution.

The Removals Ombudsman follows BIOA's principles of being user-friendly, independent and impartial, free to complainants, accessible, conciliatory, inquisitorial rather than adversarial and able to take action if the Ombudsman's Determination is not fulfilled.

Whether schemes are statutory or non-statutory, compulsory or voluntary, BIOA's criteria require Ombudsmen to be independent from those they investigate and to be effective, fair and accountable. Given the considerable range of Ombudsman schemes in the public and private sectors and the variations in their constitutions, jurisdictions, powers and accountability, BIOA recognizes that these criteria need to be interpreted with sufficient flexibility to encompass a broad spectrum of consumer protection.

The Removals Industry Ombudsman Scheme is the only wholly voluntary private sector scheme in BIOA that is not underpinned by legislation. Though small in comparison with other schemes, it occupies an integral place in the wide-ranging activities of the Association and participates as a full voting member and in all relevant consultations.

EXTERNAL ACTIVITIES:

The Ombudsman's role spans many related activities: communicating with other organizations, with the press, with Government departments and others who have an input into policy.

These are selected highlights of our range of communications:

- Early in the year, the Ombudsman visited removers around the country to gauge their outlook on the business and to invite their views on the Ombudsman Scheme. It was encouraging to learn that there was strong support for the Scheme and its objectives.
- At BIOA's Conference in Edinburgh in May 2008, the Ombudsman communicated the role of our voluntary private sector scheme to both national and international Ombudsmen.
- During the May Conference of BIOA a new Chair was appointed: Emily O'Reilly is Ombudsman for Ireland. She issued a message to members in March 2009 that she would commission a review of BIOA and report mid-year. Any effect on RIOS will form part of next year's activities where appropriate, and will feature in our Annual Report.
- The Ombudsman maintains a dialogue with Government departments, influential policy makers and Ombudsmen in different spheres to ensure that RIOS is widely known and hears about and participates in any decisions that affect the Scheme. We welcome reactions, suggestions and comments about our Scheme and our work from all the sources we engage.
- Press coverage during the year has been positive for the Ombudsman's Office including in the trade press where En Route magazine has published a number of supportive articles.
- More widely, the NGRS generated extensive and positive coverage that referred to the Ombudsman Scheme during the initial downturn in the housing market, including expert interviews with Martin Rose from the NGRS and RIOS Board on TV and in major policy programmes such as the BBC's agenda-setting morning programme 'Today'.
- It is part of the Ombudsman's role to provide responses to consultations on issues that are relevant to the removals industry, and we did so throughout the year in response to numerous requests. Among those were requests issued by the Parliamentary and Health Service Ombudsman on the Principles of Good Complaint Handling, and the British Standards Institution in relation to the integration of industry standards and furniture removal services.

- The Movers and Storers Show at the NEC in Birmingham during February 2009 was the second year in which the industry was provided with a showcase by NGRS, and the first in which it heard about the Ombudsman first-hand. The Ombudsman made a presentation to participants about the Scheme and circulated the Hall to meet members of the industry on their stands. Both the stand and the video were of an exceptionally high standard.
- There have been numerous requests for information about how the Scheme works from within the UK and internationally, some from academics incorporating the role of the Ombudsman into their papers and lectures. These published texts are important for both the business and for consumers so that the Removals Industry Ombudsman Scheme can be explained and disseminated to ever-wider audiences.

Looking Forward:

As the new Removals Ombudsman, taking on an operation within nineteen days of being appointed in April 2008 has been exciting, hectic and challenging!

I am greatly indebted to Tony Kaye, Chairman of the RIOS Board, to his fellow Directors Jeff Norman and Martin Rose and to Lynne Stone at the Guild whose support and willing advice have been invaluable.

And I am also indebted to Shelley Radice, my predecessor, whose patience and ready guidance have steered me through the early practical challenges of taking over from her in a way that assured a smooth transition that I hope will benefit both consumers and the removals business.

As we move through 2009, the Ombudsman's Office is well equipped to provide the right consumer protection, balanced with industry support, to ensure that the removals business meets its self-imposed obligations.

MATTI ALDERSON
OMBUDSMAN
31ST MARCH 2009