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## Introduction

We extend our sincere thanks to the Independent Assessor (IA) for her comprehensive annual report. Dame Gillian’s expertise and detailed insights are invaluable to our efforts to improve the standard service we provide our customers.

The role of the Independent Assessor is crucial in helping us understand and learn from customer complaints. We value the feedback provided, viewing it as an opportunity to enhance our service. By being receptive to these insights, we are committed to making informed improvements that benefit our customers and strengthen our organisation.

We also welcome Dame Gillian’s recognition of our efforts to improve the service we provide by building a better connection with both consumers and businesses, as well as her assessment of the opportunities that exist to further improve.

This document is our formal response to her annual report for 2023/24 and summarises what we are doing to act on the feedback she has so kindly shared.

## Learning from Service Complaints

We are committed to delivering the highest standard of customer service for everyone. As a service that exists to help resolve disputes, we hold ourselves to a high standard and continually strive to improve the service we offer and learn from what customers are telling us.

Everyone at our service understands that when our customers complain about our service there is a person who is asking for help or telling us where we need do better. We seek to understand why our customers are unhappy with our service and recognise when we do not meet the high standards we set ourselves, putting things right where we can.

We continue to regularly monitor how we are performing for customers, with all senior leaders and casework directors actively reviewing feedback so that we improve performance. Our Ombudsman & Customer Service Directors and I are sighted on all IA reviews for our areas, giving us the opportunity to provide feedback and request further actions and reassurances where needed. In addition to the Annual Report to our Board, the IA meets executive members on a quarterly basis to feedback on the cases she has

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reviewed, and we discuss service complaints performance in our weekly and monthly department and directorate performance meetings.

This year we have also undertaken an internal audit of our service complaints arrangements, which has highlighted several areas of structural change that we could make to improve also, and we will take these forward alongside the IA's feedback.

## **Changing the way we work - Our customer service and processes**

Over the past year, our organisation has placed a sustained focus on prioritising the service we deliver to customers. We have made significant progress with changing how we operate, including the introduction of dedicated Customer Service Directorate. This new area partners with casework teams to support the organisation in elevating our customer experience by reviewing the standard of service we provide, learning from customer feedback and insight to deliver improvements to our customer journey and service overall.

A significant change to our service complaint process was made in October 2023 with the introduction of a dedicated Customer Complaints Team - part of the Customer Service Directorate. The team works proactively with customers who have made a complaint about our service which we haven't been able to resolve when first raised. This additional central focus has allowed us to work with customers to try put things right and identify trends and service failings. Additionally, the team provides support to all colleagues to provide guidance and expert knowledge to help them resolve complaints at earlier stages in the process.

Casework Directors have proactively worked to prevent complaints about our service from occurring by writing to customers in anticipation of likely service complaints for older cases. This has had a significant impact in preventing complaints about our service by ensuring we manage customer expectations effectively. In parallel, we have improved our management information and reporting, enabling leaders to better understand where customer complaints issues are occurring so we can both respond in a more-timely way and support colleagues where needed.

Our Insights Team – responsible for delivery of customer insights and feedback – has worked with casework leaders to develop improved reporting so leaders and colleagues can understand what customers are telling us about their experience of using our service in real time. Launching this year, this improved insight enables leaders and colleagues to better understand what customers think about the service we provide so we can respond quickly. In parallel and for the first time, customers were invited to talk with us face-to-face about their experience of using our service. This invaluable feedback has allowed us to understand what we do well and where we can improve. This approach will continue and expand moving forward.

Our Quality Team – responsible for ensuring we deliver a high-quality service and process - have completed several root-cause analyses to investigate thematic issues highlighted throughout the year by the IA and Customer Complaints Team. Examples include how we communicate with customers when they ask to speak with us and how we support customers who have accessibility needs.

Multi-functional teams have been created to support the operational and delivery plans to improve the customer journey. By bringing the right expertise together to review challenges in the customer journey, we are identifying technology and process improvements which will improve the service we provide. The newly created Service Complaints steering group formed of cross-functional stakeholders meet monthly to review performance, agree priority actions to address issues and improve customer service.

Last year we introduced new service standards which are available for all to see. We are committed to continually improving the service we provide. We reduced our service level agreement for managers to respond to service complaints from 15 working days to 10

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working days, and it is pleasing to see the 32% improvement year-on-year. The newly established Customer Complaints Team are working to ensure customers receive responses in line with expectations and are making significant progress in this area.

## Themes and trends

Our continued quarterly meetings with the Independent Assessor have continued to share valuable observations and findings with us. This insight along with our own service quality reviews and customer feedback enables us to identify issues that resonate across our casework and take to address them.

Following these reviews, we have:

- Updated our internal processes and guidance for greater consistency and simplicity
- Improved our communications to make it clearer to customers when they first use our service how long it will take for their case to be allocated to an Investigator
- Better managed expectations on how we can keep our customers updated while their case is impacted by matters outside our immediate control – for example, litigation, regulatory action or insolvency proceedings
- Continued to work alongside our quality team, supporting casework with recommendations on how we can continually improve and review our progress against these actions, ensuring we can provide assurance and updates on operational plans, service-wide initiatives and to make recommendations on how we can provide a better service overall
- Agreed to proactively work with the Independent Assessor to evolve the service complaint taxonomy further to support the more effective collection and classification of service complaint reporting and data

## Comparing themes

Dame Gillian's report covers several themes arising from our casework.

### Theme 1 – Service Standards

The IA rightly recognises that continued focus is required to reduce waiting times for customers. This remains a key priority for our service. Through our new service standards and data about our adherence to these measures, we continue to refocus our resources to ensure we are moving cases forward quicker, with improved visibility when this doesn't happen. In 2023/24 we improved the number of cases resolved within 3 months by 10%, and within 6 months by 8%. We also improved cases that were greater than 6 months old by 8%. Although pleased with this improvement, we have going further in 2023/24 by: -

- Continuing to build out our specialist teams in directorates to get to the heart of issues and customers' concerns more quickly, and improving colleague training to enable us to focus colleagues on cases where we are seeing higher demand
- Improving the standard of service we provide at the front door by starting to meet our service level agreements for customers contacting our Call Hub. This is key in letting customers know early on if we cannot investigate their complaint
- Introducing new productivity measurement tools for casework colleagues to ensure

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we focus our resources on working to resolve customers' cases. These tools will be rolled out to management teams this year

- Improving our auto allocation technology to make sure the right case goes to the right person at the right time, enabling our staff to work through cases efficiently
- ensured case-handlers deploy active case management, introducing more concise and clearer investigation outcome reports
- Continued our queue reduction incentive scheme for staff to help improve our timeliness
- Engaging externally to get accurate and timely information to move cases forward
- Recruiting more colleagues in our front end and casework areas to ensure we can effectively meet the increased demand for our service

Whilst we are proud of the quality and fairness of our decisions, we are working hard to ensure we give our answers in a timely and efficient way. We are pleased with the progress we have made but there's much more to do improve our timeliness, which is a key focus for the service this year.

## Theme 2 – How we handle cases

Our service exists to help solve complaint disputes, so it's critical we handle cases effectively every time when customers use our service. The IA's recommendations in this area have been useful to support us in taking steps to improve further.

The IA has highlighted concerns about progression of cases, how we request information from the parties during an investigation, how we share evidence we have reviewed and how comprehensively we address the individual elements of the case. The IA made recommendations in around two thirds of cases in this category, meaning there is scope to improve as a service here.

In response, we have taken the following measures:

- Implemented improved reporting of how cases are progressing, so casework managers can more easily identify cases that have not progressed in line with our service expectations and can discuss these in performance meetings with investigators and Ombudsman.
- Issued further advice about our processes and the rules governing when cases are closed, or decision points reached to remind our teams of the process and improve consistency of the application of rules.
- Commenced work to improve our knowledge management system and its content, to help ensure it is up-to-date and clear for our staff. We have started with the most common areas of complaint and will expand this review over the coming year to more and more areas. We are also expanding our use of decision trees to guide case handlers through our process consistently.
- Shared more information through our website and engagement with industry about our expectations for evidence we need to decide cases. In many of our most frequent complaint types we now have checklists (and increasingly digital forms) for customers to use to submit evidence for our consideration, so they can be confident they have sent us everything we need without our needing to send repeated information requests.
- Reviewing all our templates for letters and decisions to ensure they are clear and

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cover the main points we frequently see in complaints.

- Reviewing our arrangements for closing cases and for tracking post closure correspondence to ensure it is considered and actioned where appropriate.

### **Theme 3 – Communication**

We welcome the acknowledgement that the service has worked hard to improve our communication with customers but are disappointed that we are not consistently meeting their expectations every time. Our leaders and colleagues are working hard to improve our communication, supported by the feedback we receive from the IA, Customer Complaints Team and our own data and insights. We have: -

- Changed our process in our front door areas by ensuring when customers contact us to speak with their caseworker, a warm handover takes place, and expectations are managed in line with our communication standards
- Begun a review of how well we set expectations around our communication standards when customers first use our service, so they know what to expect from us
- Launched a new Online Complaint Form that provides customers with self-service access to register a complaint. This tool supports us and our customers by ensuring we capture as much information as possible when receiving a complaint and reducing the need for customers to contact us with additional information
- Continued to invest heavily in our digital capabilities and introduce new tools to dramatically improve how customers access and communicate with our service. Our digital customer portal is now in a live pilot, and we aim to roll it out further this year. We are piloting a new self-service tool to support claims management companies and professional representatives to access our service
- Fully reviewed and embedded a new training academy for all colleagues that support customers to improve knowledge, skills and consistency in the customer service we provide
- Working to ensure we fully embed the principles of 'active case management' across the service, which place increased responsibility on our case-handlers to properly update, inform and communicate with customers in a timely fashion
- Reviewing how we better use the capabilities of our case management systems to support colleagues in ensuring they respond to customers in an agreed way
- Regularly share customer insight and feedback directly with leaders and colleagues so they can understand the importance of communicating with customers in a consistent and agreed way.

We remain committed to doing more to ensure that every customer finds our service accessible and easy to use, and our redoubling our efforts to respond to what customers are telling us.

### **Theme 4 – Outcome**

Ensuring customers receive the right outcome in their case is why the service exists. Following her review, the IA found 9 cases where a service failure linked to how we had investigated the case. Whilst this number may appear small, it is critical that we consistently deliver a high standard of quality outcomes. Our comprehensive quality framework supports

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colleagues and leaders to provide fair answers every time. We continue to empower our people to focus on the skills and knowledge they need to do their jobs – and the casework directorates support consistency both in the investigations they conduct and the outcomes they deliver. We are going further to improve the service we provide by enhancing our quality framework to include customer service quality. The new approach is being piloted with teams now ahead of a wider rollout later this year.

We would also like to acknowledge Dame Gillian's findings following the introduction of a shorter and more efficient way of communicating initial answers to customers last year. It is pleasing to see the service is doing well in this area.

## **Vulnerable customers**

We remain committed to ensuring that our service is accessible and easy to use. We are encouraged by the IA's reflections on our dedication to provide all customers with the support they need, and the reduction in complaints in this area to her office. We're proud of our record, skills and expertise in this area and are going further this year to ensure everyone who handles cases is an expert in supporting customers. In partnership with the Money Advice Trust, we are delivering a comprehensive colleague training programme to develop the skills of every colleague that supports customers. This extensive training, which will roll out over the first six months of this business year and train around 2500 staff, will equip colleagues with improved tools and skills needed to consistently identify customers that need additional support and ensure their needs are met. In parallel, we are actively exploring how technology can help us evolve how customers access and use our service when they have additional needs, making us easier to use and improving timeliness and communication.

## **Working together**

Again, we thank Dame Gillian for her ongoing positive scrutiny and dedication to help our service improve. While maintaining the IA's independence, we are working more closely with the IA and her office and with the Customer Complaints Team to ensure we proactively learn from what customers are telling us so we can improve. We will continue to actively review our new complaints process to ensure it delivers an improvement for customers, and we develop our internal guidance and framework for how we handle complaints. We are confident that our continued focus on improving the service we provide will deliver better outcomes for all customers in the year ahead and beyond.

JDJ

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