Property

Sector report January - December 2016

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For more information about what we do and examples of how we handle complaints, please visit our website www.ombudsman-services.org/ property

Complaint numbers

Ombudsman Services: Property operates across a number of property jurisdictions, surveying, sales agency, lettings agency and block managers.

It is approved by NTSEAT for sales agents and by The Department for Communities and Local Government for lettings and managing agents. It is approved by the Royal Institution of Chartered Surveyors for surveyors offering surveying services to domestic customers.

We also work closely with the Association of Residential Managing Agents (ARMA) and The National Approved Lettings scheme (NALS).

Complaints volumes have steadily risen over more recent years and the main area of complaint remains about surveyors not reporting defects in the survey report. But since lettings and managing agents were statutorily required to belong to a redress scheme since 2015, the number of complaints about lettings and managing agents has risen at a faster rate than any of the other sectors under our jurisdiction.

Poor customer service and poor communication are constants throughout the complaints we see.

Education

Ombudsman Services: Property is much than just a complaints handling organisation. Helping business to get it right first time to reduce consumer detriment is a big part of an ombudsman's role.

We are unique in that we have more than 8000 firms under our jurisdiction which equates to more than 14000 offices.

Educating our sectors about complaints handling and where we see mistakes requires a different approach than just meeting with individual firms.

We have embarked on a programme to reach as many market participants as we can, talking about the types of complaints we see and where we see firms under our jurisdiction making mistakes.

We have contributed to, and taken part in, 34 events across the UK in 2016 and which amounted to 8000 CPD hours. We have spoken at RICS, NALS and ARMA conferences and have run workshops on complaints handling. We have written for RICS and ARMA journals and recently the Journal of Building Surveying and Valuation accepted several articles for publication. We have also spoken at several individual firms' own conferences. This outreach has allowed us to talk about our work, explain why complaints happen. offer advice about complaints handling and also to help industry get better at what it does.

Key Themes

Many complaints continue to be driven by poor communication and poor complaints handling. Often a simple misunderstanding about roles and responsibilities then met with poor communication and poor complaints handling, drives complaints which otherwise would be avoided. We regularly encounter an absence of effective record keeping both in terms of office records and records of on site inspections.

In terms of surveying specifically, dampness remains the single most complained about issue, followed by timber, rot and woodworm, roof, services and Japanese knotweed. Often poor record keeping alongside a lack of holistic thinking – not following the trail, and incorrect assumptions drives survey reports not to accurately reflect the condition of the property on the date of inspection.

Standards

Ombudsman Services: Property continues to works closely with RICS, NALS and ARMA, as they continue to set high standards of operation for their members. We are working with several key partners, including NALS and its Fair Fees Forum, The Lettings Industry Council and RICS and its Blue Book Working Group to help raise standards in the sector. We also sit on the Private Rental Sector Code Working Group and contribute to key standards documents to help reduce consumer detriment.

We also continue to work with NTSEAT and DCLG to advise where standards can be introduced to reduce ongoing detriment.

Regulation and Enforcement

The agency sectors continue to operate largely in an unregulated environment. Several codes of practice exist, all of which can cause confusion both to industry and consumers.

Ombudsman Services: Property is part of several working groups to help drive up standards and it is continuing to call for holistic regulation, underpinned by a clear, independent code of practice supported by effective and quick enforcement.

By having a single standard, benchmarked, underpinned by enforcement and supported by redress, consumers can have confidence that all market participation, regardless of trade body/regulator membership, will operating to the same standards.

Property at a glance (January – December 2016)

Total initial contacts

5,601



How these contacts got in touch

1,474

26% Telephone



4,127



3,612 were emails

Terms of reference



Percentage of initial contacts inside terms of reference (ITOR)

Percentage of initial contacts outside terms of



Awards and remedies



74% Written







reference (OTOR)

Contacts outside terms of reference

49% Nature of complaint was outside of terms of reference

51% Were about non-participating companies

<1% Other

Of the complaints resolved

1166

Complaints

resolved

1% Mutually acceptable settlement

98% Ombudsman Services decision

1% Pre-investigation case closure

Key performance indicators (KPIs)

97% of calls answered in less than 2 minutes

99% of calls answered in less than 5 minutes

100% Of correspondence actioned within **10 days**

92% Resolved in under 8 weeks

Of those written contacts



12%

507 were letters



0%



0 were web forms

<1%



1 were faxes

Top three complaint types

Homebuyer survey/valuation

> 5% Other complaint

Property management

4%

9%

The most common financial award was £50