

DRO

Dispute Resolution
Ombudsman



**Furniture &
Home Improvement**
Ombudsman

ANNUAL REVIEW

2023



Inspiring Consumer Confidence
Since 1992

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Foreword - Kevin Grix

“ All users of our service now benefit from best-in-class technology via our online case management system and we have continued to train our staff in consumer law, complaint resolution and customer service so that we are equipped to get it right first time. ”



During the course of 2023, we continued to provide our vital services to thousands of consumers and businesses who are registered with us. Those businesses understand the importance of fairness and the need to protect and uphold the rights of their customers.

For many consumers - still impaired by the rising cost of living - decisions to purchase are challenging, especially when it comes to big ticket items. Consumers rightly expect businesses to fulfil their obligations when things do go wrong. Providing reassurance that a business is registered with us prior to a sale increases confidence - and restores trust even if something does go wrong.

Over the past 12 months we have continued to invest in our systems and in our staff. All users of our service now benefit from best-in-class technology via our online case management system and we have continued to train our staff in consumer law, complaint resolution and customer service so that we are equipped to get it right first time.

We have also trained hundreds of delegates drawn from the businesses we work with to help them achieve better outcomes.

We will continue to place all users at the heart of our service – focusing on the needs of consumers and working closely with industry to raise standards. We will engage, listen - and continue to place an emphasis on improvement.

I am incredibly proud of the team that we have assembled here – it would be impossible to do the job that we do to the same standards without their expertise and diligence. Our workforce is truly world-class, and I am grateful to each of them for making it possible to reflect on another positive year. I am also grateful to each member of the independent standards board which meets throughout each year to review our cases, processes and procedures. Our work is enhanced through their knowledge and independent oversight.

It is a pleasure to present our Annual Review and I hope that you find the following pages informative.

Kevin Grix

CEO & Chief Ombudsman



Approved by Government under the
Alternative Dispute Resolution for Consumer
Disputes (Competent Authorities and
Information) Regulations 2015

2023 - Judith Turner



“ The Financial Conduct Authority's new Consumer Duty – while not directly relevant to some of our furniture and home members – nevertheless provided an opportunity for us (and them) to look again at customer service processes. It highlights the ways customer focus has to remain central to businesses, and provides another example of the Ombudsman taking and translating learnings from other sectors. ”

The challenges in providing goods and services to consumers remain an area of focus for members of the Furniture & Home Improvement Ombudsman (FHIO) and Dispute Resolution Ombudsman (DRO).

These Ombudsman services operate across a range of sectors. In some of these sectors, membership of an Alternative Dispute Resolution (ADR) scheme remains voluntary. Yet we feel that membership of our Ombudsman schemes is not only a powerful means by which traders can differentiate their business from their peers', but that it also offers a means by which they can upskill their staff and share best practice from other sectors.

The Financial Conduct Authority's new Consumer Duty – while not directly relevant to some of our furniture and home members – nevertheless provided an opportunity for us (and them) to look again at customer service processes. It highlights the ways customer focus has to remain central to businesses, and provides another example of the Ombudsman taking and translating learnings from other sectors.

The FHIO continues to provide data and insights to operators within the furniture and home sectors, alongside more tailored learnings, much of which is done via our training courses or our highly-successful webinar series.

In 2023, I was honoured to represent the Ombudsman at several high-profile events and industry forums. We've also continued to consolidate our presence in the retrofit and renewables home improvement space and we were delighted to announce in the latter half of the year that the DRO was also successful in our tender to provide an adjudication service to the water sector under contract with the Consumer Council for Water. This brings our complaints handling and adjudication service to a whole new, regulated, sector.

The DRO also continues to provide support services to the Independent Football Ombudsman – another example of our reach and commitment to raising standards, using the lessons from individual redress and expertise in handling disputes across a range of sectors.

In-house, the FHIO team grows from strength to strength as we upskill and develop the individuals within it. We've developed a new 'Ombudsman Skills' training course to provide a more individual focus to enable each member of the team to flourish.

We have also further evolved our Standards Board with new mechanisms for our teams to evolve and grow. We are proud that this was recognised within our 2023 staff survey, which also found:

1. **All staff feel they're a valued member of the team:** An all-time high of 100% (up by 9% from the previous year) of respondents stated that they felt like they played an integral role in their respective teams. Our dedication and commitment to excellence truly shine through in these results.
2. **Nine in 10 feel they're trusted to do their job.** Collaboration lies at the heart of our success and the survey results reflect this brilliantly. 88% of staff highlighted they felt trusted to make the decisions that are required in their jobs, highlighting the positive and productive teamwork culture within our organisation, which emphasises mutual respect, support, and open communication.
3. **All staff feel they work in an inclusive environment:** Continuing the trend from the previous year, all staff members (100%) noted experiencing an inclusive culture within the company. This is a testament to our ongoing efforts to foster an environment where every voice is heard and valued.

We are very pleased to present our Annual Review for 2023 and hope you enjoy reading it.

Judith Turner
Deputy Chief Ombudsman

About us

We are an independent, not-for-profit, government-approved Ombudsman. We offer dispute resolution, training and advice to businesses and consumers in the retail, furniture, home improvement industries.

We were set up by the Office of Fair Trading in 1992 and pride ourselves on the incredible expertise acquired over the years. We offer City & Guilds accredited training and have a diverse team of professionals, as well as a membership base that promotes fair trade.

Each year we continue to improve our learning and development platform to make sure that we offer our members the best guidance as to what constitutes fair practice. We also bring the industry together through members' workshops. This is not just an opportunity to get an update on consumer law, but also to spot trends and share good practice, so that consumers benefit from an enhanced experience when shopping with our members.

We recognise that business and consumer needs are progressive. We want to help our members to understand this and have the skills necessary to meet this continual state of change. We are working to create and strengthen alliances and non-commercial partnerships with relevant industry bodies and organisations.

Our commitment

We are committed to delivering the highest standard of service to our members and their customers. We are actively engaged in the wider industry landscape to understand the latest developments in the sectors we support. We share our knowledge and experience with other consumer-focussed organisations and bring best practice back into the Ombudsman to continually improve our service.

We hold ourselves to the highest standards. We are approved by the Chartered Trading Standards Institute, FHIO is a full member of the Ombudsman Association.



Approved by Government under the Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015

**OMBUDSMAN
ASSOCIATION**

Full member of the Ombudsman Association



City & Guilds approved training centre



Cyber Essentials certified

Our year in numbers



116,975

users visited either the FHIO or DRO websites



**13 accredited
virtual training courses**

delivered to 192 delegates



8,029

cases closed
in 2023



£2.4 million

was awarded in financial
settlements in 2023

25%



more than a quarter
of businesses
registered with the
Ombudsman have
been with us for longer
than 10 years



99%

cases resolved or closed
through conciliation

43 days



the average time it
takes for us to close
a case



100%

of our Ombudsman have
legal qualifications



99.99%

website uptime



4 free webinars

delivered on topics including Consumer
Duty, Independent Retailer Month,
Parcel Delivery and Black Friday
/Cyber Monday



18,544

email contacts



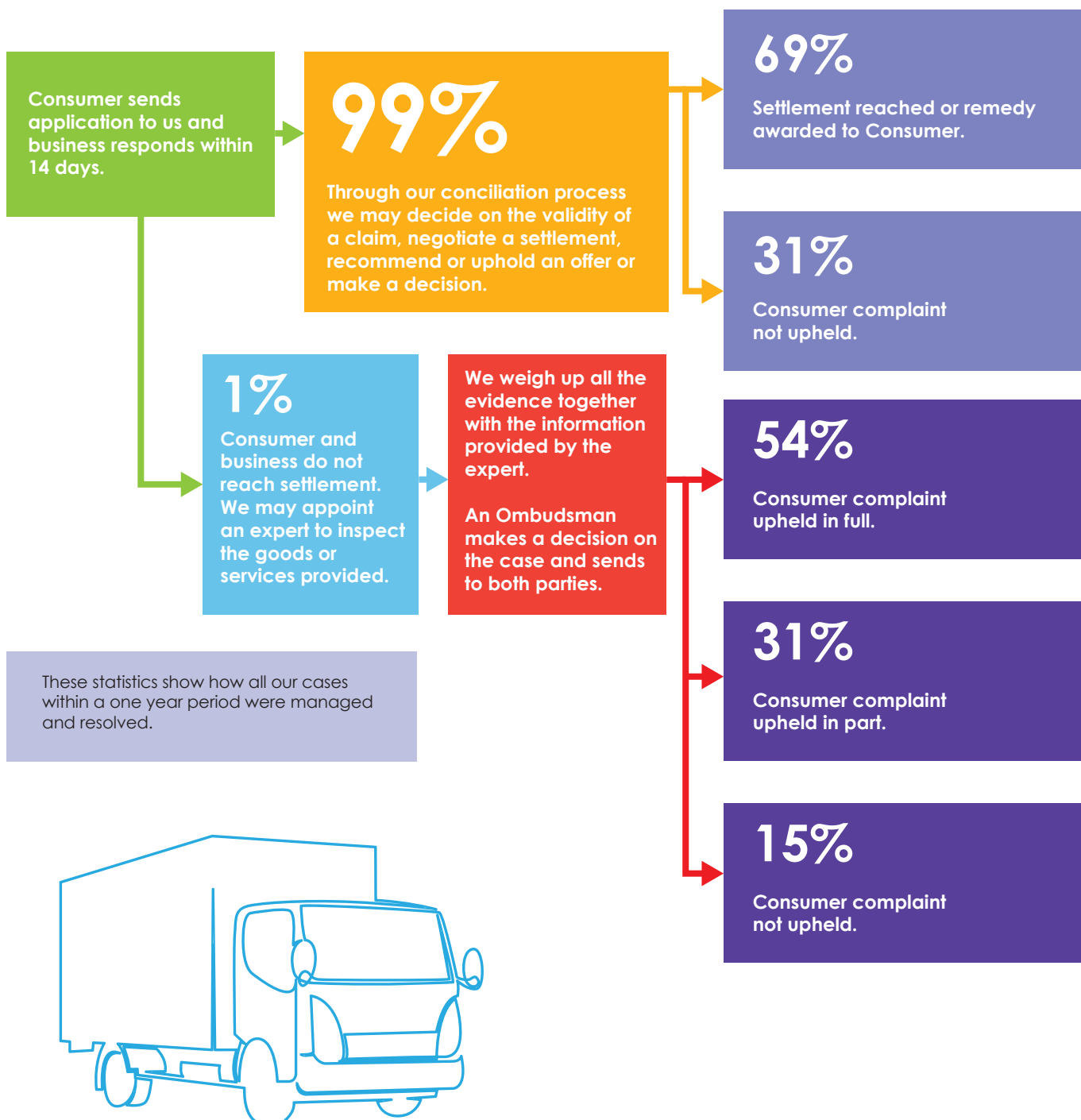
19,997

telephone enquiries

Our results for 2023

The figures in this review relate to the 2023 calendar year. Historical data relating to the previous seven years is also provided for comparison. Further details of our services can be found on our websites.

Our process aims to help Consumers and businesses reach an amicable solution to their dispute.

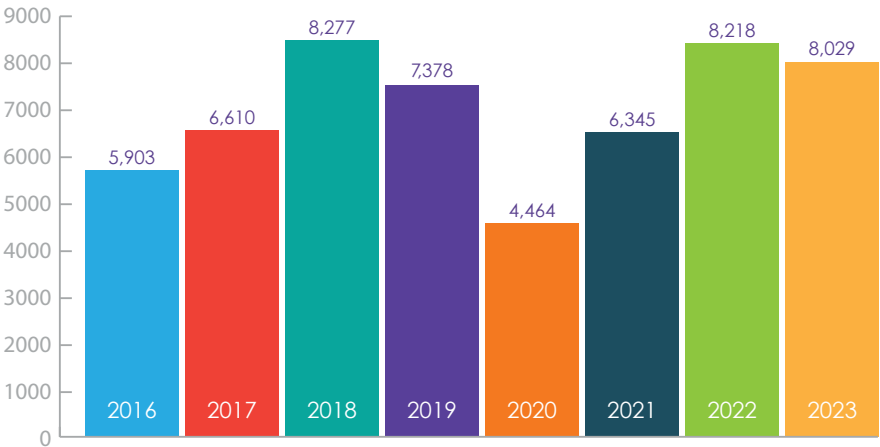


Performance



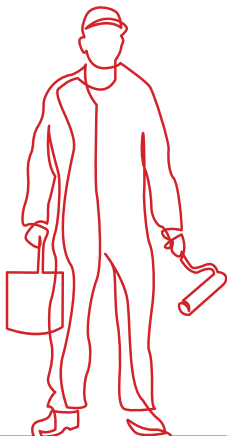
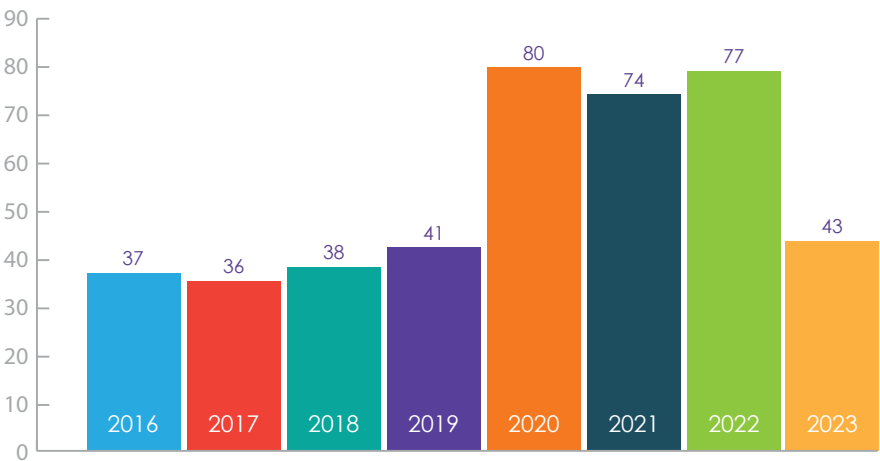
Case volumes

We closed 8,029 cases in 2023. We work with businesses to give them the tools to resolve complaints fairly and to avoid escalation to the Ombudsman where possible.



Days to complete a case

On average, in 2023 a case was closed within 43 days. This is almost half the time taken to close a case compared to the previous year.



Case outcomes



Conciliation

When an application is received from a Consumer, detailing a complaint against one of our members, the claim is investigated through our Conciliation process.

Our Conciliation process guides both parties through the dispute, requesting evidence from both sides. At this point, we may be able to decide on the validity of a claim, recommend or uphold an offer which has already been made prior to our involvement or negotiate a settlement.

In 2023, 99% of our cases were resolved or closed via conciliation. Our experience and robust conciliation process ensures that in most cases we can make a decision at this point.

As an Ombudsman, we have more flexibility than the courts to identify practical remedies to resolve a situation. A settlement was reached, or a remedy was awarded to a Consumer in 69% of cases closed during this process. These remedies included full or partial refunds, replacement products or works to put things right (such as installation fixes and reports). In some instances, we also awarded financial compensation.



Adjudication

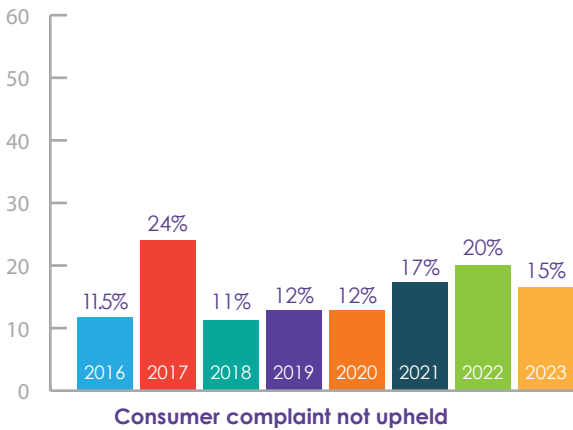
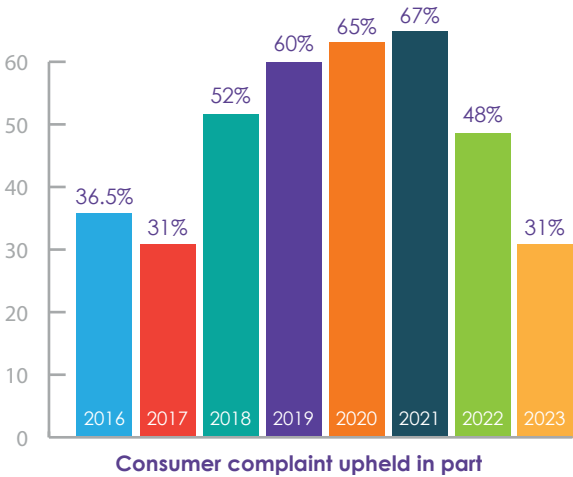
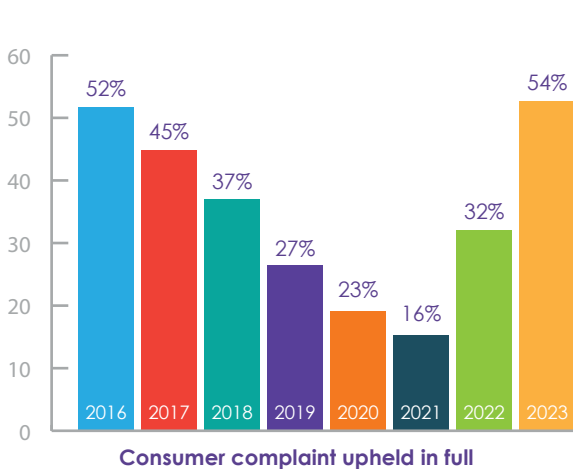
Where an agreement cannot be reached or conflicting evidence is submitted at the Conciliation process, a case will move to Adjudication.

In this instance we may send an independent expert to look at the items or installation in question and they will make recommendations as to a suitable remedy. These detailed inspection reports provide additional evidence, which enables our Ombudsman to make a binding decision.

In many cases a complaint will have several elements to it, and it is not uncommon for parts of a complaint to be upheld whilst other elements are dismissed.

1% of our cases required Adjudication in 2023. Below we highlight the outcomes of Adjudication.

Outcomes of cases requiring Adjudication



Our sectors



Appliances
Bedroom
Beds and mattresses
Boilers
Clothing
Electronics
Finance
Flooring
Furniture and furnishings
Foam
Garden buildings
Home improvement

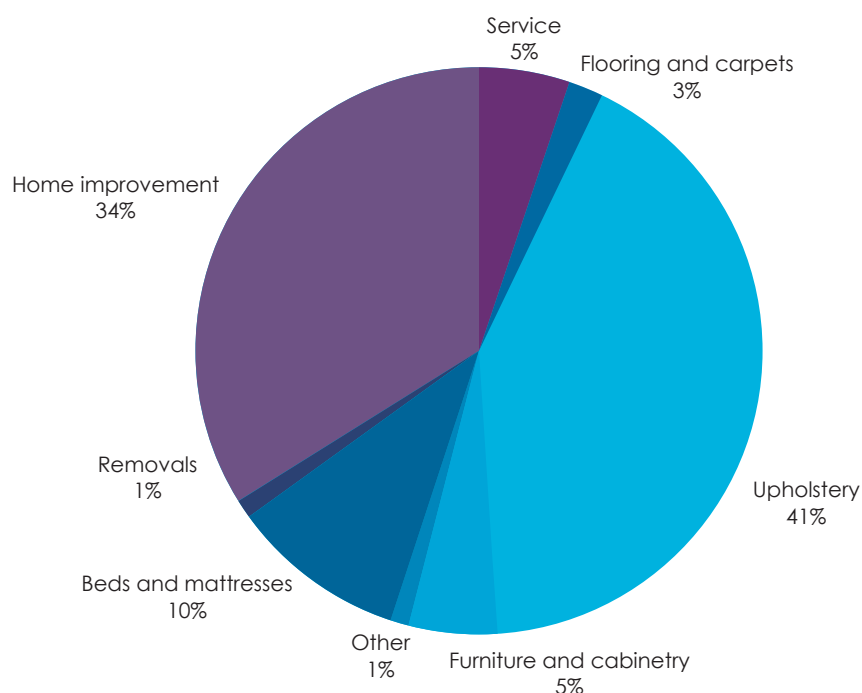
Kitchens and bathrooms
Licensing
Manufacturing
Mobility furniture
Parcels
Removals
Saunas
Showers
Sofas
Tech
Tiles
Trade associations

Warranty providers
Water
Windows and doors
Worktops

Our services

Our members consist of goods and service providers in retail, furniture and home improvement industries, along with sectors such as TV Licensing and other consumer services. Here is how our case load was split in 2023.

Categories



Upholstery - 41%

This includes sofas, armchairs, corner units, footstools and recliners.

Home Improvement - 34%

- Kitchens installation 22%
- Bedrooms installation 2%
- Bathrooms installation 6%
- Other home improvements 4%

Beds and mattresses - 10%

This includes beds and bedroom furniture.

Furniture and cabinetry - 5%

This includes cabinet furniture, furniture, dining room and garden furniture.

Service - 5%

This includes insurance, guarantees, warranties, licensing, motor vehicles and training.

Flooring and carpets - 3%

Removals - 1%

Other - 1%

This includes curtains, clothing, electrical appliances, home accessories and gardening.

Standards Board



Furniture & Home Improvement Ombudsman

One of the big challenges for all Ombudsman schemes is to safeguard the quality of its decision-making. This objective is necessary to secure high standards of justice and to retain the confidence of its various stakeholders, especially complainants.

Like all Ombudsman schemes, the Furniture & Home Improvement Ombudsman (FHIO) uses a range of different approaches to uphold its standards, ranging from recruiting high quality staff and training, to various layers of internal checks and reviews of decisions made. In addition, the FHIO also invites external, independent parties to scrutinise its decision-making. It does this latter form of work through the Standards Board.

Since 2020, I have been the Chair of the 'FHIO' Standards Board. I am an academic and when I first joined the Board in 2015, I was midway through a major research project on the Ombudsman sector, with a particular interest on issues of procedural fairness and accountability in the Ombudsman sector. I am of the view that the Standards Board model operated by the FHIO is an exemplar of good practice in the sector and a really positive example of the efforts that such bodies make to self-reflect and improve their performance.

The Board meets up to four times a year and is made up of a range of experts - that way we can best integrate the insights of the key FHIO stakeholders. Reflecting the Consumer perspective, we recruit members from consumer advice organisations and trading standards officers. Likewise, from the trader's perspective, members of the Standards Board include experienced complaint handlers from several businesses for which the Furniture & Home Improvements Ombudsman is responsible for investigating complaints.

Yet the major contribution the Board offers is a review of a large number of completed decisions, especially those that have gone to the investigation stage. The dominant feedback that the Board provides is a positive one confirming the judgement of the Ombudsman on both the merits of the decision and the scale of awards recommended, but it is not uncommon that we suggest refinements to its approach and improved explanation and justification for its approach.

Although rare, occasionally we have been more critical. As an academic, I consider myself a true outsider to the process. Hence when such differences of opinion occur between the Board and the Ombudsman, it is often an eye opener to see the dynamics that play out in our meetings. Do not assume that the 'traders' on the Panel are always sympathetic with their fellow traders, or that those in their day job are most invested in defending the consumer interest are unerringly impressed by the claims made by the Consumer. These moments of challenge to the Ombudsman also showcases, the difficult decisions that it has to make. It is not always easy to establish the right answer and there are often strong merits to the trader and the user perspective.

It is important that the Board does not change any decisions made by the FHIO or consider any live cases. However, we do provide a service as a sounding board where the Ombudsman has hit upon a difficult or fresh challenge and this can have a direct impact on decisions made. Overall, I am very impressed by the rigour and fairness of the work put in by the Panel members and the wisdom of their feedback. I am also very confident that although we have pushed the FHIO to do better on a number occasions, that feedback has been taken on board and that changes in practice have been made. As mentioned above, the Standards Board is just one part of the overall scrutiny process that operates through and around the FHIO to safeguard the quality of its work, but it is an important aspect.



Professor Richard Kirkham

Head of the School of Law, University of Sheffield.

Training

Training is one of the key ways in which the Ombudsman is geared to help businesses to improve their customers' experience via learning and development. The application of Consumer law to the complex consumer landscape requires customer service techniques employed by businesses to define what drives complaints, developing and delivering training that will positively impact customer service colleagues and reduce complaints. An area for ongoing development at the Ombudsman; advanced executive courses are in a developed stage of production for the future. The following organisations took part in our two-day City & Guilds Consumer law accredited training during 2023, demonstrating their appetite to progress and improve their people's understanding skills learned and ultimately impacting the Consumer's experience.

DARLINGS
OF CHELSEA

TRUSTMARK
Government Endorsed Quality

Magnet
part of the family

STOLLERS
SINCE 1905

SOFAS & STUFF

MATTHEW JAMES
GLOBAL RELOCATIONS

GEMINI
WORKTOPS

smeg
technology with style

Panasonic

Comfy
GROUP

VADO

dgcOS
Trade Supply Partnership
Independent Retailer

hics
Consumer Protection Agency

hies
Consumer Protection Agency

CCW
The voice for water consumers
Llais ddydddyddr dair

HARLEY
CLINIC

In addition, several businesses took part in bespoke, Ombudsman-accredited courses including some manufacturers.

We hosted some free webinars in 2023, including topics such as:

- Consumer Duty
- Independent Retailer Month
- Black Friday/Cyber Monday
- Parcel Delivery

Anonymous delegate feedback

“ The structure was clear, verbally specific and detailed. ”

“ The training has taken me outside of my comfort zone and taught me valuable life skills. ”

“ Fun and engaging. Useful for my everyday role. ”

Feedback

Consumer feedback

" I found The Furniture & Home Improvement Ombudsman to be of enormous help. They were very prompt in their response to my application and the situation was resolved, to my satisfaction, only a few days later. I'm very grateful to them. "

Mr J (Trustpilot Review)

" So helpful and took my case on; had an issue with a major sofa supplier who wouldn't respond to any calls or emails. This issue wouldn't have been resolved without using the Ombudsman. "

Ms T (Trustpilot Review)

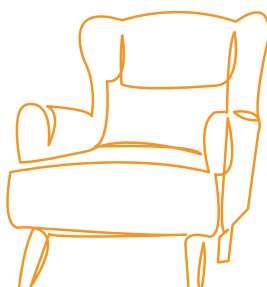
Registered business feedback

" Nolte Kitchens understands the importance of transparency, customer satisfaction and ethical business practices. Aligning ourselves with the Ombudsman provides a fair and impartial platform for our customers, giving them the assurance that we are committed to their satisfaction. Enrolling in the scheme helps us to stay informed and connected with the industry, regulations and best practices, as well as receiving training and advice which highlights our dedication to excellence and staying ahead of the curve. "



" At The Kitchen Depot, our mission is centered around providing exceptional service to our valued customers across the UK, through our network of locally owned, family-run showrooms. As part of our unwavering commitment to excellence, we are proud to announce our affiliation with the Furniture and Home Improvement Ombudsman.

This underscores our dedication to offering a fair and impartial platform, ensuring our customers have complete peace of mind and confidence in the quality of our kitchens and the service we provide. Integrity, honesty, and transparency are the cornerstones of our business, and by collaborating with the Ombudsman, we further reinforce our commitment to upholding these principles and raising industry standards. "



Staff experience survey

As part of our commitment to ensuring our staff feel valued, we carried out a 10-minute, anonymous, online survey, titled 'Have Your Say 2023.' Completed by all staff, it gave us important insight into their relationship with the company.

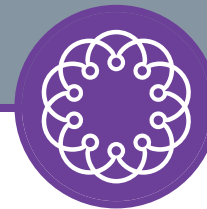
Some of the highlights gathered from the survey include:



100% of employees felt that they were a valued member of the team.



Nine out of 10 employees (88%) felt trusted to make the decisions required in their jobs.



100% of employees felt that the Ombudsman has an inclusive culture.

opportunities **SUCCESS** *Socialise*
valued **recognition** **Benefits**
safe **Great** **motivation**
appreciated **PROVIDED**
People **work** **Role**
Team **TRAINING**
Inclusive communication company events
TOOLS **Really good**

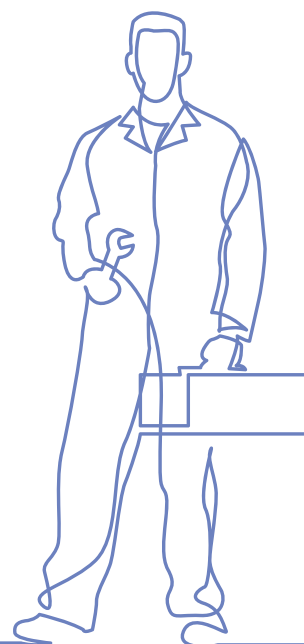


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