



**THE INDEPENDENT ASSESSOR'S  
ANNUAL REPORT  
2019-2020**

This financial year (1 April 2019 to 31 March 2020) the Ombudsman Service recorded having received a total of 4,872 service complaints. I investigated 602 complaints, 12% of the Service's overall recorded figures.

Whilst I have issued more Opinions than ever before, the percentage of service complaints referred to my office has decreased for a second year in a row, from 14% to 12%.

My report will highlight important areas for improvement, although, it needs to be put into perspective. The Service has resolved 296,976 cases and I have reviewed 0.2% of the 1.6% of cases where customers raised concerns about the handling of their case to the Service.

### Complaints investigated by me

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	2019-2020	2018-2019	2017-2018
<b>Satisfactory</b>	33%	46%	45%
<b>Adequate</b>			9%
<b>Unsatisfactory</b>	66%	54%	46%
<b>Recommendations and/or Learning points</b>	23%	24%	23%

In 2018-2019 I changed my classifications to Satisfactory and Unsatisfactory, removing adequate. This accounts for the difference in data in 2017-2018.

There has been a 13% decline in complaints that I have categorised as having been dealt with in a satisfactory manner. However, the percentage of cases that I have made recommendations and/or issued learning points on has remained relatively static.

- *What the Service did well*

Complaints about professionalism, competence and attitude of staff have continued to decrease since my last report and now only form 0.5% of the complaints I have reviewed. In addition, I am pleased to see that all complaints about this, I have classified as satisfactory. The Service should continue in its excellent work in this area.

Concerns about redress and outcome have also been on a steady decline and now make up only 1% of complaints I receive. This goes to show the Service has made good progress in explaining redress in a clear and concise way.

- *Complaints I found unsatisfactory*

Of the unsatisfactory complaints, 68% related to a concern about communication. Of all 139 recommendations and/or learning points I made, 76% related to complaints about communication.

Of all the cases I classified as unsatisfactory I made recommendations and/or learning points on 35%, which means the Service has not always done enough to put things right when things have gone wrong.

### Overall complaint themes

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A comparison of the top three complaint themes against the previous year indicates the main reasons customers have approached me:

<b>This year</b>		<b>Last year 2018/2019</b>	
Communication	57%	Communication	47%
Timeliness	21%	Fairness and Impartiality	16%
Fairness and Impartiality	12%	Timeliness	15%

**Communication** – this continues to be the area in which most complaints are raised. This now accounts for significantly more than half of all concerns brought to me. This area has seen a steady rise for the last 3 years and now accounts for 57% of complaints.

Of the complaints about communication, only 21% I found were satisfactory. Of the 79% unsatisfactory complaints, recommendations and/or learning points were made to the Service on 39%.

The Service’s response to my concerns about communication in last year’s report highlighted that the Service was:

- *‘equipping our case-handlers with the right information so that our customers get more meaningful updates. Case-handlers now have better access to information about our waiting times, so they’re able to better manage customers’ expectations and update them more regularly.’*
- *‘raised our staff awareness of why good communication is important – such as publishing case studies based on the IA’s reviews, on our intranet.’*

Despite the work undertaken by the Service in this area the data shows that the Service has a lot more work to do with communication. The concerns about communication generally fell into the following categories:

- Failure to provide meaningful and timely updates.
- Failure to provide updates within stated timescales given to customers.
- Failure to provide information about timescales.
- Failure to respond to correspondence within a reasonable period of time.
- Inaccuracies contained in opinions and decisions, such as typos and grammar.
- Not providing clear and accurate information.
- Not responding to all of the customer's concerns leaving the customer feeling they had not been listened to.

Due to the ongoing backlog the Service has, it is imperative that it focuses on improving its communication with its customers. In my last report I suggested the Service consider providing its staff guidelines as to what is a reasonable amount of time to respond to customer's emails, calls and letters and how often updates should be given at each stage of the customer's journey. I am pleased to see the Service has taken steps to implement this. It would also benefit customers to know when they were likely to receive a response – this would avoid customers calling in on multiple occasions to get an update – which is time consuming for both the customer and the Service.

**Timeliness** – complaints about this have also been on a steady rise over the last few years which stems from the Service's delay in allocating cases due to the volume of complaints it has received. I have seen this at all stages of the customer's journey, from setting up cases, to allocating cases to a case handler, to allocation to an Ombudsman once the case has been placed in the Ombudsman queue awaiting review.

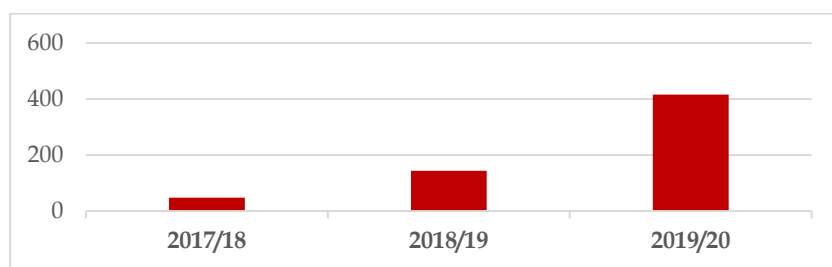
Timeliness accounts for 21% of the complaints I have reviewed. Of these complaints, 34% I have classified as satisfactory. Of the 66% of complaints where I have found the Service's timeliness unsatisfactory, recommendations and/or learning points were made on 29%.

Complaints about timeliness in which I made recommendations generally fell into the following categories:

- Case handlers not progressing cases as quickly as they should have.
- Failure to chase the business for its file.
- Case handlers not progressing cases into the Ombudsman queue as quickly as they should have.
- Customer help starting the 8-week process for the business final response when the customer has made it clear this had already been done.
- Customers not being told at the earliest stage that the case may not be in the Service's jurisdiction.
- Delays in providing Subject Access Requests to customers.

- Failure to prioritise all the customer's cases when a decision to do so on one would logically imply all cases for that customer should be prioritised.
- Multiple cases being set up for the same issue – causing confusion and delay.

I generally only investigate cases once closed to ensure that all customer service concerns are looked into together. This has led to a surge of customers, complaining about delay, being told to wait. The below shows the increase in cases rejected by my office as the case is ongoing:



There has been a 188% increase in these cases.

It is clear that timeliness intrinsically links with communication. If customers had been adequately updated about the ongoing delays and backlog within the Service in a proactive and timely manner, this may have avoided so many complaints about timeliness.

**Fairness and Impartiality** – concerns about fairness and impartiality have decreased since last year – it now forms 12% of customers concerns. Of these cases I found 85% were handled satisfactorily. I found 15% (11 cases) had not been handled satisfactorily and I made a recommendation and a learning point on one case. It is important that once a case reaches the Ombudsman stage an Ombudsman communicates with both parties equally.

The main concerns of customers in this category were:

- Providing financial businesses numerous extensions to provide its business file but giving consumers very short deadlines to respond to opinions.
- Consumers not being provided evidence the Service relied upon to make its findings when requested.

There has been a 20% decrease in complaints (89 cases to 71 cases) about fairness and impartiality this year. In 2018/19 this area was the second largest area of concern. The Service responded to my report and said:

*'The past year, we've continued to invest in our case-handlers' training to ensure the ongoing consistency and fairness of our answers.'*

*'We've trained everyone in unconscious bias and the perceptions of bias, as well as equality, diversity and inclusion – to reinforce the importance of treating everyone equally. We recognise there's always more we can do to reassure customers that we're fair and impartial in our dealings with everyone.'*

I am pleased to note the Service has made progress in this area and the time invested in training appears to have had an impact. It is the third largest area of concern and the Service should continue its work in this area.

## Learning Points

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In 2018 I introduced learning points as part of my recommendations when reviewing a complaint. The aim of this is to encourage a culture of continuous learning and improvement from service complaints. Sometimes there are learnings within a case that, if taken on board may prevent the same failures recurring in other cases. To ensure these are noted and adopted, I issue learning points to the Service instead of or in addition to my recommendations.

This year I issued 26 learning points to the Service. The majority of which, like last year, have been around the Service's communication with its customers. These have included:

- Staff checking personal and case details with the relevant party. This will help avoid errors and prolonged unnecessary communications. The Service should also consider reading back names and addresses phonetically, especially where it is attempting to clarify information already held on file. The same applies to account and policy numbers.
- The Service should always take into account and remember a customer's personal circumstances, in particular health and financial conditions. This is even more important with repeat customers and customers that have more than one case on the go. I have seen cases where unreasonable deadlines have been imposed, duplicate requests for information have been made and numerous case handlers assigned to handle one case. Additionally, in circumstances where it is established that a customer has serious health or financial issues, that may be impacted by its actions, the Service should ensure staff are aware of, trained and provided with support to enable them to meet the customer's needs. Where possible, the Service should also consider assigning one case handler to correspond with the customer to minimise the confusion, stress and anxiety that may be caused.
- Staff should be reminded of the importance of giving correct information about what a final decision means and the impact of accepting or rejecting it on potential court action.

- It would be good practice for the Service to make customers aware that jurisdiction is still something that needs to be reviewed and determined by a case handler or Ombudsman. At the very least the customer has an idea that jurisdiction may still play a part when the case is progressed to investigation and right up to final decision.
- When a staff member moves departments, their contact details are still available to customers they previously dealt with. Moving departments does not mean they can no longer be contacted by a customer. If they are no longer the appropriate person to deal with a matter, they should inform the customer and flag the issue to a relevant colleague promptly.

I am pleased to see the Service has welcomed the learning points and has implemented action points as a results of the issues identified. It has and is addressing the learning points by rolling out relevant training, providing feedback and updating internal information for staff to use and check. I have also seen that it keeps a record of this, which is shared with my office and the Service's Board. This way it can ensure it is holding itself accountable for the issues I have flagged up, implemented improvements and changes to minimise the same thing happening again.

### Complaints rejected by me

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789 customers contacted me to consider complaints I was not able to review, which represents a 58% increase from last year.

The complaints were rejected for the following reasons:

- 53% of these were because the case was ongoing – this has increased from 36% of the 500 rejected last year.
- 18% of these were because I found the complaint to be about the merits of the case. This figure has decreased as last year 27% of the complaints I rejected were about the merits of the case.
- 10% of these were because the customer had referred the complaint to my office out of time – i.e. not within the three-month deadline given by the Service.
- 19% were because the customer had yet to make a complaint to the Service. My Terms of Reference clearly state that the Service must be given the opportunity to look into matters first before I can get involved.

## Areas to focus on

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- *No complaint logged/Poor review*

It is important that the Service completes a thorough review of the case as it only has one chance to put things right. This year I have seen 58 instances of either service complaints not being logged or what I consider to be poor reviews.

Further analysis:

- 30 cases show that a service complaint wasn't logged by the Service
- 28 cases I considered there to be a poor review by a manager and of these I made recommendations in 82%.

Following on from the feedback I provided to the Service in quarter 1, I requested that the Service complete a deeper review into these issues. The Service provided a report in September 2019. The aim of the deeper review was to see if, when a customer had expressed dissatisfaction about the service they had received, their concerns had been dealt with in line with the Service's guidance and policy. There were two parts to the report, first to see if service complaints had been recorded properly and second if the customer's concerns had been responded to correctly. For the former it completed a random sample of 700. The report found:

- 60 cases out of 700 where a customer had said they were unhappy with the service they had received.
- 8 of the 60 cases had been recorded and responded to as service complaints.

Upon further analysis in 29 of the cases, the customer's unhappiness had been handled in line with the Service's internal guidance. In a further 15 cases the reviewing managers were satisfied the concerns didn't amount to a service complaint. However, I was concerned that 14 cases (23%) should have been recorded as a service complaint.

For the latter part of the analysis, the review took a random sample of 250 service complaints from quarter 2. The report's findings were:

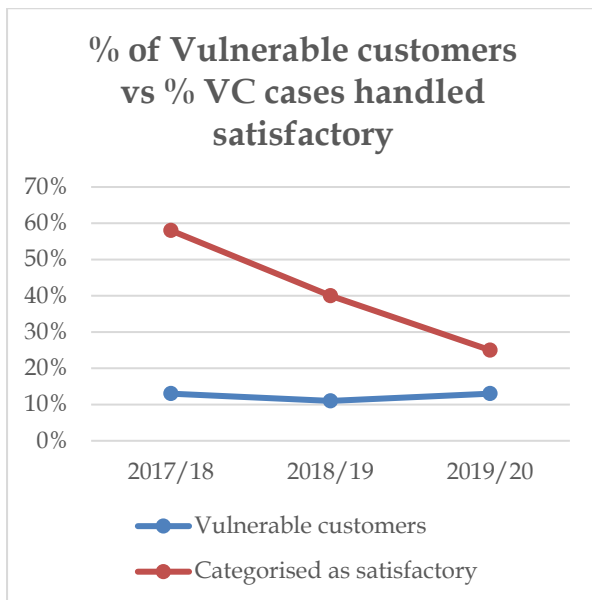
- 16 cases out of 250 where the Service's response to the service complaint didn't include referral rights to my office.
- 88 cases out of the 250 where the customer's response showed they remained dissatisfied.
- 36 of the 250 cases were referred to my office.



This is an area where the Service needs to do more. It is important that staff follow the complaints procedure to ensure customers are confident the correct process has been followed, they know what to expect and also to ensure data is an accurate reflection of the number of service complaints made so that the Service can continue to learn and improve.

- *Vulnerable customers*

There has been an industry wide focus on vulnerable customers in recent times and it is only right that the Service should hold itself to a higher standard than that of the financial institutions it makes decisions on. It is disappointing that I found only a quarter of complaints involving vulnerable customers to be handled satisfactorily.



I have seen 80 complaints from, what I consider to be vulnerable customers, this year.

This forms 13% of all the complaints I have reviewed. I considered only 25% of cases to be handled satisfactorily.

Of the 75% I considered to be unsatisfactorily handled I made recommendations and/or provided learning points in 37%.

As shown by the above chart, whilst the percentage of vulnerable customer's cases that I have reviewed over the last three years has remained relatively constant, the percentage that I have classified as satisfactory has been on a steady decrease.

I am pleased to see the Service took on board feedback I provided and used it to embed my findings throughout the Service in a case study it created arising out of a case I reviewed. The Service needs to continue its focus on its most vulnerable customers and ensure that appropriate steps are taken to ensure a smooth journey for all its customers.

- *Stepping in early*

I generally review a complaint once the Service has concluded its investigation, except where I decide there are exceptional circumstances and there is a need for me to step in early. I intervened in 50 cases this year, a few of which involved the same customers. This is double the amount from the previous year. It is to be noted that 23 cases belonged to the same customer. However, the issues identified spanned across all cases.

90% of these were due to some form of communication issues between a customer and the Service. For example:

- Personal details on cases were not set up appropriately.
- Staff did not manage updates and their out-of-office messages appropriately.
- Issues about getting to grips with the case.

I deemed 64% of these cases unsatisfactory, and I made recommendations on 28% of those. This shows more than one in four customers had good reason to continue to be unhappy having had a manager's review and to persist and bring their complaint to me.

Similar to previous years, communication continues to be a critical issue when investigating cases. I am pleased to see that the Service has been working on providing consistent Service Level Agreements in order to better manage customer expectations and ensure they are kept updated in a timely manner. I am also pleased the Service is working on introducing a phonetic alphabet document in its internal system so that staff can check personal and case details accordingly.

The remaining 10% of cases where I stepped in were around concerns about the Service not adhering to its process, timeliness and adequacy of investigation. I found all unsatisfactory and made recommendations on 60% of these cases.

### *Taking a closer look*

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- *Challenging behaviour*

Some customers still believe it is acceptable to display challenging and inappropriate behaviour. These have included threats against staff members and their families, comments of a sexual nature, racial discrimination and extreme profanities. I also consider challenging behaviour to be unreasonable level of contact from the customer, sometimes hundreds of emails in a day and demanding an immediate response.

The Service is taking an appropriate, swift and robust approach to managing these behaviours. In general, it is now following its protocol accordingly and reinforcing its publicly available policy on tolerance. This includes no longer:

- *communicating with someone by phone or in person, only in writing.*
- *communicating with someone directly, only through a representative.*
- *continuing to look at a complaint.*

I have seen that case handlers feel empowered to address customers' behaviours and in arranging to have the relevant manager involved so matters can be escalated accordingly. The training the Service introduced for staff has ensured a consistent approach and factored in staff well-being.

It is important to note that when responding to service complaints, managers will, where necessary, address customers' challenging and inappropriate behaviours. This is because customers need to be reminded of what the Service will and will not tolerate. There are basic rules of engagement to ensure the Service can deliver the best service it can and look after the needs of all its customers and ensure the wellbeing of its staff.

Going forward, I would like to see the Service continue with the work and progress it has carried out in this area and, when necessary, roll out refresher training sessions for its staff.

Lastly, I also believe it appropriate for case handlers and Ombudsman to explain and remind customers that it is their investigation, which cannot and should not be directed by either party. Customers will, understandably, feel strongly about their case and the information the Service should consider but, ultimately, this is something that only the case handler or Ombudsman can determine.

## Looking forward

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In this, my final report to the board, I have focused on the key areas the Service should continue to work on. Throughout my term the Service has always been keen to learn from mistakes and to continue to improve the customer experience. I hope the spirit of learning and improvement from the work of the independent assessor continues to ensure the customer's journey with the Service is as smooth as it can possibly be.