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| Meeting | OLC Board | Agenda Item No. | 9 |
| | | Paper No. | 87.7 |
| Date of meeting | 23 April 2018 | Time required | 20 Minutes |

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| Title | Service Complaints Adjudicator Annual Detailed Report 2017-18 |
| Sponsor | Kay Kershaw on behalf of Board |
| Status | OFFICIAL |
| To be communicated to: | Members and those in attendance |

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| Executive summary |
| <p>This Paper provides the Board the Service Complaints Adjudicator's detailed report, with the executive summary that will be included in the Annual Report.</p> <p>Claire Evans will be presenting her findings in person on the day, with the opportunity for Board to put any questions to her directly.</p> |
| Recommendation/action required |
| Board is asked to NOTE the report. |

1. This report sets out the outcome of the service complaints I have considered this business year.

2017-18 service complaint workload

2. There were a total of 129 service complaints received by LeO at Stage 1 of the service complaints procedure; 42 were referred to Stage 2 for consideration by a senior manager; and 19 were referred to me. I have investigated 21 complaints (four were open at the start of the year and two were open at the end of the year).

3. The 21 service complaints I considered raised in total 213 individual issues of complaint about LeO that were within my remit. I supported 32 of the 213 individual issues of complaint (15%) in 14 cases I looked at. That is roughly the same as the year end position last year (14.5%). It is worth keeping in mind that I did not support 85% of the individual issues of complaint that were put to me.

4. In terms of my impression of the service complaint responses provided by LeO at Stage 1 and 2 of the complaints process, overall I have again found those responses to be detailed with full explanations given for the decisions reached. On the whole they have also included appropriate apologies where service issues have been identified.

5. I have, however, noted some cases in the second half of the year where the senior manager has not contacted the complainant to clarify their service concerns as part of the Stage 2 complaint investigation. It is not clear whether that is a blip but I have accordingly raised that with the Chief Ombudsman. I understand that LeO are revising the whole process for the handling of service complaints in order to improve the progress of complaints and this will be addressed as part of that change.

Service issues

6. As I set out above, in 14 of the 21 cases I looked at I found areas where LeO's service could have been better and an appropriate remedy for that had not been offered earlier in the complaints process. I have provided the details of those complaints in an annex but wanted to draw your attention to the following issues.

Service complaints

7. At the mid-year point I reported that I had upheld eight complaints about the service complaints process itself. These were predominantly about delays. I am pleased to report that the issues with the administration of the service complaints process have fallen away in the second half of the year.

8. While I have upheld three complaints about the handling of service complaints in the second half of the year only one of them has related to the administration of the complaints process. And so, I am satisfied that the additional resource in the Compliance Team has resulted in a significant reduction in the administrative issues experienced with the service complaints process in the first half of the year.

Communication with the parties

9. Of the cases I have investigated I have seen a number where communication with the parties has been an issue. My work highlights the importance of open communication with the parties and ensuring that communication remains open, even when the circumstances are difficult to navigate. The issues I identified often occurred when cases didn't quite follow the usual process and on occasion LeO need to give a bit of extra thought to how their standard letters need to be amended as a result.

Delay

10. I have seen a number of complaints where delay has been an issue, that was particularly so while cases awaited an Ombudsman's decision. I stress again in this report, as I have done before, the importance of ensuring that the parties are updated where there are delays. It is the not knowing that causes so much concern. I am pleased that the new case management system will provide for greater automation of updates and that LeO are taking action on the learning I have shared with them in this regard.

Equality and Diversity

11. I have seen two cases this year where LeO should have given more thought to the complainants' needs and reasonable adjustments than they did. The first was in relation to a complainant with learning difficulties who had explained that he found it difficult to understand things first time and needed to ask questions in order to understand what was in front of him. Unfortunately LeO allocated his case to an Ombudsman who was leaving and so would not be available to provide that clarity and further explanation. However, other members of LeO's staff went to great lengths to provide further explanations for the complainant.

12. In the other case a complainant with learning difficulties also explained that he needed more time to respond to requests for information and documentation. He was not provided with additional time but as an alternative the Investigator provided the standard deadline to respond but allowed him extra time before chasing him for the information.

13. I highlight these two cases here as I also have a case that I am currently dealing with where the complainant has severe learning difficulties and his

communication requests were not acted upon. This was so significant that LeO decided to investigate his complaint again.

14. I am pleased that as a result of my feedback in this area that LeO will be providing further training for staff on reasonable adjustments during April 2018. In addition, as part of modernising LeO there is a further piece of training planned around vulnerable customers which is aimed at improving service delivery to customers who may require adjustments or have additional needs.

Miscellaneous

15. *Redress* - there have been three cases this year where I have found myself reaching a different view than LeO about the level of redress awarded. In the main the reason for recommending compensation or an increase in compensation was due to new service issues being identified through my investigation. Overall, I have been content with the approach taken by LeO to redress in the cases I have seen.

Service improvements

16. I am pleased to report that I have again found LeO to be very receptive to my suggestions for service improvements and have taken action to implement them or to remind staff about policies and procedures already in place. I attach as an annex the improvements that have been put in place or are being considered this year. I made 14 suggestions for service improvements this business year.

Conclusion

17. The majority of complaints are resolved at the first two stages of the complaints process and do not come to me. While I have not upheld the full decision made in 14 of the cases I have seen (on 32 individual issues), overall the decisions and explanations provided at the first two stages of the complaints process are appropriate.

18. I am pleased that where I have had concerns about the service provided that LeO have apologised for that and have issued financial compensation where I considered that was appropriate. I am also very pleased that LeO have been receptive to the service improvements I have suggested and have taken or are taking those forward.

Claire Evans
Service Complaint Adjudicator

Service complaints upheld in 2017-18

Service complaints process (9 upheld complaint issues):

- service complaint correspondence not actioned;
- poor communication about the management of correspondence following the Stage 1 service complaint;
- additional service complaints not passed back to Stage 1 for consideration but considered at Stage 2 only after the complainant chased them;
- in three cases there were significant delays in the complaint being referred to me and issues with the handling of the Stage 3 complaint correspondence;
- Stage 2 response sent to the firm and not the complainant;
- not all complaints passed to the author of the Stage 2 complaint response for consideration;
- Stage 3 complaint not referred to me at end of Lawyer complaint as had been told it would;
- complaint handler did not update complainant during the service complaint investigation; and
- delay of over eight months in Stage 2 service complaint.

Communication with the parties (12 upheld complaint issues):

- LeO provided insufficient information to the complainant to explain the decision in the specific circumstances of the case;
- LeO provided incorrect information to the complainant about whether they could request a meeting;
- LeO did not contact the complainant to clarify their concerns, despite information on file to indicate that it had changed and needed to be added to;
- LeO did not confirm the scope of a second investigation with the complainant;
- emails sent by the complainant did not reach the file and were not responded to;
- LeO provided inaccurate information to the firm about the amended scope of the investigation;
- LeO did not clarify that there was no right of appeal about decision on case fee waiver and then did not clarify how concerns would be dealt with;
- LeO did not comply with complainant's preferred method of communication;
- LeO did not notify complainant that the Team Leader who was considering their concerns had left and no action was taken on their concerns;
- LeO did not respond to an email and did not notice that earlier in the complaints process;
- the Team Leader incorrectly said that the complainant had not responded to an email when he had; and
- emails not acknowledged.

Delay and failure to update (6 upheld complaint issues):

- delay in considering a deadline extension request;
- no update on an investigation for six weeks;
- delay and failure to update the complainant on the case while it was awaiting an Ombudsman's decision for three months;
- failure to provide an update on case for over two months to the firm even though the complainant was updated;
- delay in referring a case to an Ombudsman for nine months; and
- minor delay in reallocation of a case to the new investigator and updating complainant about that.

Equality and Diversity (2 upheld complaint issues):

- LeO failed to meet reasonable adjustments requested by a complainant with learning difficulties who had explained that he found it difficult to understand things first time and needed to ask questions in order to understand what was in front of him. LeO allocated his case to an Ombudsman who was leaving and so would not be available to provide that clarity and further explanation. However, other members of LeO's staff have gone to great lengths to provide further explanations for the complainant.
- LeO failed to meet reasonable adjustments for a complainant with learning difficulties also explained that he needed more time to respond to requests for information and documentation. He was not provided with additional time but was given the standard deadline to respond but not chased for the information until further time had passed.

Miscellaneous (3 upheld complaint issues):

- in three cases I recommended further redress than had previously been awarded, in one of those cases I disagreed with LeO's view on redress;
- LeO did not take the extra step of either telephoning the complainant or contacting his last prison to get a new address for him; and
- LeO prematurely referred a case to an Ombudsman for decision while the complainant was waiting to hear back on the decision on the new deadline to provide his comments on the preliminary decision.

LeO have either agreed to the following changes in service or reminded staff about policies and procedures already in place. The recommendations for service improvement do not necessarily link with complaints I have supported but are separate issues I have noted as part of my review.

| Recommendations for service improvement | LeO's actions following recommendation |
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| To remind staff of the importance of updating customers whilst waiting for an Ombudsman's decision and consider whether it might be appropriate to put an alternative system in place rather than leaving the responsibility for updating with the Investigator. | LeO are currently looking at the possibility of sending bulk updates from the queue. |
| Remind staff to keep full and accurate records on the case management system. | LeO provided instructions to the Ombudsmen about this and reminded staff about the importance of this via team meetings. The new case management system will require all case correspondence to be conducted from the case with automatic uploading. |
| To ensure LeO provide full explanations for their decisions. That is especially so in cases where the case is declined for other compelling reasons - such as it is more suitably dealt with by the courts. | LeO have accepted this and Ombudsmen have been briefed on what is required of them in terms of detail. |
| To remind staff of the importance of remaining professional during conversations and referring to members of staff by their titles and surnames apart from when the parties agree to do otherwise. | LeO shared this learning point via team meetings. |

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| <p>To remind staff to update the system so automated reminders are not sent when extension requests have been granted.</p> | <p>LeO shared this learning point via team meetings and IT are looking into this to ensure that amending the reminder date is possible.</p> |
| <p>To consider further whether it would be worth setting a target for staff to respond to parties requesting an extension. (In this case the complainant had to wait 10 days).</p> | <p>LeO are preparing basic guidance on this to cover case progression and meeting service standards.</p> |
| <p>To see if automated updates can be provided for complainants who are waiting for their case to be allocated.</p> | <p>This is currently on hold whilst waiting for the new computer system to be introduced in April 2018.</p> |
| <p>To consider if the guidance on data security needs updating to help with questions on data protection (Data security questions) to ensure consistency of approach.</p> | <p>LeO are working on this and action is ongoing with GDPR and Link team site and policy section review. It is planned as part of GDPR training in Q1 of 2018/19.</p> |
| <p>To remind staff about the importance of being transparent and of being pragmatic in order to try and resolve complaints and respond to quite reasonable requests for information rather than going down the formal information request route.</p> | <p>LeO have reminded staff about this via team meetings.</p> |
| <p>To ensure that the learning on how requests for reasonable adjustments in terms of extra time being needed to provide information is shared.</p> | <p>LeO will be providing further training for staff on reasonable adjustments during April 2018. In addition, as part of modernising LeO there is a further piece of training planned around vulnerable customers which is aimed at improving service delivery to customers who may require adjustments or have additional needs.</p> |
| <p>To provide a standard letter to update the parties when a case is allocated to an investigator.</p> | <p>LeO are considering how to implement this recommendation.</p> |

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| <p>To consider amending the standard letter that accompanies the preliminary decision to make it clearer what would happen if a complainant accepted a decision but the firm did not.</p> | <p>LeO are giving consideration to how to provide greater clarity in the covering letter.</p> |
| <p>To introduce a system to ensure emails are acknowledged within two days, even if not responded to.</p> | <p>LeO have told me that the new case management system will provide greater automation in a number of areas, including this one.</p> |
| <p>To remind staff of the importance of responding to communication from the parties and the importance of telephone contact.</p> | <p>LeO have shared this message with all staff.</p> |