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| <b>Meeting</b>         | OLC Board   | <b>Agenda Item No.</b> | 12         |
|                        |             | <b>Paper No.</b>       | 114.9      |
| <b>Date of meeting</b> | 17 May 2021 | <b>Time required</b>   | 20 Minutes |

|                               |                                                             |
|-------------------------------|-------------------------------------------------------------|
| <b>Title</b>                  | <b>Service Complaints Adjudicator Annual Report 2020-21</b> |
| <b>Sponsor</b>                | Claire Evans, Independent Service Complaint Adjudicator     |
| <b>Status</b>                 | OFFICIAL                                                    |
| <b>To be communicated to:</b> | Members and those in attendance                             |

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| <b>Executive summary</b>                                                                                                                                                                        |
| This Paper provides the Board with the Service Complaints Adjudicator's detailed report for 2020/21. An executive summary will be included in the OLC's Annual Report and Accounts for 2020/21. |
| <b>Recommendation/action required</b>                                                                                                                                                           |
| Board is asked to <b>NOTE</b> the report.                                                                                                                                                       |

## **Service Complaint Adjudicator's Report**

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

### *2020-21 service complaint workload*

2. I considered 22 complaints about LeO's service this business year, including 245 individual issues of complaint that were within my remit. I supported 31 individual issues of complaint, which represents an uphold rate of 12.5%. While this is not a significant decrease on the uphold rate for last year (13.5%), it is the lowest uphold rate in my six years as Service Complaint Adjudicator.

3. In total, I received 23 new complaints about LeO this year and this represents a significant reduction on the numbers I received last year (36). However, it is notable that I received 16 complaints in the second half of the year. I want to reassure the Board that there does not appear to be any connection between the increase in service complaints and the standard of the service complaint responses provided earlier in the service complaints process. I am satisfied that the quality of the responses has remained consistent throughout this time.

4. A breakdown of the service complaints I have seen are set out in annex A.

### *Areas for service improvement*

5. I have made six recommendations to LeO for service improvement and I am pleased to report on the action LeO have taken at annex B to this report.

### *Overall impression*

6. As in previous years the majority of complaints are resolved at the first two stages of the service complaints process and do not come to me. This year has also seen a significant reduction overall in the number of service complaints going through the service complaints process, which is positive. While I have not upheld the full decision made in 18 of the cases I have seen, on the whole the decisions and explanations provided at the first two stages of the complaints process are appropriate.

7. I am pleased to report again that where I have had concerns about the service provided that LeO have apologised for that and have agreed to the remedies I recommended and my recommendations for service improvement.

Claire Evans

**Service Complaint Adjudicator**

**2020-21 service complaint workload:**

1. The table below provides information about the number of service complaints received at each stage over the last six years.

| Year           | Number of complaints Stage 1 | Number of complaints Stage 2 | Percentage Stage 1 to 2 | Number of complaints Stage 3 | Percentage Stage 2 to 3 |
|----------------|------------------------------|------------------------------|-------------------------|------------------------------|-------------------------|
| <b>2015/16</b> | 98                           | 33                           | 34%                     | 12                           | 36%                     |
| <b>2016/17</b> | 118                          | 51                           | 43%                     | 21                           | 41%                     |
| <b>2017/18</b> | 129                          | 42                           | 32.5%                   | 20                           | 47.5%                   |
| <b>2018/19</b> | 183                          | 45                           | 24.5%                   | 28                           | 62%                     |
| <b>2019/20</b> | 164                          | 51                           | 31%                     | 36                           | 70.5%                   |
| <b>2020/21</b> | 91                           | 39                           | 43%                     | 23                           | 59%                     |

2. At the mid-year point I reported on the significant reduction in the number of service complaints coming to me. That trend did not continue, and I received 16 new service complaints in the second half of the year. While that is disappointing, I wanted to reassure the Board that I have not seen any evidence of an associated decrease in the standards shown in the consideration and decisions provided at Stage 1 and Stage 2 of the service complaints process.

3. Indeed, I would commend the efforts made by the Service Complaints Team to consider and resolve service complaints. It is disappointing that delays have occurred at Stage 1 of the service complaints process, but I can report that appropriate action has been taken to manage customer's expectations around those delays and to apologise for them at the outset.

4. Even with the increase in Stage 3 complaints in the second half of the year, the percentage of cases coming to me has fallen since last year and there has been a significant reduction in the number of service complaints being received overall this business year. It seems to me that this demonstrates the role the Quality and Feedback Model has had in improving standards as well as the efforts made to resolve complaints informally by the Team Leaders.

5. As I set out above, the 22 service complaints I considered raised in total 245 individual issues of complaint about LeO that were within my remit. I supported 31 individual issues of complaint (12.5%) in 18 of the cases I looked at. This is the lowest uphold rate in my time as Service Complaint Adjudicator and it further reflects the concerted effort made at Stage 1 and Stage 2 to resolve service complaints.

**Service issues:**

6. In the table on the next page I have set out the complaints I have upheld. That is where LeO's service could have been better and an appropriate remedy for that had not been offered earlier in the complaints process.

| <b>Service Complaint Area</b>                                                                                            | <b>Number of upheld complaints</b> |
|--------------------------------------------------------------------------------------------------------------------------|------------------------------------|
| <b>Delays and the management of delays</b>                                                                               | <b>10</b>                          |
| <b>Issues related to the summary of complaint</b>                                                                        | <b>5</b>                           |
| <b>Issues related to the explanation provided in the case decision or in sharing views on the case with the parties.</b> | <b>4</b>                           |
| <b>Issues relating to the reallocation of a case</b>                                                                     | <b>2</b>                           |
| <b>Issues relating to communication</b>                                                                                  | <b>2</b>                           |
| <b>Handling of post decision correspondence</b>                                                                          | <b>2</b>                           |
| <b>Issues with service complaint response</b>                                                                            | <b>2</b>                           |
| <b>Miscellaneous</b>                                                                                                     | <b>4</b>                           |
| <b>TOTAL</b>                                                                                                             | <b>31</b>                          |

7. I wanted to draw your attention to the number of cases where delays have been an issue. Some of those are not reflected in the number of upheld complaints at Stage 3 because LeO had already appropriately apologised for and remedied the complaint before it had been referred to me.

8. I have been particularly disappointed to see lengthy delays in the handling of incoming correspondence and delays in cases being allocated to an investigator. While more has been done to manage customer expectations around systemic delays, I have seen cases where delays have also occurred while cases are undergoing investigation. Those delays have not been managed as well as they should have been and are reflected in the figures above.

9. Whilst not highlighted in the figures above, I wanted to comment that I have seen a handful of cases recently where the way that LeO has shared their views on a case with the parties has just managed to fall on the right side of reasonable. I would encourage LeO to keep a close eye on this going forward. There is a fine line between trying to persuade the parties of the merits of a decision and leaving them with the impression that they have no option but to accept the decision.

### **Redress:**

10. During this business year I have made the following recommendations for redress: Chief Ombudsman apologies for the service issues I have identified; the consideration of a missed issue in the representations about a decision; the opening of a new case to consider potentially new complaints; for LeO to meet the limited costs the complainant had incurred as a result of LeO's poor service; and either compensation or an increase in compensation totalling £600 in five cases.

11. Overall, I have been content with LeO's general approach to redress with a focus on remedying the injustice.

## Annex B

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.

| <b>Recommendations for service improvement</b>                                                                                                                                                                                                            | <b>LeO's actions following recommendation</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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| The Chief Ombudsman reminds staff that a misconduct referral for failure to cooperate should only be made once that failure has occurred and not before.                                                                                                  | LeO issued a Knowledge Alert for relevant staff as a reminder about this requirement of the Scheme Rules.                                                                                                                                                                                                                                                                                                                                                                                                         |
| The Chief Ombudsman reminds staff about the importance of considering the reasonableness of the deadline given in all the circumstances of the case.                                                                                                      | <p>Additional guidance was issued to staff about the importance of setting reasonable deadlines and fairly dealing with requests for extensions from both parties (this followed issues raised by the pandemic).</p> <p>In April 2021 LeO reissued to Team Leaders an email providing hints and tips on setting deadlines in the context of their own delays in the Pre-Assessment Pool. It provides a reminder of good practice and ways to get buy in from the parties while minimising service complaints.</p> |
| The Chief Ombudsman considers providing a short standard letter to the service provider at the outset letting them know that a complaint about them has been received and that it is awaiting assessment and how long that assessment process might take. | A letter is now sent out to service providers once the case is placed in the queue awaiting assessment. Further improvements are currently being made to this letter to replace the reference to 'several months' with a more meaningful timeframe and to confirm that they will be updated every 3 months.                                                                                                                                                                                                       |
| The Chief Ombudsman reminds staff about the requirements of managing absence found in the ' <i>Reallocations</i> ' guidance to ensure that it is followed.                                                                                                | The guidance was re-published in January 2021 and the Team Leaders were notified about that verbally and by email.                                                                                                                                                                                                                                                                                                                                                                                                |

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| <p>The Chief Ombudsman reminds staff that in the usual course of events LeO should consider first whether the service provided was reasonable or not. If the conclusion is that the service was unreasonable then the next consideration is whether that has caused an impact / detriment to the complainant. The service does not become reasonable because there has been no detriment. These are quite separate matters.</p> | <p>A Knowledge Alert has been drafted and is going through final checks before publication. Details of the case this relates to has been passed to the L2 ombudsman responsible for training on Case Decisions to be used as an example of 'what not to do' when the next set of training is rolled out.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <p>If LeO did not already do so, they should clarify the claimed injustice at the point that the summary of complaint is agreed with the complainant.</p>                                                                                                                                                                                                                                                                       | <p>Since the time relevant to this complaint the Quality and Feedback Model has been introduced for all staff across the Resolution Centre. As part of this model the approach to scoping a complaint was changed so that as well as agreeing what complaints will be investigated, LeO also explore the detriment to the complainant and this is checked.</p> <p>Some improvement work is being done to the scoping part of the Quality and Feedback Model so that the Assessment check will also incorporate a scoping planning check. Operations Managers have been passed the feedback from this case to ensure that when those amendments are made, there is a section on the decision form whereby investigators have to demonstrate what they have understood of the detriment based on the information provided so far, and what questions they intend to ask of the complainant to explore this more fully with them.</p> |