



## Citizen Redress: What citizens can do if things go wrong with public services

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# Citizen Redress: What citizens can do if things go wrong with public services

LONDON: The Stationery Office  
£14.75

Ordered by the  
House of Commons  
to be printed on 7 March 2005

This report has been prepared under Section 6 of the National Audit Act 1983 for presentation to the House of Commons in accordance with Section 9 of the Act.

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**1 March 2005**

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## PREFACE

The various systems of public redress allow citizens to seek remedies for what they perceive to be poor treatment, mistakes, faults or injustices in their dealings with departments or agencies. They are the arrangements for getting things put right, remedying grievances, securing a second view or appealing a disputed decision and, where compensation is appropriate, the means through which this can be sought. Even where no fault is found, people should benefit from the assurance that they have been fairly treated and that decisions have been correctly made under the relevant rules.

This report is not a single definitive analysis of redress; instead it is a first attempt to map the overall picture. The main focus is on the processes within government organizations for handling both complaints and appeals. The report also acknowledges the important roles of ombudsmen and other independent examiners and adjudicators within the realm of administrative justice. They routinely field the cases that departments and agencies have been unable to resolve, and are well placed to comment upon how existing systems might best be improved.

Nearly 1.4 million cases are received through redress systems in central government annually and are processed by over 9,300 staff and at an annual cost of £510 million. In addition, processing these cases can create substantial additional expenditure – (a minimum of £198 million in central government) through legal aid costs paid to people who are eligible for this assistance. These additional costs are primarily in immigration and asylum appeals with lesser amounts on benefit appeals.

The various redress mechanisms in this report have grown up over time and there is little consistency in their operation, making it difficult for departments and agencies to benchmark systems, identify inefficiencies and reduce costs while improving service. Most government organizations operate with an inclusive view of complaints as ‘any expression of dissatisfaction’, but others have a narrower definition, recording only interactions with dissatisfied customers as complaints, and others do not count complaints made and resolved at local or regional level. Only a very small number pay compensation and have therefore had to recognise the direct financial costs of their mistakes.

There is also a problem with information. Around half of central government organizations cannot answer how many complaints they have received in either of the last two years.

An important theme in the report is the value of redress mechanisms as a source of information for organizations about difficulties faced by their customers, and about the quality of their administrative processes. They may provide early warning of poor or deteriorating service, systematic errors in decision making, or problems with specific processes or areas of operation. Organizations that react quickly to early warnings can minimise the time and cost of resolving these difficulties, ideally with many straightforward complaints being put right without delay by a simple apology or through informal but effective channels.

The report's main conclusions are that departments and agencies should ensure citizens have easy access to information about where to seek redress and that departments and agencies should actively manage their redress processes to provide accurate, timely responses to those citizens cost effectively.

This is not a simple task. Inevitably systems have developed over time and for a variety of different purposes, resulting in complexity and duplication. There are variations in the ways that similar cases are treated by different bodies, and long procedural trails, often involving an escalation into more involved and expensive processes, with no reliable means to assess how efficiently and effectively the different systems operate.

On the basis of their experience, the British and Irish Ombudsman Association have put to us that there is a need for greater integration in complaints and appeals handling processes within government departments and agencies, with the various steps and procedures made much clearer for citizens. Together with measures to promote a better awareness of the role of and means of recourse to ombudsmen and other independent examiners, such a change would mean that citizens have, from the outset, a clear and coherent picture of the different redress options available to them. To achieve this, would require a significant review to be undertaken of how effectively all the existing systems work together, and consideration of possibly simpler and more accessible means to address citizens' needs, perhaps including new approaches such as alternative dispute resolution and other forms of mediation.

Such issues are perhaps beyond the capacity of any one department to co-ordinate, involving major policy, constitutional and administrative considerations, and for that reason we do not make a recommendation on the matter here. At present the Department of Constitutional Affairs is responsible for the system of tribunals and appeals, and the Cabinet Office is responsible for central policy on designing services around the needs of customers and also acts as the point of contact for the Parliamentary Ombudsman on government-wide issues.

In such circumstances we suggest that, building on this report, there should be a wider review by a range of parties, including the Parliamentary Ombudsman, other Ombudsmen and the National Audit Office, to help identify ways in which the better collective handling of redress could lead to major improvements in the quality of services that citizens receive.

## EXECUTIVE SUMMARY





**1** An important and distinctive feature of public services are the arrangements in place for getting things put right, remedying grievances or securing a second view of a disputed decision. We use the ‘citizen redress’ label to denote all the administrative mechanisms that allow citizens to seek remedies for what they perceive to be poor treatment, mistakes, faults or injustices in their dealings with central government departments or agencies. Of course, redress mechanisms may not find in favour of the citizens making complaints or bringing appeals. Indeed, in a well-run administrative system the large majority of cases investigated should prove to be unfounded. Yet even in such cases the redress processes used should provide people with assurance that they have been fairly and properly treated or that a disputed decision has been correctly made under the relevant rules.

**2** The systems currently in place for the citizen to seek remedy when things go wrong have developed over time and for a variety of different purposes. Inevitably, this has resulted in complexity and variations in attitude and approach. Against this backdrop, this report is not a single definitive analysis of redress; instead it is a first attempt to map the overall picture. It draws out key themes which can be explored further by the NAO working in conjunction with ombudsmen and other key participants, to help identify ways in which the effective handling of redress can, in turn, lead to major improvements in the quality of services the citizen receives.

**3** The main mechanisms for achieving redress currently are:

- customer complaints procedures;
- appeals and tribunals systems;
- references to independent complaints handlers or ombudsmen; and
- resort to judicial review (and other forms of legal action).

In cases where something is found to have gone wrong, one important outcome of such mechanisms may be the payment of compensation. The different redress mechanisms interconnect strongly. From citizens’ point of view they offer a range of different options and opportunities for trying to achieve very similar or connected outcomes. And from government organizations’ points of view, the efficacy of some redress procedures may imply fewer cases running through other routes. For instance, good basic complaints-handling systems should minimize the number of cases referred on to ombudsmen or leading to legal actions.

**4** Yet public sector redress systems have developed piecemeal over many years and in the past they have rarely been systematically thought about as a whole. Central government organizations make a strong distinction between complaints and appeals:

- *complaints* concern processes and how issues have been handled. They have traditionally been considered as part of the internal business arrangements of departments and agencies. They are often thought about primarily in terms of customer responsiveness and business effectiveness.
- *appeals systems and tribunals* concern the accuracy or correctness of substantive departmental or agency decisions. They conventionally form part of the administrative justice sphere. They are often considered primarily in terms of citizens’ legal rights, natural justice and a range of related quasi-judicial criteria.

This bifurcated approach may have some advantages, but it is very distinctive to the public sector and has no counterpart in private sector firms. Rigidly separating complaints from appeals also means that many public service organizations are essentially providing two different basic systems of redress, which are set up and organized on different lines. And citizens also have to grapple with two very different concepts of redress, instead of a more integrated concept of ‘getting things put right’.

5 Current redress systems are also arranged in a 'ladder' or 'pyramid' format, which copies the arrangements of law courts, with a hierarchy of procedures. Basic cases are solved locally and informally, and higher tier procedures become progressively more formal and more expensive, as well as involving fewer cases. In a legal context this pattern reflects a fundamental assumption that two parties to an action will naturally behave in an adversarial manner. It is not clear that such a foundational assumption is appropriate in many areas of citizen redress. In the past, government organizations perhaps might have been expected to be reluctant to acknowledge or to act on complaints or appeals. Hence establishing a progression of opportunities for citizens to move, for example, from a basic informal complaint to a more formal complaint directed at senior management and then to an ombudsman makes sense in this perspective, creating incentives for lower ranked officials not to 'close ranks' to deny mistakes or poor treatment.

6 However, since the early 1990s successive governments have stressed that modern public service organizations need to be more pro-active in resolving complaints and appeals at an early stage. As long ago as 1991 the Citizens' Charter promised 'better redress for the citizen when things go wrong'. 'Agencification' in the 1990s also lead to a growing realization in the new, increasingly customer-focused organizations that a more active management of redress procedures may allow for the dissemination of better practices, improved quality of services for citizens and the containment of costs. Departments' and agencies' staffs are now expected to act on complaints or representations about possibly incorrect decisions and to learn more quickly and thoroughly from past mistakes. The aim now is to be able to assure citizens and senior managers and ministers alike that as much as possible administrative operations and decisions are 'right first time'. The most recent White Paper in this area, *Transforming Public Services: Complaints, Redress and Tribunals* (Department for Constitutional Affairs, Cm 6243, July 2004) spells out this fundamental shift in government and public expectations of citizen-focused and actively managed redress procedures even more clearly (see Box 1).

7 Citizen redress procedures have an importance for the overall quality of public services that goes far beyond their direct costs. Complaints are an important source of feedback to central departments and agencies about where things are perceived by citizens as going wrong, a view also stressed by the Parliamentary Ombudsman. Hence they are a significant source of information on possible improvements in organizational arrangements. Similarly the availability of appeals and tribunals options is intended to provide an effective incentive for officials to make considered decisions which are right first time. Providing a range of administrative procedures for citizens to seek remedies or redress is also a key area of civil rights, providing vital safeguards against arbitrary or ill-founded decision-making by government organizations. So it is clearly essential that any changes made to citizen redress arrangements do not restrict established rights to independent review and an opportunity to state one's case.

## BOX 1

### Examples of the proactive approach to citizen redress in the 2004 White Paper, *Transforming Public Services*

'We are all entitled to receive correct decisions on our personal circumstances; where a mistake occurs we are entitled to complain and to have the mistake put right with the minimum of difficulty; where there is uncertainty we are entitled to expect a quick resolution of the issue; and we are entitled to expect that where things have gone wrong the system will learn from the problem and do better in future' (paragraph 1.5).

"Right First Time" [decisions] means a better result for the individual, less work for appeal mechanisms and lower costs for departments' (paragraph 6.32).

'We would expect to see improvements in the following areas:

- original decision-making;
- explanation of decisions;
- resolution of disputes without external intervention; and
- availability of information to the public on how to seek redress' (paragraph 6.33).

'Our aim is to reduce the need for hearings before tribunals through better decisions and innovative proportionate dispute resolution methods' (paragraph 10.11).

8 However, it is also possible that the current workings of citizen redress institutions may not be optimally configured to deliver what the public most want. Current arrangements have built up over long periods, largely in separated ways, often specific to one policy sector or one government organization. So the existing ladder of redress options may not be as accessible or as useful to citizens as it could be. It also may well not deliver what citizens most want. Redress systems should be purposefully targeted to deliver valued benefits to citizens in a timely way, rather than just following through on established procedures whose added value for citizens remains unclear. There are a range of other approaches discussed in Appendices 2 and 3 of this study, which might have useful ideas to contribute to UK debates. For instance, **Box 2** shows how under Netherlands law the National Ombudsman plays a key role in formally investigating complaints of maladministration and in shaping complaints systems across the government and responding to a wide range of information needs amongst the public. This example shows the benefits to be achieved from having a clear media profile and making public access to the complaints process as straightforward as possible.

9 In the past there were separate channels in government for dealing with complaints, appeals and ombudsmen processes. The complaints route has mostly been seen as a matter for departments or agencies to run in a decentralized way as they see fit, within only the general discipline provided by ombudsmen comments. Appeals and tribunals confer important citizens rights and are legally mandated and so in business terms are an inescapable cost. They were previously regulated in a separate, more legal manner by the then Lord Chancellor's Department with input from the Council of Tribunals. As a result, citizen redress arrangements have apparently not been monitored or costed in any systematic way by central departments (such as the Cabinet Office or the Treasury). The onus has been on departments and agencies to consider the effectiveness and efficiency of their own redress schemes as part of their wider drive to improve efficiency.

## BOX 2

### The role of the Dutch National Ombudsman in government complaints systems

The National Ombudsman in the Netherlands is a strongly branded and pro-active force for standardized citizen complaints procedures across government. The Ombudsman has frequent contact with administrative authorities, with each one asked to nominate a relatively senior contact person. The Ombudsman describes these contacts as the 'hands and feet' of his Office within these authorities.

One fifth of the Ombudsman's 130 staff field correspondence and enquiries from the public (4 staff deal with around 22,000 calls a year to the free phone 0800 number). Staff aim to answer all queries, not just those within the Ombudsman's remit. In 2003, over 10,000 formal complaints were received, with two thirds within this remit.

Citizens submit complaints directly to the Ombudsman via a 'petition'; a proforma for personal details and a description of the complaint. This is a standardized form for all complaints, which is at the back of Ombudsman brochures, and on the website for e-submission. In 2003, 18 per cent (and rising quickly) of complaints came in this web-based form, with another 7 per cent on the pro forma by post – but still around three quarters come through by open-ended letter.

The Ombudsman places a high priority on raising public awareness. For the last 18 years, he has written a weekly column in a best-selling Dutch broadsheet. Now the office runs an advertisement on national TV, showing a woman walking in a crowd of people (to show that the Ombudsman is 'of the people') and saying 'If you have a problem with the government and you can't solve it yourself, please phone us!'.

The Ombudsman staff evaluate their public awareness campaigns every year, with surveys before and after. Now, 20 per cent of respondents refer to the Ombudsman's Office when asked 'If you had a problem with the government where would you go?'.

**10** Before the creation of the Department for Constitutional Affairs there was not much change affecting tribunals. However, the Department for Constitutional Affairs has recently issued an important White Paper, *Transforming Public Services: Complaints, Redress and Tribunals*, which looks forward to a major consolidation, integration and simplification of the provision of tribunal services in the period from 2004 to 2008. It also sets out important general principles for the operations of citizen redress mechanisms. The White Paper appears to herald a much more systematic approach to the whole range of redress procedures covered here, and its provisions are likely to have major implications for the overall operations of citizen redress arrangements. At the same time, implementing a major change programme of the kind envisaged may also have some risk factors for the costs and efficacy of redress arrangements. So the issues about redress considered here are also highly topical ones where major public policy changes are already in progress.

**11** In order to take an overall view of how redress mechanisms currently operate we surveyed 277 central departments, executive agencies and non-departmental public bodies to examine information on the number of complaints, appeals and other redress cases handled per year and the costs entailed. To inform this survey we also conducted nine short case studies of central government departments and agencies and interviewed relevant senior staff from a wide range of independent complaints handlers, mediators and ombudsmen agencies. We additionally looked at two comparator organizations from the private sector and at some different aspects of ombudsmen arrangements in the Netherlands and Scotland. We also reviewed previous work by National Audit Office study

teams relevant to redress issues. To see how government organizations present redress options to citizens we conducted a comprehensive census of departments' and agencies' websites and additionally undertook a limited 'mystery shopper' investigation of 20 major organizations' arrangements for handling initial phone contacts relating to complaints or appeals. To see how the public understand and evaluate current citizen redress mechanisms we conducted focus groups and carried out a short national opinion poll, which examined some key issues and suggestions emerging from the groups.

## The incidence and costs of redress cases

**12** Our data gathering on redress processes has limitations (which are described in more detail in Part 2 and Appendix 1). So the picture that we draw here is the first one covering the overall system of redress and must necessarily be treated with some caution. Readers should also note that the data represents conservative estimates of the scale and costs of redress procedures in central government. However, research has been able to scale redress processes as shown in [Figure 1](#). This estimates that nearly 1.4 million cases are received through redress systems in central government annually and are processed by over 9,300 staff and at an annual cost of at least £510 million. Appeals and tribunal cases account for just under three fifths of the redress load, seven tenths of the annual costs and two thirds of the staff numbers. Complaints are much cheaper to handle, accounting for two in five redress cases but an eighth of the annual costs. Cases handled by independent complaints handlers or

### **1** An overview of the scale and costs of appeals, complaints and other processes in redress systems across central government in 2003-04

Type of redress system	Per cent of annual			Number of agencies involved
	New cases	Total costs	Total staff	
Appeals and tribunals	58	72	66	97
Complaints	39	12	23	230
Ombudsmen and mediators	3	14	12	11
Compensation	na	2	na	12
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>101</b>	<b>na</b>
<b>Base numbers, per year</b>	<b>1,388,000</b>	<b>£510 million</b>	<b>9,325</b>	<b>230</b>

Source: Survey of departments and agencies, and supplementary information provided in annual reports and interview. More detailed breakdowns can be found in Part 2 of this report.

ombudsmen are a small part of the total. But because they often concern more complex or hard-to-resolve issues they are perhaps inevitably more resource-intensive than basic complaints handling.

**13** There are currently very wide differences amongst departments and agencies in the ways that they define and record complaints. Our survey shows that around half of central government organizations, including departments operating in areas of major interest to many citizens, cannot effectively answer how many complaints they have received in either of the last two years. In some cases complaints are not distinguished from ‘enquiries’. Even when complaints are systematically monitored in some way, departments and agencies vary greatly in how they define an interaction with citizens as ‘a complaint’. Most government organizations operate with an inclusive view of complaints as ‘any expression of dissatisfaction’, including major departments handling tax and welfare issues – and they also record high numbers of complaints. But others include major restrictions on recording interactions with dissatisfied customers as complaints. Some of these organizations use additional ‘no blame’ concepts such as ‘corrections’ and others do not count complaints made and resolved at local or regional level. Even the apparently clearer concept of ‘an appeal’ has important variations in meaning in different administrative settings. In some organizations a large number of customer interactions are processed into the appeals system with minimal effort on citizens’ part, whereas in other cases citizens must make more of an effort to initiate an appeal. So our findings here are necessarily qualified by difficulties in measurement and inadequacies in many government organizations’ recording systems, especially for the costs of redress.

**14** The overall public expenditure costs of handling complaints and appeals can be assessed very roughly as the cost per new case and our research summarised in Figures 11 and 15 suggests the following data:

- complaints cost an average of £155 per new case;
- appeals cases cost an average of £455 per new case;
- the costs for independent complaints handlers and for ombudsmen vary a lot, ranging between £550 and £4,500 per case, but mostly around £1,500 to £2,000.

There are very wide variations around these average numbers. For instance the cost per complaint claimed by organizations can be as low as £10 per case in a few cases for those that are reviewed and settled by grass roots or ‘street level’ staff.

**15** In addition to the direct administrative costs of complaints, appeals and other redress systems, processing these cases can indirectly create substantial additional expenditures for some particular areas of the central government, via legal aid costs paid to those people eligible for this assistance. From information supplied by the Legal Services Commission we can say that these additional costs are a minimum of £198 million in central government (primarily in the area of immigration and asylum appeals), plus a small amount in welfare benefit appeals. A minimum additional £24 million is incurred in the National Health Service. The actual full costs involved here are likely to be much greater than this.

**16** The numbers in Figure 1 suggest that there is considerable potential for departments, agencies and appeals bodies to review their practices and to bear down upon any procedures or approaches which unnecessarily encourage the occurrence of complaints or appeals, or their progression up the ladder of redress options. Cutting down the initial numbers of complaints or appeals, resolving more complaints and appeals more speedily and pro-actively, and improving the cost efficiency of current redress arrangements, could all make appreciable savings in public money, savings which could then cumulate with every passing year. If reductions of 5 per cent could be made in the current costs of redress systems, we estimate from our research that the Exchequer would save at least £25 million per year less the cost of implementation.

## How accessible is the information that departments and agencies give about redress options?

**17** A census of government departments’ and agencies’ websites showed that most organizations provide a generally good level of information about how to make a complaint, but often less information on making appeals. Websites also generally give targeted information on whom to phone when seeking information about complaints (and less commonly appeals). But there are sharp variations amongst them in the ways that they make information available. The best government organizations provide well-written and encouraging information in easily findable and well-presented web pages. The worst either provide no information on redress or integrate the information into formally written pages which prove difficult to find and are often only accessible in the restrictive PDF form. During the course of our research many agencies and other bodies refreshed their complaints information or put up web pages where none previously existed.



**18** We also undertook a ‘mystery shopper’ exercise with 20 different departments and major agencies. This did not use the web, but tried to find out information about making a complaint via phone calls starting from telephone directories or directory enquiries services. This showed a very patchy pattern of responses, with many government organizations apparently no longer set up to handle such interactions, and others impossible to reach by phone. Citizens without access to the Internet and the web (who are differentially older people) confront much greater problems in accessing general information about redress procedures than those who do have such access.

### Do citizens find current redress systems easy to use and meeting their needs?

**19** We used focus groups and a national opinion survey to examine how the public see redress options. Most people (especially in younger age groups) have a comparatively vague general picture of how redress procedures operate. However, nine out of ten people express some confidence that they would try to get things put right if a wrong decision affected them. Around half of people would either try to phone a government organization with a complaint or would write a letter, with many people uncertain of whether phone calls or emails would secure attention compared with a more formal letter. Around one in six people will write to a department’s or agency’s senior or top manager in seeking to get things put right and a similar number will contact an MP. Three fifths of people will use one or two methods in acting on a grievance. Around a quarter of people could nominate three ways in which they would seek to get things put right.

**20** There were many indications from the focus groups that citizens regard redress arrangements in government organizations as time-consuming and requiring a lot of persistence by the complainant or appellant to secure a useful outcome. Nonetheless, more than four out of ten people would expect a response to a complaint to a government organization within two weeks, and a further third of people would expect a response within three weeks to a month. One in six people effectively expect no reply.

**21** On appeals and tribunals cases around a quarter of people expect that their case might be resolved within a month, and rather more estimate either two to three months. A fifth of people expect appeals or tribunals’ cases to take six months, and a further fifth expect them to be more long-winded. Citizens associate appeals with demands upon them to produce additional evidence and to present their case in person, but they expect less paperwork and a more informal hearing. Tribunals are seen as somewhat more formal and more intimidating for ordinary people.

**22** Our focus groups suggest considerable uncertainty about different aspects of redress systems. The official separation between complaints and appeals is not generally understood, but people have a better grip on the idea of a ladder of increasing options of redress where cases must proceed up the ladder one rung at a time. People with experience of public sector complaints or appeals systems report some positive experiences, including pleasant staff. The main problems identified by respondents are finding whom to talk to in the first place, getting through by phone, the difficulties of writing in and the impersonality and large size of government organizations.

**23** The concept of an ombudsman is well known amongst older people but according to our survey and focus groups it has little penetration amongst younger people (aged under 40). Public and private sector ombudsmen are seen in rather common ways. Government sector ombudsmen are seen as very much an option of last resort, to be used only when other recourses have been exhausted, but as authoritative and independent. In our survey only one person in 14 spontaneously mentioned contacting an ombudsman in seeking to get things put right. (By contrast, in another recent survey two fifths of people say that they have heard of the main public sector ombudsmen, when prompted to do so with their titles). Other mediators and redress arrangements have little profile. People are somewhat ambiguous about providing financial redress to complainants or appellants against government organizations. In some areas (such as medical negligence) financial compensation is seen as reasonable, but in other contexts as resulting in less money for public services.

**24** In our national survey we asked people to compare redress arrangements in the government sector with those in private business on a number of different dimensions. Around three quarters expect businesses to be quicker in responding to complaints and to give complaints more individual attention. Smaller majorities expect private business to outperform government organizations in making fair decisions, providing financial compensation and minimizing the effort needed on their part. The focus group discussions suggested perhaps a more complex picture. Some private businesses (including Marks and Spencer, supermarkets and some major banks) are seen as offering much higher levels of customer care than any public sector agency. But other private businesses (such as travel companies and IT suppliers) are also seen as offering worse response or redress arrangements than government organizations.

**25** From several focus groups a demand emerged for a general help centre or 'customer care' centre for government that could be accessed by phone and over the web. It would help people get over the first stage of launching a complaint or appeal by explaining what to do in different policy areas and putting people in touch with the right department or agency to progress their case. In our national survey a large majority of respondents (five out of six) thought this would be a good idea. A similar proportion of people say they would themselves use such a service if available and two thirds would use the website for such a service (again mainly excluding older people).

**26** Overall our survey findings show that nine tenths of respondents declare that they would take action to remedy faults or mistakes in their treatment by government departments or agencies and many people can give a reasonably definite account of how they would set about doing so. Our focus groups also showed some people reporting partly positive experiences of redress processes in action. Yet there is also little doubt that the public see the bulk handling of complaints and appeals by government departments and agencies as complex to access or understand, slow moving, expensive, time-consuming and weakly directed to meeting their needs or expectations. More than half of respondents in our survey see government procedures as less successful in all the dimensions we asked about than private businesses. We conclude that government redress arrangements in their current form are not generally seen as delivering the best attainable value for citizens at large.



## RECOMMENDATIONS

**27** For **government organizations** we recommend that each should:

**i** **review how it defines a complaint against the widely used Cabinet Office definition.**

We consider that it would be unusual for there to be significant variation from this and that any organization not adopting the definition should be able to demonstrate why that is so, in line with their customers' needs, and in turn the basis upon which it measures and reports upon the level of complaints received.

**ii** **report on their redress procedures, both for complaints and appeals, together with their other measures of the quality of services that they provide as part of their annual report.**

**iii** **review whether a closer alignment of procedures and the common handling of complaints and appeals would be a more cost effective solution.**  
In larger organizations arrangements for bringing together information on complaints and appeals will be needed. In small bodies it will generally make sense for a single manager to consider both aspects. Arrangements need to be put in place giving departments' and agencies' management boards a capability to look across complaints and appeals in an integrated way.

**iv** **keep under review their web-based information about redress arrangements so that it remains up to date and clear, does not use off-putting language, provides realistic timetables within which redress action will be completed and covers appeals as well as complaints systems.**  
Citizens should always have a clear route for seeking information on their redress options and rights.

**v** **keep under review the arrangements for citizens without web access to ensure that they are not being disadvantaged.**

Every central government organization should have a single telephone number for citizens to contact it in order to access reliable and useful information about their redress options and rights. Departments and agencies should also be able to supply written information on these issues to citizens on request. Information provided on the web is not a substitute for these alternative means of access.

**vi** **take into account the individual needs of different social groups in the design and operation of their redress procedures.**

The recent NAO report on *Delivering Public Services to a Diverse Society* highlighted key lessons and good practice to assist departments to become more responsive to diverse needs. This would include taking into account the requirements of the six recognised diversity strands (gender, race, disability, age, sexual orientation, and religion and belief), while also recognising there may be other groups with specific needs, such as young people (as focused on in a recent Local Government Ombudsman report).

**vii** **regularly secure the views of citizens who complain or appeal on the handling of complaints or appeals.**

The Cabinet Office's Charter Mark scheme for departments and agencies to evaluate their activities includes criteria on handling complaints, and provides a practical checklist against which they can assess their performance.



**viii collect information on complaints and on appeals in a regular and systematic way.**

The levels of complaints and appeals are one of a range of indicators, including measures of customer satisfaction and of the quality, accuracy and reliability of services, that together highlight whether citizens are receiving the services that they want and that they need. All departments and agencies should know how many complaints or appeal cases have been made to them, how much it cost them to handle them and what is the average cost per case or appeal handled.

**ix seek to improve the quality of the services that they provide in the first place to citizens and also reduce the costs of handling complaints and appeals but not at the expense of reducing the quality of the redress procedures that it applies.**

This includes seeking reductions in the extent to which complaints and appeals occur, and in the extent to which cases progress before being resolved.

**x use the information on why the appeals have been successful to improve decision-making and review arrangements, wherever a significant proportion of appeals are successful (including those cases which are resolved informally).**

Making it more difficult to appeal is not an acceptable solution.

**28** At the **government-wide** level we recommend:

**xi the Department for Constitutional Affairs should take the lead in considering whether more pro-active mediation and other innovative methods of dispute resolution can be developed to help minimise the progress of cases up the “ladder of redress”.**

**xii the Cabinet Office and the Department for Constitutional Affairs should explore with the Parliamentary Ombudsman and other ombudsmen whether there is a value for money case to provide citizens’ with a single point of contact for impartial information on where to make a complaint or seek redress, and if so, explore cost-effective options for doing so.**

If widely publicised it could give citizens clear information at the earliest stage of launching a complaint, and direct them to the appropriate starting point for handling their case. This may build on the information that the Parliamentary Ombudsman’s staff and others already give to people who telephone their offices on how and to whom they should take their complaint. One option might be for a contact centre, either in-house or contracted out to the private or voluntary sector, to provide both a phone service and a web-based equivalent. Alternatively there may be opportunities for some providers to combine the contact point with other services that they already provide to citizens. Any such contact point should not, however, become an extra step in the process that citizens are obliged to use.

## PART ONE

### The main citizen redress mechanisms



This Part covers:

- the scope of this study;
- a key official distinction: complaints versus appeals;
- handling complaints;
- appeals and tribunals;
- other forms of redress and compensation; and
- current issues in organizing redress.

**1.1** One of the characteristic features of public services concerns their treatment of citizens. Citizens are not simply customers, but are also stakeholders who are entitled to fair and equal treatment. Citizens are the ultimate proprietors of public services – and, as taxpayers, the vital funders. Hence the public at large have high expectations of good treatment by government departments and agencies and by state-funded providers. Such expectations are bolstered by an extensive range of legal safeguards that offer protections to citizens when things seem to have gone wrong. These provisions impose duties on those responsible for providing public services to review any of their decisions or actions that citizens believe to be mistaken or unsatisfactory. We term these provisions as the whole ‘citizen redress’ procedure.

## The scope of this study

**1.2** The key focus of this report is on answering five main sets of questions about citizen redress systems:

- (a) how are citizen redress processes organized, and by which government organizations? What are the main rules and practices governing the routing and phasing of complaints, appeals or other redress requests? (This is the focus of the current Part).
- (b) how is the load of handling appeals, complaints and cases distributed across the system? What are the main trends of citizens seeking redress?
- (c) how much do these procedures as a whole cost to operate across central government and how many staff are involved in administering them? Are there *prima facie* indicators of redress procedures’ levels of success? (Points b and c are the focus of Part 2 below).
- (d) how well do departments and agencies seek to communicate opportunities for redress to the public, on the web, by phone or in other ways? Can people who need to do so obtain a clear and well-formed view of their rights to seek redress and of how they can be activated across different policy areas? What do departments and agencies themselves see as the main issues in redress? (This is the focus of Part 3).
- (e) how accessible and understandable do citizens find the existing pattern of redress procedures and opportunities? How well do the public see government organizations performing in redress areas? (This is the focus of Part 4).

## A key official distinction: complaints versus appeals

**1.3** **Figure 2 overleaf** shows the main types of redress arrangements that have been established by central government organizations for providing individual citizens with redress. (It should be noted that our concerns here exclude both corporate complaints or appeals made by businesses or interest groups about governmental actions, and internal complaints or appeals by the employees of public sector bodies).

## 2 The main types of redress systems

Main redress mechanisms	Operated by	Brief description
Complaints systems	Sections within agencies and departments	Customer response mechanisms for investigating and putting right complaints of poor treatment, operated by the agencies responsible and in part designed to avoid unnecessary formal complaints of maladministration or potentially costly legal actions. The early stages of the NHS Complaints Procedure is a good example.
Appeals procedures	Sections within agencies and departments	Basic procedures for citizens to challenge a decision issued by an organization that goes against them. Appeals systems provide citizens with a formal check on administrative decisions. Some organizations' appeals are handled independently from their main operations, while in others they are not.
Tribunals	Separate tribunals services	Well formalized systems for systematically reviewing whole categories of department or agency decisions, operating in a quasi-judicial manner, independent from original decision makers, and involving outside decision makers in the review.
Adjudicator or mediation services	Various separate adjudicator offices	Immediate services for bridging between citizens and agencies over complaints about poor treatment or decisions. Some adjudicators can specify that compensation payments should be made.
Ombudsmen services	The offices of independent Ombudsmen (sometimes previously called Commissioners)	Channels for citizens to seek an investigation of complaints about maladministration or poor service by department or agencies. Some ombudsmen offices are generalist ones and others are specialized in particular sectors. The Office of the Parliamentary and Health Services Ombudsman is the leading UK and England organization. Ombudsmen offices have extensive rights to see papers and conduct investigations. They can issue reports on what they have found and can recommend compensation.
Judicial review	Courts	Procedures for judges to check the legality and reasonableness of proposed or already implemented administrative actions. The courts may issue an order to departments or agencies requiring them to halt the action that has been challenged. This procedure is expensive to activate and hence relatively rarely used by ordinary citizens.
Legal actions for compensation	Courts	Actions initiated by citizens for compensation for damages arising from departments or agencies failing to exercise a duty of care - for instance, claims for medical negligence against the NHS.

**1.4** In departments, executive agencies and non-departmental public bodies (which for simplicity we shall often collectively call 'government organizations') the main channels of citizen redress are generally structured in the ways shown in **Figure 3**. All communications recorded by an organization as expressing dissatisfaction (whether by letters, phone calls or emails) are recorded at the top left of the Figure. These communications are then separated out by officials into two streams which are handled in discrete ways:

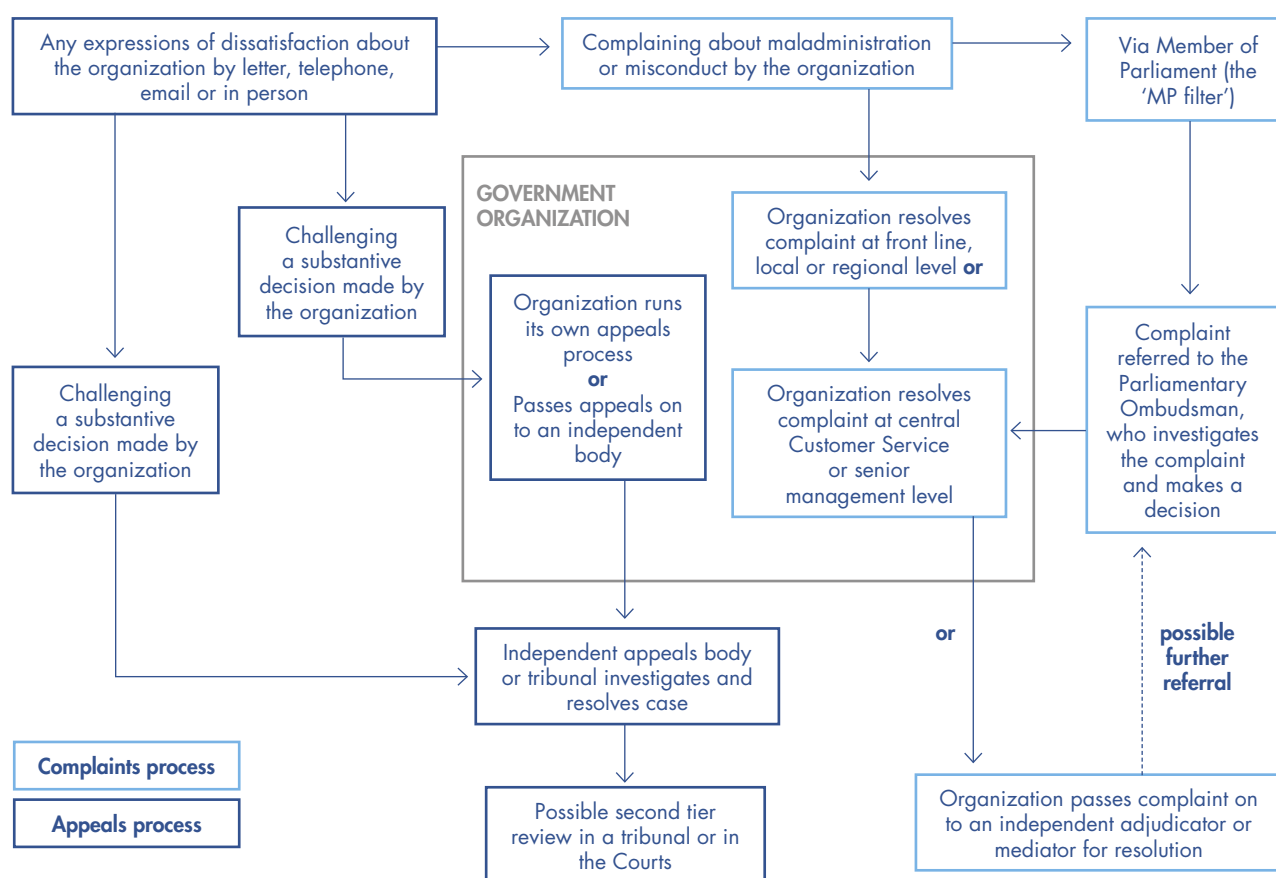
- **complaints** are formally defined in official handbooks as expressions of dissatisfaction with any aspect of department or agency conduct. Nevertheless, complaints are almost universally seen more narrowly by departments and agencies, as being concerned with defective processes or poor handling of an individual's case. Hence organizations often regard complaints

as raising issues of administrative blame. They are indicators of things having gone wrong in some way, perhaps through delays in handling a matter, neglect or other failures to conduct business properly.

- **appeals** are expressions of dissatisfaction with substantive decisions made by the department or agency. Appeals are not generally treated by departments and agencies as raising matters of administrative fault. For instance, an appeal may be the consequence of citizens' not supplying correct information or making a mistake in their initial application. And, of course, many appeals query decisions that are in fact correct, so that the case made by the appellant is rejected.

Our exposition follows this general approach by looking first at complaints, then appeals, and lastly at other forms of redress.

### 3 How the main redress processes may inter-connect with each other



#### NOTE

In addition to their role in initiating and sending cases to the Parliamentary Ombudsman, MPs of course correspond extensively with departments and agencies. See Figure 9 on page 29.

## Handling complaints

**1.5** Complaints procedures exist in all government organizations, each of whom define and manage their own systems. There are a number of central bodies that give guidance on handling complaints. The Parliamentary and Health Service Ombudsman investigates allegations of maladministration and poor service by departments and agencies and the National Health Service, focusing on unresolved complaints. She and her Office also give central government organizations extensive guidance on good practice, liaising with the Cabinet Office, which provides some information and advice to central government organizations on the establishment and monitoring of complaints systems. In the National Health Service a more standardized complaints system was

introduced to operate in a more standardized way across NHS bodies in 1996, focusing on a first stage of 'local resolution' by the hospitals or GPs practices, followed by a second stage of 'independent review' by NHS appointed panels. A national-level, non-departmental public body, the Healthcare Commission, has now been set up to undertake independent reviews of NHS patient complaints in England that have not been resolved at local level. The change addresses a key criticism that the previous system was perceived to lack independence and the Parliamentary Ombudsman's view that internal complaints systems should have no more than two main stages. The new system is currently bedding in. The Health Service Ombudsman additionally provides a further tier of redress for patients and NHS users.

**1.6** Figure 3 shows a two stage complaints procedure, which is now the norm.

- At the first stage, the citizen who feels they have not been properly treated takes up the issue with the staff at the 'front-line' or local level with whom they have been dealing. If the citizen remains dissatisfied with an initial response, they can ask to speak to a local manager or submit a formal written complaint, to which they should get a written and considered response within a relatively short time. In most government organizations we visited, the expectation is that at this stage around two thirds to three quarters of complaints can be cleared up, amicably settled or at least better explained to citizens so that they are content with their treatment.
- Where complaints cannot be resolved at the local level, citizens may ask for the issue to be handled at a higher tier in the organization, normally by a customer services unit nominally working to the agency's chief executive or the department's permanent secretary. Central customer services sections in some organizations handle the bulk of recorded complainants, but in others they deal with only a minority share of all complaints received. They confer with the original staff or sections involved, examine files and documentation, talk to customers and prepare a file which is reviewed by a senior manager for a final decision. They also advise on more complex issues, draw on their experience to provide precedents or issue guidelines, and advise on whether compensation should be offered. In large departments and agencies the top-level customer services function may be a whole section, whereas in smaller organizations perhaps no more than one person.

## Appeals and tribunals

**1.7** Citizens who submit an appeal do so because they are often unhappy with a substantive decision made by a department or agency. These decisions often involve the denial of a benefit (such as a welfare payment or a licence) or the imposition of a penalty (such as an unanticipated demand for payment of taxes, penalties or fees). In such cases, legislation generally provides for an appeal, shown in Figure 3. In a well-run administrative system the majority of appeals should confirm the original decision as correct. The procedure for appeals is that a dissatisfied citizen may first ask the organization involved to review its decision, and if this review does not lead to a change in the initial decision, may then appeal

to an independent body. Whichever path is followed here, citizens at this stage will often submit additional information or evidence. The institutional terminology here can be confusing, but the independent appeals body is normally called a 'tribunal'.

**1.8** A tribunal is an independent and impartial body set up by statute to adjudicate disputes arising under that statutory scheme. Tribunals are not uniformly composed of three members. They may consist of a lawyer sitting alone, a lawyer sitting with members who bring various types of expertise to the hearing, or non-lawyers sitting alone or in a panel. Tribunal members are independent of the government organization whose appeal cases they review and have their own staff seconded by the organization. When a citizen opts to appeal, the department or agency involved will prepare a set of case papers and send them to the tribunal administrators, who schedule the case (usually for some months ahead) and notify the parties. In theory, the appellant will then turn up on the appointed day to put their case in person, and the organization will send a 'presenting officer' to explain and defend their decision. The tribunal will consider the evidence and announce its decision, which will bind the department or agency. Tribunal decisions can be appealed by either party to a higher tribunal or directly to the courts, but only on a question of law (for instance, that a tribunal misunderstood the provisions of the legislation it was supposed to be applying).

**1.9** As compared with courts, the traditional advantages of tribunals, as outlined by the Franks report of 1957, are that they are less costly, more accessible, freer of technicalities, speedier and more expert. Although tribunal procedures are supposed to be simpler to understand by ordinary citizens, so that people do not need professional advice or representation by lawyers or others, this advantage can be overstated. Since the matters on which tribunals rule are sometimes rather complex, appellants may often feel in need of assistance, whether in the form of advice on the relevant law or representation of their case. Survey research for the Department for Constitutional Affairs showed that in late 2001 only one appellant in twenty has advice from a lawyer in social security appeals, one in twelve in tax appeals, but nearly one in four appellants before Special Educational Needs tribunals. Legal aid is only available for certain types of proceedings (notably mental health tribunals and immigration and asylum cases) or in very restricted circumstances elsewhere. However, appellants are often advised by other bodies on how to present their case or even assisted at hearings, most commonly by care workers or Citizens Advice Bureaux.



Most tribunals do not charge fees and have no, or only very limited, powers to order a party to pay the other side's costs, so taking a case to a tribunal carries very little financial risk. Since transport costs are normally given to enable people to attend their hearing case, the only costs involved may be time taken off work to attend a hearing in person and whatever an appellant may choose to spend on advice or representation. Most tribunals will also let a case be considered in the absence of appellants, if citizens are content for matters to be dealt with in this manner.

**1.10** In practice, there is considerable variation in how appeals processes actually work across different policy sectors. Most departments and agencies attend all appeal hearings involving them, except in unforeseen circumstances. The Department for Work and Pensions has a large load of appeals, around 240,000 cases a year, and so takes the view that it cannot attend all hearings and needs to prioritise. In the past this has meant that its officials were present only at a minority of hearings for some benefits. Following on from the department's response to the 2003 National Audit Office report, *Getting it Right, Putting it Right*<sup>1</sup>, the Department for Work and Pensions now plans that from 2004-05 its officials will in future attend all appeals hearings that it categorizes as 'complex'. There are also sharp variations in practices about how much contact takes place between departments and agencies and appellants in the run-up to appeal hearings. Some government organizations apparently take the view that once an appeal has been made, they should *not* communicate further with the appellant, lest they be seen to be badgering them. Others negotiate with appellants in the run-up to appeal hearings, in an effort to reach a settlement, which might then simply be ratified at the hearing. For example, the Leggatt review of tribunals (2000) reported attending a hearing of appeals by council tax payers and non-domestic ratepayers against decisions of the Valuation Office Agency at which 141 cases were listed for resolution. Because 140 cases had been settled prior to the appeal hearing, only one case was actually heard, with the rest being simply read into the record for official purposes. In many tribunals there is a relatively high 'did not appear' rate, which respondents in our focus groups linked to the long time lags between lodging an appeal and its being heard (see Part 4 below).

## Other forms of redress and compensation

**1.11** While complaints and appeals systems are the two main procedures for the bulk-handling of redress, there exist certain other important redress mechanisms that either handle small numbers of cases, or offer a different process for obtaining redress, or are supplementary to the main procedures of redress.

**1.12 Ombudsmen** offer an authoritative, independent and final tier review of the complaints process. They provide a method of appeal for those citizens who remain dissatisfied with the outcome of internal agency complaints-handling procedures. The Office of the Parliamentary and Health Services Ombudsman is the longest established and best known. The Parliamentary Ombudsman's role (known officially as the Parliamentary Commissioner for Administration) covers central government organizations. The wider aspects of her reports are specifically considered by the Public Administration Select Committee in the House of Commons. The Parliamentary Ombudsman also acts as the Health Services Ombudsman for England, who deals with complaints concerning the operation of the National Health Service. **Figure 4 overleaf** lists the other officially established ombudsmen in central government, specifying their areas of competence. The task of an ombudsman is to independently investigate complaints of injustice caused to citizens as a consequence most usually of 'maladministration' by government organizations (although for some ombudsmen, such as the Prisons and Probation Ombudsman, this can also extend into issues arising out of policy decisions). Ombudsmen will not normally take on a case for investigation unless the complainant has already exhausted the conventional remedies available to them or had it reviewed by an independent complaints handler if appropriate (see Figure 2 for details); nor will they trespass into the domain of appeals bodies. Some cases referred to them may also turn out not to reveal any apparent evidence of maladministration and hence are quickly closed. Ombudsmen issue reports and make recommendations, but it is up to the departments or agencies concerned to adopt them. In practice, ombudsmen reports are almost universally respected by government organizations. One unusual feature of the legal set-up for the Parliamentary Ombudsman is that, unlike other ombudsmen, complainants cannot refer their cases directly to the Parliamentary Ombudsman's office. Complainants must instead first contact a Member of Parliament (the so-called 'MP filter'), who may then pass the case along to the Parliamentary Ombudsman.

1 HC 1142, Session 2002-03.

## 4 The main public service ombudsmen and their areas of responsibilities (in England and the UK)

Name of the Ombudsman	Areas of responsibility
The Parliamentary Commissioner for Administration for the UK (the Ombudsman)	The Parliamentary Ombudsman undertakes independent investigations into complaints about central government departments and agencies, and a range of other public bodies in the UK.
The Health Services Commissioner for England	The Health Services Ombudsman looks into complaints made by or on behalf of people who have suffered because of unsatisfactory treatment or service by the National Health Service (NHS) in England.
Prisons and Probation Ombudsman	Investigates complaints of prisoners or those on probation who have exhausted initial complaints routes. Also investigates deaths in custody. Covers England and Wales.
Housing Ombudsman Service	Deals with complaints from people who receive a direct service from registered social landlords in England, and certain other landlords.
Pensions Ombudsman	Considers complaints about maladministration by, and disputes of fact or law with, trustees, managers, employers and administrators in relation to pension schemes in the UK.
Waterways Ombudsman	Considers complaints about maladministration against British Waterways in England, Scotland and Wales.
Local Government Ombudsman	Investigates complaints about maladministration about local authorities and other bodies in England.

**1.13** By virtue of their function, ombudsmen see only a small minority of the most serious complaints against departments and agencies. In areas that generate a large number of complaints that rise up the ladder of redress, a good cross section of complaints will be considered by the ombudsmen. Elsewhere, their caseload may be untypical of the bulk of complaints. This ‘selection bias’ problem was remarked upon by some officials who told us that ombudsmen’s reports chiefly focused on the more complex cases unresolved by government bodies, rather than on their day-to-day complaints-handling. Some ombudsmen cases involve singular instances of maladministration. But others reflect systemic complaints that affect large numbers of people, as with the Parliamentary Ombudsman’s investigation of communications about the State Earnings Related Pension Scheme inheritance issue between 1999 and 2001 and of government organizations’ handling of the Equitable Life scandal in 2003 and 2004.

**1.14** Ombudsmen are thus well placed to identify and report upon generic issues of concern, or particular weaknesses in systems. They have also put in place, where appropriate, mechanisms to help ensure that

any lessons from their work are conveyed to relevant service providers. For example the Local Government Ombudsman issues annually a letter to each local authority in England providing an analysis of complaints received, and offering guidance on how a recurrence of any problems might best be avoided. There are also training courses available from some ombudsmen offering advice on complaints handling, based on lessons learned from their work. The overall aim of these initiatives is to reduce levels of complaints received by ombudsmen by getting matters put right at an earlier stage.

**1.15 Independent complaints handlers and mediators** are relatively new elements in the redress process but they have become quite important in recent years and **Figure 5** shows some major bodies. Independent complaints handlers primarily investigate cases and give authoritative rulings, but they may also use mediation techniques<sup>2</sup>. The Adjudicator’s Office provides an independent case examination service for complainants about tax issues, aiming to offer complainants a speedy review process. It will always initially attempt to mediate between a complaining taxpayer and the relevant department, and this is successful in achieving

<sup>2</sup> This is also an option available to ombudsmen. The Prisons and Probation Ombudsman, for example, attempts as a starting point, to resolve all cases informally, and only one in ten investigations now results in a formal report.



## 5 Some major independent complaints handler (and mediator) bodies

Name of body	Basic functions
The Adjudicator's Office	Investigates complaints about the Inland Revenue, HM Customs and Excise, the Valuation Office Agency, the Public Guardianship Office and the Insolvency Service. Set up in 1993, it is funded by these organizations and covers the UK. In all cases, the Adjudicator will initially try to mediate between the agency and the complainant. Where this does not work, a formal adjudication will be issued.
Healthcare Commission	A national-level independent inspection body established in April 2004, covering both the NHS and private and voluntary healthcare in England and Wales. It investigates complaints emerging from these areas that have not been resolved locally.
Independent Case Examiner	Initially established in 1997 and funded by the Department for Work and Pensions, the Independent Case Examiner's Office provides a resolution and investigation service to customers of the Child Support Agency across the UK.
Independent Complaints Reviewer	Investigates complaints about HM Land Registry, the National Archives, the Charity Commission and the Housing Corporation. (Its geographical remit varies with the body concerned). It is a public sector body, funded by these organizations to review complaints made against them that have not been resolved by internal procedures.
Miscellaneous bodies	Other independent complaints handler or mediator bodies listed in the survey include: Independent Complaints Assessor (for the Driving Standards Agency, Driver and Vehicle Licensing Agency, Highways Agency, Vehicle and Operator Service Agency and the Vehicle Certification Agency); Complaints Appeal Panel (Audit Commission); Internal Complaints Investigator (CAFCASS); Independent Reviewer (Commission for Social Care Inspection); Independent Complaints Mediator (Criminal Records Bureau); Agency Complaints Manager (Defence Communications Services Agency); DEFRA Service Standards Complaints Adjudicator (DEFRA); Complaints Audit Committee (Immigration and Nationality Directorate).

Bodies not falling under the Parliamentary Ombudsman's jurisdiction

Name of body	Basic functions
Independent Police Complaints Commission	Investigates complaints about the police in England and Wales. A new body, it was set up in April 2004.

a convergence of views in over one third of cases. A formal adjudication is then issued for other complaints that cannot be resolved. Another important organization here is the Independent Case Examiner, whose office investigates complaints against the Child Support Agency and reduces significantly a potential flow of complaints to the Parliamentary Ombudsman. It resolves around 50 per cent of the cases that it accepts through mediation or conciliation, without the need for a full investigation. Some newer bodies are private sector mediators, which are employed by government organizations as a relatively cost-effective way of achieving an independent review; here, once the complainant accepts mediation, the department or agency commits itself to accept the mediator's recommendations.

**1.16 Applications for judicial review** of department and agency decisions can be made by citizens who claim that a direct threat to their interests has flowed from an organization's decision that is improper, irrational or unlawful because it is outside the organization's powers or that the organization has otherwise abused its powers. Applications for judicial review have increased fourteenfold over the last 20 or so years. They are determined by judges of the Administrative Court. The permission of the court is required before the case can proceed to a full hearing. The court exercises a supervisory rather than an appellate function, which means that if the citizen's application is upheld, the organization's decision may be quashed and the matter may be remitted to the organization for re-determination in accordance with the appropriate legal requirements.

**1.17 Legal actions against public sector bodies** are regularly undertaken in some fields, for instance in medical negligence cases involving the National Health Service. But in most policy areas they are relatively rare, numerically on a par with cases initiated by departments and agencies themselves seeking a clarification of the law.

**1.18 Compensation** is not itself a form of redress but an outcome which may arise from any of the mechanisms considered so far. It may be paid by government departments and agencies under Treasury rules to complainants or appellants who have suffered from an incorrect decision or poor handling of their cases. The Citizens' Charter in 1991 argued: 'Nobody wants to see money diverted from service improvements into large-scale compensation for indifferent services. But the Government intends to introduce new forms of redress where these can be made to stimulate rather than distract from efficiency'.<sup>3</sup> The Parliamentary Ombudsman has long argued that 'the person who has suffered injustice as a result of maladministration should be put back in the same position as he or she would have been had things gone right in the first place'.<sup>4</sup> Redress payments can compensate complainants for legitimate costs they have incurred in establishing their justified case and for financial losses which they incurred as a result of the original problem, such as an incorrect decision or misleading advice. For instance, if someone is wrongly told that they are ineligible to apply for a social security benefit and then loses payments through not claiming in due time, compensation will be paid to rectify the losses incurred. Government organizations can also pay 'consolatory' redress where people have incurred significant worry, stress or hardship as a result of poor decisions or treatment.

## Current issues in organizing redress

**1.19** Current systems for handling complaints were either put in place or substantially modified during the early 1990s. In 1991 the Citizens' Charter promised 'better redress for the citizen when things go wrong'. The system of Charter Marks which were introduced under the Citizens' Charter, was designed to recognise and reward front line public service delivery organizations which focus on the needs of their customers and delivered excellence measured against a set of criteria focused on customers. 'Agencification' created new, increasingly customer-focused organizations whose managers realized that a more active management of redress procedures would allow for the dissemination of better practices, improved quality of services for citizens and the containment of costs. At this time also, a division of the Cabinet Office assumed responsibility for promoting general customer responsiveness, of which modernized complaints systems were seen as an important element. And the influential public management ideas of this period also emphasized being responsive to customers.

**1.20** In successive internal reorganizations of the Cabinet Office, the mid 1990s structures evolved as the original charter concepts were thought to have become embedded across the public sector. Central programmes for improving government services have changed in name and evolved over the last 15 years. The 'Citizens' Charter' programme was incorporated into the 'Service First' programme following the 1997 general election, and then became the 'Modernising Public Services' programme. The 1999 White Paper on *Modernising Government* emphasized the necessity of listening to customers and clients, but in rather general terms. It did, however, make clear that "the Government wants public services that:... make it easy to complain and get results when things go wrong." The White Paper also made it clear that the government would encourage public sector organizations to use a variety of tools and techniques (including the Charter Mark programme) to deliver improvements.

<sup>3</sup> Quoted in the First Report of the Select Committee on the Parliamentary Commissioner for Administration, 'Maladministration and Redress', HC 112, Session 1994-95.

<sup>4</sup> Parliamentary Commissioner for Administration, 'Selected cases and summaries of completed investigations- April-September 2001', Sixth Report for Session 2001-02.

**1.21** The Office of Public Services Reform in the Cabinet Office was established after the 2001 general election. The Office of Public Services Reform works with departments and agencies to redesign services around the needs of customers. Part of this work included the re-launch in 2004 of the Charter Mark scheme (an original element of the Citizens' Charter) as a national customer service standard, to which government organizations are encouraged to work. The scheme requires organizations to continuously learn from, and improve as a result of, complaints, compliments and suggestions; and to have a clear, well-publicised and easy-to-use complaints procedure, with the opportunity for independent review wherever possible. The Office of Public Services Reform actively promotes the scheme.

**1.22** We found the following central agency guidance on complaints handling on government websites in the last five years:

- the first was issued by the Cabinet Office and the British and Irish Ombudsman's Association in 2001, reflecting a concordat between the British and Irish Ombudsman's Association, the Department for Constitutional Affairs and the Cabinet Office over wider issues, including consultation on proposals for new ombudsmen.
- an earlier Cabinet Office document also available on the web, called *The Ombudsman in Your Files*, offers general advice for departments and agencies on dealing with the Parliamentary Ombudsman; and
- the Charter Mark guidance on complaints handling.

The Cabinet Office remains as the 'sponsoring' department for liaison with the Parliamentary Ombudsman.

**1.23** In 2000, in accordance with the theme of promoting 'joined-up government', the Collcutt Review was established to consider whether changes were needed to facilitate closer joined-up working between ombudsmen. In 2001 the Cabinet Office issued a White Paper on taking forward the proposals made by the Collcutt report, including joint working arrangements amongst UK and English ombudsmen. However, in November 2002, the current Parliamentary Ombudsman, Ann Abraham, was appointed. She embarked on a programme of consultation with key stakeholders in order to get a view on the priorities for reform. This review identified three key areas where change was needed:

- encouraging and enabling public sector ombudsmen across the UK to work together in the best interests of complainants;
- eliminating uncertainty around the legal validity of some of the more flexible and speedier ways of resolving complaints informally; and
- promoting effective complaint handling as an integral part of improving service delivery.

This approach seeks to take forward the key principles embodied in the Collcutt report, while avoiding the need for institutional reforms that the report also outlined, particularly wholesale legislative reform or the creation of a new Ombudsman. On completing her review, the Parliamentary Ombudsman made a number of proposals aimed at removing barriers to closer working between the public sector ombudsmen. The Cabinet Office are now working together with her to deliver these reforms.

**1.24** By contrast to complaints systems, the administrative arrangements for tribunals changed less during the 1990s. Tribunals' powers are defined by a range of legislation from various dates and specific to each policy area. Many appeal systems have tended to operate without major changes across many decades. In 2001, however, Sir Andrew Leggatt was asked by the Lord Chancellor's Department to investigate the operations of the tribunals systems and to consider the need for reform. The Leggatt report on tribunals found some major failings and proposed important improvements in a number of areas. The recent White Paper *Transforming Public Services: Complaints, Redress and Tribunals* (Department for Constitutional Affairs, July 2004) responds by setting out a long-run plan for the reorganization of tribunals and appeals systems across central government from 2004 to 2008. A single Tribunal Agency will be formed, initially including the main tribunals within the Department for Constitutional Affairs but progressively incorporating a range of other tribunals over the next five years. This reorganization is designed to lead to simpler and more standardized modes of operating across tribunals which are more professionally and economically run and which are more understandable to, and accessible by, citizens. The White Paper additionally sets out a systematic approach to the whole range of redress procedures covered in this report. It establishes some important principles which seem to move the Department for Constitutional Affairs into a much more central role in this area than hitherto. The White Paper also signals a more pro-active stance in citizen redress issues (see Box 1 on page 8 above). The Secretary of State notes in his foreword that:

*'It is our task to ensure that the faith the public have in government is improved. Few things matter more to people than their ability to obtain justice in their dealings with the State and in the workplace but, as this White Paper shows, the institutions which are there to safeguard justice in administration and in the workplace lack systematic design and are poorly organized.'*

*Department for Constitutional Affairs, July 2004, p.1*

**1.25** The main problems suggested to us by interviewees inside and outside government stem from the fact that public sector redress systems have developed piecemeal over many years and in the past they have rarely been systematically or comprehensively reviewed. The dichotomy between complaints and appeals is a central organizing theme for redress arrangements, with complaints thought about primarily in terms of customer responsiveness and business effectiveness, while appeals systems conventionally form part of a rather different administrative justice sphere and are thought about in terms of citizens' legal rights, natural justice and a range of related quasi-judicial criteria. This bifurcated approach may have some advantages, but it is very distinctive to the public sector and has no counterpart in private sector firms (see below). Rigidly separating complaints from appeals also means that many public services organizations are essentially providing two different basic systems of redress, which are set up and organized on different lines. In such cases citizens also have to grapple with two very different concepts of redress, instead of a more integrated concept of redress in order to 'get things put right'. Departments may be legally required to follow different routes and the reason for these different approaches may not be obvious to the citizen.

**1.26** Current redress systems are also arranged in a 'ladder' or 'pyramid' format, which copies the arrangements of law courts with a hierarchy of procedures. Basic cases are solved locally and informally, and higher tier procedures become progressively more formal and more expensive. In a legal context this pattern reflects a fundamental assumption that two parties to an action will naturally behave in an adversarial manner. It is not clear that such a foundational assumption is appropriate in many areas of citizen redress. Citizens' groups, complaint handlers and some ombudsmen told us that, in the past, government organizations were conventionally thought of as responding in a 'passive-defensive' manner to complaints or protests about incorrect decisions. This view is still widely held by the public, as our research in

Part 4 shows. Officials are seen as likely to ‘close ranks’ to deny mistakes or poor treatment, ‘fobbing off’ dissatisfied clients with facile explanations, and delaying responses or opportunities for customers to have decisions substantively reviewed for as long as possible – perhaps in the hope that people would become fed up or bored and would let matters drop. If this is the underlying expectation, then ladder of redress arrangements may make a kind of administrative sense, especially in discouraging too many people from complaining or appealing, which in turn may ‘ward off’ increased demands from the public for greater public spending.

**1.27** But government policy has long stressed that a ‘passive-defensive’ stance is no longer appropriate in the public services. Departments’ and agencies’ staffs are now expected to act pro-actively on evidence of complaints or representations about possibly incorrect decisions, so as to be able to assure citizens and senior managers and ministers alike that as much as possible administrative operations and decisions are ‘right first time’.

**1.28** There are also new and influential models available in the private sector for handling redress issues. In the private sector there are also influential examples of other kinds of redress systems, which approach things in significantly different ways. For example:

- complaints about handling issues and substantive grievances about decisions can be handled in a more integrated way from the outset, with a view to minimizing customer dissatisfaction, however it may arise. For instance, the Financial Ombudsman Service makes no distinction between complaints and appeals. In their view the boundary line is often blurred inextricably, for instance where customers complain that they were wrongly advised or informed when buying a financial product (see Appendix 3);

- many large companies use developed ‘customer relationship management’ systems. These are a key part of their IT approach and allow them to monitor all their dealings with customers, including any advice given or problems raised. We visited one major bank, which uses a well-developed ‘customer relationship management’ system to track all their interactions with their many thousands of customers. Personnel speaking with any customer can review the whole history of their recent dealings with the company, which often helps in getting things put right more quickly (see Appendix 3); and
- where persistent or significant differences between a company and a customer cannot be resolved, some private sector redress arrangements place a greater emphasis upon speedy and pro-active mediation. Here an independent person or organization seeks to determine what can be done to reconcile the two sides of a dispute in a more flexible way. In these approaches a formal, passive/adversarial appeals process becomes only the last stage of dispute resolution, and is used as sparingly as feasible, notably in the Financial Ombudsman Service.

These approaches may offer some lessons for public services in gradually moving towards more modernized redress systems that are designed from the outset to deliver added value to citizens (see Appendix 3).

## PART TWO

### The scale and costs of citizen redress





This Part sets out how many redress cases there are, how many staff work on them and what the associated costs are for:

- complaints systems;
- appeals and tribunals;
- independent complaints handlers, ombudsmen and other bodies; and
- the overall redress system.

**2.1** Any large organization supplying a range of services to customers will need to operate a customer service section and central government is not essentially different in this respect. But until now information on how many redress cases arise each year in UK and English departments and agencies, and at what cost in terms of staffing, finance and other resources, has been available only in highly fragmented ways within individual organizations. Although individual appeals processes are generally well documented, only some organizations have published information on complaints (primarily executive agencies and many non-departmental public bodies).

**2.2** So the picture that we draw here is the first one covering the overall system of redress and must necessarily be treated with some caution. Our primary sources of information were two surveys of departments and agencies. The first asked about complaints processes, focusing on the latest year, 2003-04. It attracted a 92 per cent response rate (see Appendix 1 for a complete list of organizations responding or not replying). There were many indications from the replies that we did receive that a high proportion of even large government organizations had difficulties in answering some basic questions about complaints, creating additional missing data problems even where some response was received. The second survey on the operation of appeals processes during 2003-04 was relevant for only a sub-set of departments and agencies, but the number of expected organizations replying was higher and the quality of data rather better. There were also some restrictions in the scope of the surveys for logistical or other reasons. However, although we generally rely on our survey responses we were able to work around some missing data in some cases by looking at information given in departments' and agencies' annual reports. Finally our analysis does not cover the National Health Service below central government level. Appendix 1 describes our methods and outlines these caveats in more detail. But readers should note that the data given here are conservative estimates of the scale and costs of redress procedures in central government.

**2.3** Our analysis of complaints draws on responses from 230 central government organizations, including all the departments and the main executive agencies. Of the 47 organizations that did not answer the complaints survey, nearly half said that they did not interact with citizens and others that they had not received any complaints. We are therefore confident that the vast majority of relevant organizations are included. For our appeals survey we draw on responses from 97 agencies, departments and tribunal bodies and from other checks we believe that virtually all the most relevant organizations have replied.

## Complaints systems

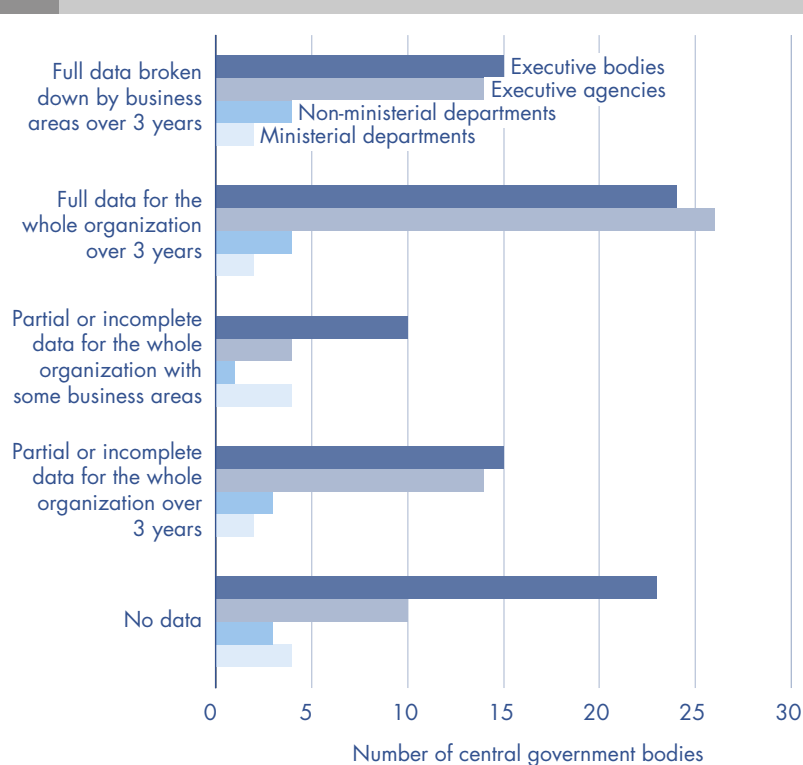
**2.4** A high number of central government organizations do not collect systematic information on complaints, and many others have only partial or incomplete data.

**Figure 6** shows that 40 bodies (around one in five of those responding) had no data at all on complaints, and that a further 53 (nearly one in four respondents) had only partial or incomplete data. Six departments fell into this group. For instance, one department in a public service area that we categorized as having partial data had records of 70,000 'enquiry' files, within which there was an unknown number of complaints that were not otherwise categorized or recorded. They replied to our survey by asking a member of staff to take a sample of 100 files from the enquiry files, to see what proportion might be seen as complaints, and then heroically extrapolating this percentage to the entire total. The three fifths of

departments and agencies with good data mainly held them at a whole organization level, and only 35 government organizations (one in six) were able to supply full data on the incidence of complaints broken down across their main business areas.

**2.5** Even where departments and agencies record complaints there is considerable variation in how precisely complaints are defined. **Figure 7** shows that the most widely used definition of a complaint is 'any written or spoken expression of dissatisfaction with the service we provide', the version used by the Cabinet Office. Three fifths of departments and agencies adopt this inclusive definition (with a few minor variants), but the remainder have chosen a more restrictive approach. One in five requires the expression of dissatisfaction to be formalized, one in eight have no definition and smaller numbers confine attention to the organization's statutory duties.

**6** Quality of data on complaints held by central government bodies, 2003-04



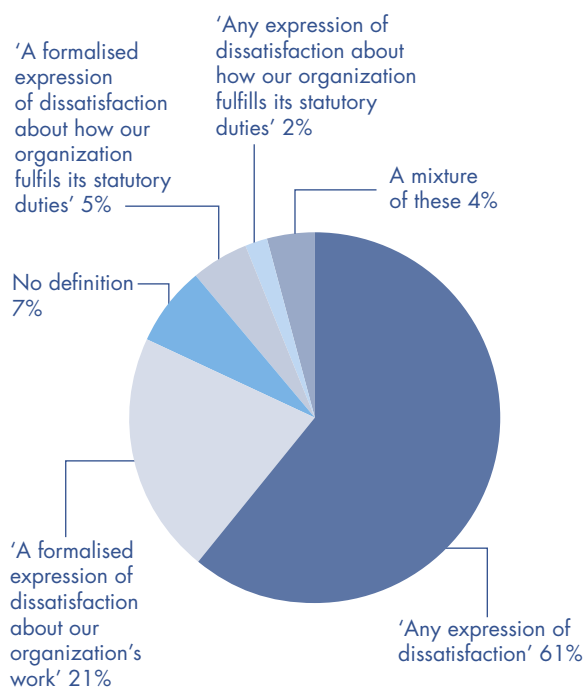
Source: Survey of departments and agencies

### NOTE

A number of departments returned our survey but could not provide data on complaints received: the Department for Trade and Industry and the Department for Culture, Media and Sport. We received full data from the Immigration and Nationality Directorate within the Home Office; however the Home Office does not hold data centrally on complaints across all its business areas. The Department of Health does not handle NHS complaints, which are a local process and not a central function. The Department of Health consequently only holds limited and general information on NHS complaints centrally. At the time of our survey the Department of Health did not hold data on complaints made about the Department itself, but these are few in number. In accordance with the Freedom of Information Act the Department of Health are developing new procedures to collate complaints data which became operational in January 2005. They are also establishing a Customer Services Centre to manage the complaints process.



## 7 How central government organizations define a 'complaint'



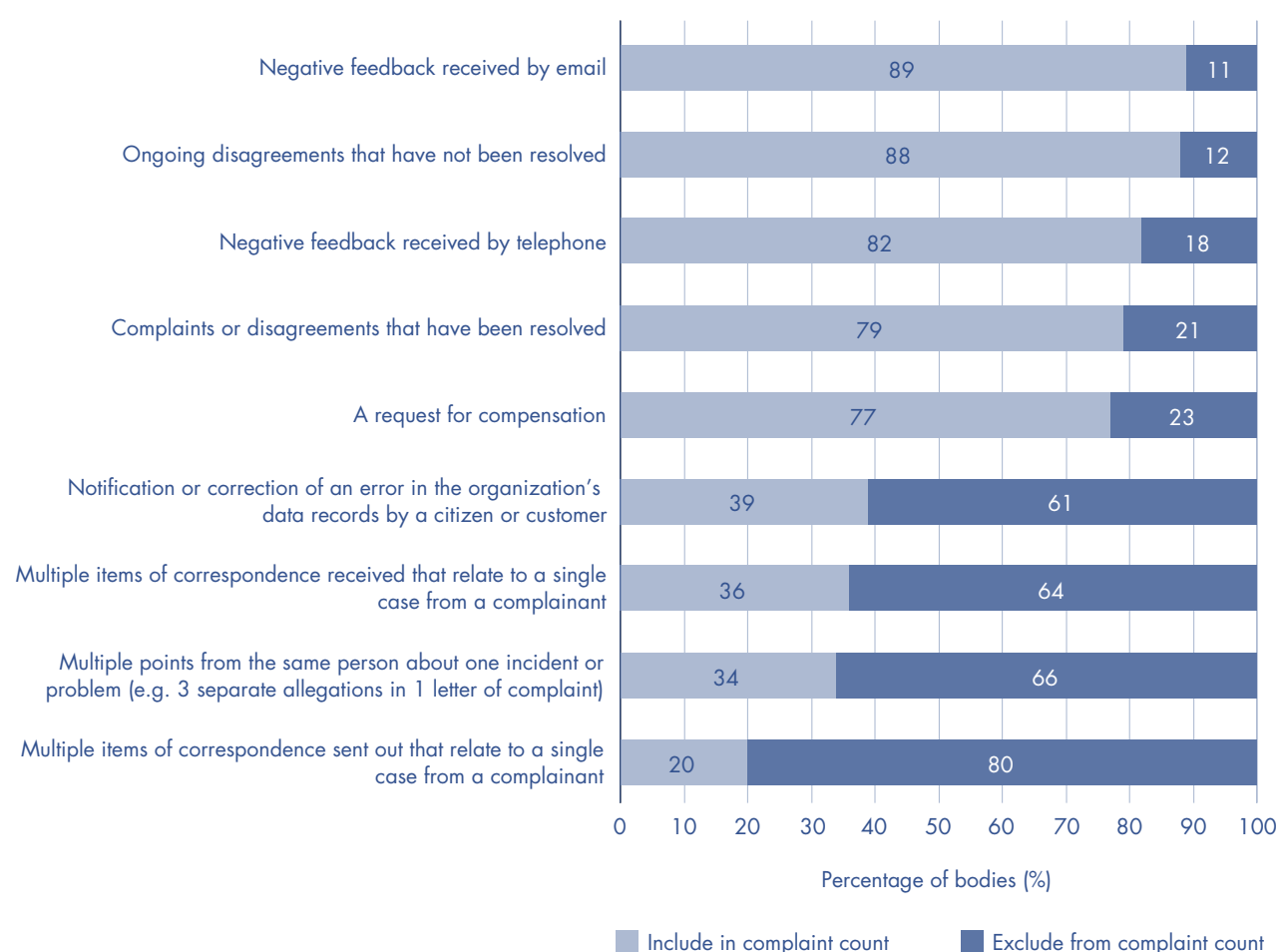
Source: Survey of departments and agencies

**2.6** However, in the nine more detailed case studies conducted for this research (and described in Appendix 2) we also found extensive evidence of variations in how 'complaints' were defined, even where an apparently inclusive definition was cited in our survey returns. The Land Registry's key database holds the authoritative record in England and Wales of who owns what land and properties. If people contact the agency about errors in these records, these points are recorded as 'corrections' separately to complaints, because the Land Registry has a key performance indicator on the level of accuracy achieved. However, if a customer also complains about an error, it will be recorded both as an error and as a complaint. In the Vehicle and Operator Services Agency

complaints that are received centrally, which officials put at approximately a third of the total, are recorded on a database. Interactions between complainants and local staff, which are resolved at the local level and not progressed, are recorded in local office logs. There is currently no central database for all complaints. We also observed one case, the Planning Inspectorate, which treats every item of correspondence received as a separate complaint, even where multiple letters all relate to the same incident or problem. This has the effect of increasing the apparent number of recorded complaints. These may seem rather obvious problems, but Figure 8 shows that each of them applies to a great many central government departments and agencies.

**2.7** Another key source of restrictions in estimating complaints arises from the form in which they are accepted, shown in **Figure 8 overleaf**. Many government organizations only record written complaints sent by letters or completed complaints forms and do not make any record of phone calls. There are potentially sound administrative reasons for focusing on written complaints, including the need to formally track items. Never the less, since many government forms and other operations have moved to emphasize phone-based transactions in recent years, it will be important for departments' and agencies' approaches to handling complaints to keep pace. In addition, few government organizations currently accept complaints by email or using web forms. In our survey very few government organizations accepted electronic complaints and in our census of their websites we found only a handful of government organizations providing web forms for complaints. Web forms are just as easy to process administratively as letters, especially with modern electronic filing registries. We also observed in case studies that a second reason why departments and agencies restrict how complaints are managed was in the way that managers wanted to screen out possibly 'off the cuff' reactions by customers or citizens and instead to focus only on more considered grievances. But an adverse implication here may be that citizens perceive an unwillingness to accept complaints by phone or email as officials "giving you the run around" (see Part 4 below).

## 8 What central government organizations include or exclude from their count of complaints



Source: Survey of departments and agencies

**2.8** A more diffuse problem observed in our case studies is that even where departments or agencies formally subscribe to an inclusive definition of complaints (such as 'any expression of dissatisfaction'), their detailed methods of working almost invariably reveal a more restrictive version of what counts as a complaint, usually tied to the notion that a member of staff or a process has performed badly. Officials thus often seem to screen out from their data-gathering any more 'systemic' complaints, those that do not relate to poor individual treatment - for instance, customers saying that forms or leaflets are hard to understand. At other times, however, officials must legitimately exclude 'political' surges of complaints if their complaints number is not to become meaningless - for instance, the Medical Research

Council did not include in its 2003-04 complaints total several thousand standard postcards received from one anti-vivisection campaign group.

**2.9** The distribution of complaints across national policy areas shows a predominant bunching in three key citizen-facing areas - the NHS, social security and tax issues - that between them make up three quarters of the total. Excluding NHS complaints (which we mostly do not cover in this study) **Figure 9** shows that social security and tax alone account for one half of all central government complaints, with industry and science, criminal justice, and transport the only other areas with more than 10,000 complaints a year.<sup>5</sup> Comparing this distribution with the incidence of letters of

<sup>5</sup> Appendix 2 sets out the number of complaints and appeals relating to the number of transactions handled by the Department for Work and Pensions, the Inland Revenue and the other case study departments.

## 9 The number of complaints received by central government bodies by policy area in 2003-04

	Total Complaints	Complaints handled by a mediator	Complaints handled by the Parliamentary and Health Service Ombudsman	Letters of enquiry or complaint from MPs
Health (including NHS)	147,500	280	4,750	19,230
Social security and benefits	143,400	2,210	820	26,300
Taxation and finance	115,900	560	220	990
Industry, commerce and science	69,740	60	10	1,190
Criminal justice and legal	23,330	90	360	1,810
Transport	19,100	10	50	2,550
Environment, local and agriculture	6,930	40	120	4,730
Immigration and visa	6,870	540	130	36,520
Education, employment and skills	4,740	50	10	12,960
Defence	3,220	30	0	590
Culture and heritage	2,300	50	10	740
Other	100			
<b>TOTAL</b>	<b>543,130</b>	<b>3,920</b>	<b>6,480</b>	<b>107,610</b>

Source: Survey of departments and agencies

### NOTES

Information on the number of complaints referred to the Parliamentary Ombudsman here was provided by departments and agencies in responding to our survey. This number hence differs slightly from the number of cases received by the Office of the Parliamentary and Health Service Ombudsman, given below in Figure 17a.

The Department of Health does not handle NHS complaints, which are a local process and not a central function. The Department of Health consequently only holds limited and general information on NHS complaints centrally.

Only complaints concerning the Child Support Agency are referred to the Independent Case Examiner. Independent review is not available to clients in receipt of social security benefits.

All numbers are rounded to the nearest 10.

complaint or enquiry sent by MPs shows some interesting variations. Immigration triggers far more letters from MPs than complaints by a factor of five, as does education by a factor of nearly three. On the other hand there are more than 115 times as many complaints over tax issues compared with letters from MPs. Health and social security feature prominently in both lists. On average one MP's letter is received by departments or agencies for every five new complaints registered, a rather impressive testimony to the current activism of MPs on their constituents' behalf.

**2.10** We noted above the likely variability in how departments and agencies define complaints. But even if complaints were categorized in a comparable way, it would be useful to have an indication of the average importance or severity of complaints. We have no reliable

data on this aspect from our survey, but it may be useful to compare the proportion of complaints referred upwards to and investigated by the Parliamentary Ombudsman or Health Service Ombudsman, whose office screens out insubstantial issues. Figure 9 shows that on average one in every 31 NHS complaints is looked at by the Health Services Ombudsman, far higher than elsewhere in central government where only one complaint in 84 is looked at on average. Criminal justice, immigration and the environment area are all above average for Parliamentary Ombudsman referrals. The lower number shown here for taxation primarily reflects the role of the Adjudicator, who provides an alternative route for resolving many Inland Revenue and HM Customs and Excise complaints, reducing the number of unresolved complaints reaching the Parliamentary Ombudsman.

## 10 Central and regional complaints handling and numbers of staff involved across policy areas in 2003-04

	Total Complaints	Of which handled at regional or local level (%)	Estimated number of staff at regional or local office handling complaints	Estimated number of staff at central offices handling complaints
Health (national NHS agencies only except 'Total complaints')	147,500	75	13	24
Social security and benefits	143,400	89	759	149
Taxation and finance	115,900	87	410	37
Industry, commerce and science	69,740	5	47	98
Criminal justice and legal	23,330	43	104	138
Transport	19,100	66	27	44
Environment, local and agriculture	6,930	50	23	39
Immigration and visa	6,870	75	67	41
Education, employment and skills	4,740	40	28	32
Defence	3,220	34	29	40
Culture and heritage	2,300	55	13	8
Other	100			
<b>TOTAL</b>	<b>543,130</b>	<b>74</b>	<b>1,520</b>	<b>650</b>

Source: Survey of departments and agencies

### NOTE

Every local NHS body will have staff responsible and processes in place for handling complaints. The Department of Health does not collect or hold centrally information on these overall staff numbers. Figures reported in Columns 3 and 4 therefore only include staff handling complaints in the Department of Health and NHS agencies at the UK or England level.

**2.11** Many large government organizations stress that complaints should first be referred to local or regional offices, with only more serious complaints being referred upwards. But smaller bodies find it more economical to have only a single central office processing complaints.

**Figure 10** shows that three quarters of complaints in central government are handled in decentralized offices, with social security and tax the most developed in this respect. But patterns do vary, and in industry, commerce and science, and defence the bulk of complaints are handled centrally rather than locally.

**2.12** To ascertain how costly it is for departments and agencies to handle complaints we first asked our survey respondents to indicate how many staff worked in this area, using full-time equivalent figures. Although many government organizations had difficulties in answering this question, **Figure 10** shows that an estimated 2,170 people work in this area. Over two fifths are in the larger

department and related bodies undertaking work in social security and a further fifth in taxation. Around two fifths of all staff work in department or agency headquarters or central offices, and the bulk of the remainder in regional or local offices, but this pattern is a consequence primarily of the patterns in social security and taxation. In other policy areas, with smaller overall sizes for government organizations, the norm is for just under a half to two thirds of staff handling complaints to work in central offices. There are some sharp variations across policy areas in the workloads of dedicated complaints staff. Social security systems are the most routinized, followed by industry, commerce and science. The policy areas at the bottom of **Figure 10**, where complaints are less numerous, are also those where staff members seem to handle relatively few complaints each on average, perhaps suggesting that department or agency systems here are less formalized or developed than in the more high incidence areas.

**2.13** In looking at the costs of handling complaints, the data problems of departments and agencies in our survey became most intense. **Figure 11** shows that just under two thirds of our 230 responding organizations could provide even estimated cost data for handling complaints. Readers should therefore interpret the cost information presented here as very conservative estimates. On the other hand, most of the departments and agencies dealing with the largest number of complaints did seem to have some form of cost attribution system in place, and many evidently had precise data at their fingertips, (notably in the Department for Work and Pensions, Inland Revenue and HM Customs and Excise, plus the most citizen-facing executive agencies and bodies). With these caveats in mind it is apparent that complaints handling is big business, costing central government organizations just under £60 million per year overall, excluding the NHS. In addition, a reasonable estimation procedure would add administrative costs of £0.8 million for departments or agencies not reporting any costs. There is also a further

administrative cost for NHS complaints handled locally, which are likely to be at least £6.5 million. Thus overall complaints procedures controlled by central government are likely to cost in excess of £66 million per year in administrative costs, mainly on staffing.

**2.14** Figure 11 shows that the average cost of handling a single complaint across central government is estimated at £155, but there is a wide range around this level across policy sectors. Costs per complaint are especially high in defence (nearly twenty times the overall average) and markedly low in industry, commerce and science (under one third of the average). In fact the averaged numbers for policy sectors also conceal a wide range of reported costs per complaint across different organizations. In each policy sector some departments and agencies report very low costs per complaint, some as low as £2 or £11, which may have resulted from under-estimating costs or over-estimating complaint numbers. Other government organizations report costs per complaint that run into

**11** The costs of handling complaints across central government bodies, 2003-04

	Overall cost to bodies of handling complaints £000	Number of bodies providing estimate cost data on handling complaints	Range of average cost to agencies of handling one complaint		
			Lowest average cost £	Highest average cost £	Average cost across the policy area £
Taxation and finance	19,937	7 of 13	2	1,333	170
Social security and benefits	17,259	14 of 17	30	1,734	170
Health (national agencies only)	667	10 of 21	29	3,000	50
Criminal justice and legal	5,420	15 of 25	59	4,500	265
Industry, commerce and science	3,147	24 of 41	11	3,459	45
Defence	3,095	13 of 20	120	7,142	500
Immigration and visa	2,558	4 of 8	84	2,390	410
Transport	2,383	7 of 10	89	3,050	125
Environment, local and agriculture	1,814	15 of 33	50	2,950	260
Education, employment and skills	1,372	13 of 18	49	3,353	290
Culture and heritage	530	13 of 18	22	2,248	240
Other	220	3 of 6	25	476	
<b>TOTAL</b>	<b>58,402</b>	<b>138 of 230</b>	<b>2</b>	<b>7,142</b>	<b>155</b>

Source: Survey of departments and agencies

#### NOTES

The Department of Health does not handle NHS complaints, which are a local process and not a central function. The Department of Health consequently only holds limited and general information on NHS complaints centrally. The cost data for the health sector here relates only to the Department of Health and NHS agencies at the UK or England level.

Social security and benefit data excludes average cost data for Jobcentre Plus and Disability and Carers Service.

many thousands of pounds. And while the overall costs per complaint across sectors is relatively low and shows a relatively wide spread, the spread of average costs across the median organizations in each policy sector shows much higher numbers and a narrow spread between around £400 and £1,000 per complaint. However, taken overall, these data strongly suggest that there are major variations in the costs of handling complaints across different organizations and policy sectors, even allowing for some considerable mis-specification in the current limited department and agency estimates available.

## Appeals and tribunals

**2.15** While complaints potentially affect all government organizations, formalized appeals and tribunal systems affect only a minority of them. We sent forms to 277 departments and agencies and received substantive responses from 97 organizations linked in some way to an appeals process. Of these organizations, 24 were running appeals or tribunals and 73 were departments or agencies being appealed against. One appeals agency handled references from local government. **Figure 12** shows that the general pattern is for a tribunal or another independent appeal body to consider cases. Forty of the appealed-against organizations deal with tribunals in this way, half of them collecting appeal cases and sending them on to tribunals, while in the remaining cases citizens send appeals directly to the tribunal. However, there are also 30 cases where

departments and agencies say that they run their own appeal processes, constituting just under a third of responses to this part of our survey. We expected that the data from responses to this part of our survey would be of higher quality than for complaints. There are indeed some improvements, but substantial problems remain. For instance, while most organizations could quantify the number of appeals made against their decisions, far fewer could say how many decisions resulted from this load, still less how many decisions were made in favour of the applicants. There are also some notable divergences between organizations involved in the same appeals processes. The appeals bodies processing cases often seem to report larger numbers of appeals being made than do the organizations being appealed against in some policy sectors.

**2.16** **Figure 13** shows that there were just under 755,000 new appeals or references of cases to tribunals in 2003-04, again in the main citizen-facing areas of central government. Over a third of appeals are in the social security area,<sup>6</sup> with more than a quarter in the taxation and finance area and nearly one in five in the immigration and security area. The fourth and fifth largest clusters concern decisions by local authorities, in the education area (mainly covering school exclusions and admissions) and the environment area (mainly appeals against planning permission being denied by local authorities). An additional 48,180 appeals are directed to departments and agencies running their own appeals operations, chiefly in the criminal justice and legal and the industry and science areas.

**12** The numbers of departments and agencies linked to different types of appeals processes and the caseloads involved in 2003-04

	Number of agencies	Appeals involved
<b>Agencies linked to appeals processes of which:</b>	<b>97</b>	<b>803,10</b>
Agencies running their own appeals processes for reviewing their own decisions	30	48,180
Agencies receiving appeals against their own decisions, and passing them on to tribunal or independent appeals body	20	157,220
Agencies allowing appeals against their own decisions to go straight to tribunal or to an independent appeals body	20	1,860
Tribunals or independent appeals bodies handling appeals against decisions made by other agencies	22	754,920

Source: Survey of departments and agencies

### NOTE

The numbers of appeals are rounded to the nearest 10.

<sup>6</sup> Appendix 2 sets out the number of complaints and appeals relating to the number of transactions handled by the Department for Work and Pensions, the Inland Revenue and the other case study departments.

### 13 The numbers of appeals, tribunal cases and decisions across policy sectors in 2003-04

	Number of bodies running or reporting links to appeals processes		Number of new appeals received		Number of decisions made on appeals	
	Departments or agencies	Appeals bodies	Received by agencies	Received by appeals bodies	Decided by agencies	Decided by appeals bodies
Social security and benefits	10	4	60	259,660	50	293,890
Taxation and finance	3	5	nda	192,150	nda	295,530
Immigration and visa	3	3	15	143,260	15	149,660
Education, employment and skills	7	3	5	96,110	5	67,160
Environment, local and agriculture	9	1	200	24,990	210	20,100
Criminal justice and legal	8	2	25,400	4,880	25,630	4,840
Health (national agencies)	6	2	1,305	21,010	1,305	11,260
Industry, commerce and science	11	1	21,120	20	21,060	10
Transport	2	2	5	10,100	5	9,730
Defence	5	1	20	2,740	20	2,740
Culture and heritage	8	0	50	0	50	0
Other	1	0	0	0	0	0
<b>TOTAL</b>	<b>73</b>	<b>24</b>	<b>48,180</b>	<b>754,920</b>	<b>48,350</b>	<b>854,920</b>
<b>COMBINED</b>	<b>97</b>		<b>803,100</b>		<b>903,270</b>	

Source: Survey of departments and agencies

#### NOTES

nda means no data available. Inland Revenue were not able to provide data on the numbers of appeals received and handled within their own organization.

In the social security and benefits area data for appeals decided by Pensions Appeal Tribunals was not given in the survey return and therefore was taken from a Department for Constitutional Affairs report, 'Judicial Statistics', 2003, Chapter 7 Tribunals.

In the immigration and visa areas the Immigration Appellate Authority consists of two main tiers, the Immigration Adjudicators (the first tier) and the Immigration Appeal Tribunal (or IAT). The Adjudicators tier considers all new appeals passed to it by the Home Office. The IAT tier has two stages, application for permission to appeal to the Tribunal, and Tribunal Appeal. The IAT also remits cases back to the Adjudicators for a further decision, but these cases are not included in the number used here.

In the criminal justice and legal area the appeals data does not include appeals decided by the Funding Review Committees at the Legal Services Commission.

**2.17** There are some additional under-reporting problems in organizations' responses on the number of decisions. The ratio of appeals to decision reported is close to 1 for most policy sectors. There are data omissions for appeals upheld, so that it is not feasible to meaningfully calculate the proportion of decisions going in favour of the applicants. But our survey did at least turn up evidence that at a minimum close to 100,000 people a year are winning cases that they bring to appeal against central government departments and agencies. There seem to be higher success rates in some policy sectors, notably social security and benefits, criminal justice and the environment.

**2.18** Moving on to the costs of appeal and tribunal processes, we found that only a quarter of organizations involved could provide accurate, data-based costs for appeals handling, mainly appeals bodies themselves. Just over half our respondents were able to supply estimated costs for handling appeals or tribunal cases, mainly the departments or agencies being appealed against. Most of the remaining organizations could not give even estimated costs, although some did return staff costs only, without being able to estimate the other costs involved. With these caveats in mind, our data in [Figure 14 overleaf](#) suggest that the annual bill for handling appeals across central government is some £366 million annually. On this basis,



## 14 The administrative costs of appeals and tribunals' processes, 2003-04

	Number of bodies providing costs information on appeals handling		Cost of handling appeals £000		Total costs of handling appeals
	Departments or agencies	Appeals bodies	Costs to departments and agencies of handling appeals	Costs to appeals bodies of handling appeals	
Taxation and finance	2	5	86,630	17,310	103,940
Immigration and visa	1	3	130	94,230	94,360
Social security and benefits	5	4	15,530	71,640	87,170
Environment, local and agriculture	3	1	2,780	35,770	38,550
Health (national agencies)	2	2	65	10,900	10,965
Criminal justice and legal	5	2	4,200	5,930	10,130
Defence	4	1	5,310	2,050	7,360
Education, employment and skills	3	1	205	5,680	5,885
Industry, commerce and science	5	1	4,640	0	4,640
Transport	2	2	135	1,825	1,960
Culture and heritage	4	0	690	0	690
Other	1	0	5	0	5
<b>TOTAL</b>	<b>37</b>	<b>22</b>	<b>120,320</b>	<b>245,335</b>	<b>365,655</b>

Source: Survey of departments and agencies

### NOTES

In the taxation and finance sector, the Inland Revenue could not provide data for the costs of handling appeals internally.

In the social security and benefits sector, we did not receive costs for the Commission for Social Care Inspection (132 appeals).

In the immigration and visa areas, we did not receive costs for appeals handling from the Foreign and Commonwealth Office (14 appeals).

In the environment area we did not receive cost data from Rural Payments Agency. We do not envisage that these costs would be more than around £1 million.

In the education, employment and skills area, the School Admission Appeal Panels and the School Exclusion Appeal Panels are locally run bodies, and cost data are not collected nationally. In 2002-03, the School Admission Appeal Panels received 91,430 new appeals, and ran 63,690 hearings. In the same period, the School Exclusion Appeal Panels received 1,074 new appeals, and ran 990 hearings. We envisage that these will be relatively low cost appeals. If the average cost per appeal were equivalent to the lower quartile cost for all appeals across central government, the overall annual cost of the School Admission and Exclusion Appeal Panels would be around £2.5 million.

In the industry area, we did not receive costs for appeals handling from the Construction Industry Training Board (18 appeals). These would be minimal.

appeals systems are around five times more expensive to run each year than are complaints systems across central government. The three most costly areas in central government are those that generate the largest volumes of appeals: social security, immigration and visa, and tax and finance. The Planning Inspectorate is the fourth largest operation in cost terms, although its appeals activities essentially relate to local planning authorities and not to other central government organizations. The fifth and sixth largest totals here concern the health and criminal justice and legal areas respectively. The remaining six policy sectors cost less than £8 million each, cumulatively accounting for just over five per cent of the overall annual bill.

**2.19** Figure 14 shows that just under one third of the total costs for appeals and tribunals are incurred in the departments or agencies being appealed against, and the remainder in the tribunals or appeals bodies themselves. But this balance varies greatly across policy areas. In tax and finance over 80 per cent of costs are incurred by the organizations appealed against, while in social security and benefits just under one fifth of the costs come here and the bulk are incurred by the appeals bodies themselves. Most of the number shown for immigration and visa costs is accounted for by the Immigration Appellate Authority. In both education and the environment areas in Figure 14 the central government



costs accrue primarily to the appeals bodies for a purely technical reason – namely that the bodies being appealed against are local authorities, which lie outside the scope of our survey and data collection.

**2.20** There are considerable problems in comparing costs per new appeal number (and even more in looking at costs per decision) because of missing data. Overall the available data shown in **Figure 15** suggest that the average cost of an appeal or tribunal case is around £455 across central government. But underlying this number there are indications of varying cost patterns. There are some relatively low cost systems in transport and industry (both costing under £250 per case). There are also some medium-cost systems handling large numbers of cases, notably in social security and criminal justice areas (with costs here averaging around £340 a case), and tax (with higher average costs of around £540 per case). There are some much higher costs systems in policy sectors like environment and local government (above £1,000 per case).

**2.21** Appeals or tribunal bodies are generally fairly small organizations and virtually all their staff work on appeals, making it relatively easy for them to respond to our survey

with staff numbers information. In departments and agencies responding to appeals the staff must prepare the files and case papers to send to the appeals bodies and they must also field presenting officers to give their side of the case at hearings. For these organizations it proved a more difficult task to estimate the staff load involved with these activities and there are again quite a lot of missing data cases. None the less **Figure 16 overleaf** shows the best information available from our survey. The work of processing appeals and tribunal cases absorbs over 6,000 staff, somewhat more than half working for tribunals or appeals bodies and the remainder with the organizations who are being appealed against. The largest appeals bodies and tribunals are the Immigration Appellate Authority, the Appeals Service, the Planning Inspectorate and those in the taxation and finance area. The average load of new appeals per staff member is around 200 for tribunals and appeals bodies, and around 18 for organizations being appealed against. Again there are considerable variations in these workload ratios, which are reasonably useful for appeals bodies. However, the ratios for mainstream departments and agencies should be treated with caution, because of variations in the estimation of staff working on appeals cases.

## 15 The average administrative cost per new appeal or tribunal case

Policy area	Unit cost of an appeal or tribunal case £	Number of cases
Culture and heritage	13,800	50
Defence	2,670	2,760
Environment, local and agriculture	1,530	25,190
Immigration and visa	660	143,275
Taxation and finance	540	192,150
Health (national agencies only)	490	22,315
Social security and benefits	340	259,720
Criminal justice and legal	340	30,280
Industry, commerce and science	220	21,140
Transport	190	10,105
Education, employment and skills	na	96,115
<b>All appeals (mean score)</b>	<b>455</b>	<b>803,100</b>

*Source: Survey of departments and agencies*

### NOTES

Unit costs are calculated as the total costs of appeals in a policy area divided by the total number of new appeals. Average cost per appeal cannot be comparably calculated for the education, employment and skills area because the bulk of caseload here goes to the School Admission Appeal Panels and the School Exclusion Appeal Panels. These are locally run bodies and hence cost data are not collected nationally – see the note to Figure 14.

## 16 The number of staff handling appeals or tribunals, 2003-04

	Number of bodies reporting numbers of staff handling appeals processes		Number of staff handling appeals (of which contracted staff)				Total staff	
	Departments or agencies	Appeals bodies	In departments or agencies		Appeals bodies			
Taxation and finance	3	2	1,656		379	(3)	2,035	(3)
Social security and benefits	6	4	675	(1)	1,061	(2)	1,736	(2)
Immigration and visa	2	1	3		1,284	(169)	1,287	(169)
Environment, local, and agriculture	5	1	46	(11)	579	(137)	625	(148)
Criminal justice and legal	6	2	158	(4)	71	(1)	229	(5)
Industry, commerce and science	7	2	39	(2)	41	(2)	80	(4)
Education, employment and skills	4	1	6	(2)	45		51	(2)
Transport	2	2	2		15		17	
Health (national agencies)	3	1	7		10		17	
Defence	5	1	80	(2)	8		88	(2)
Culture and heritage	5	0	3	(1)	0		3	(1)
Other	1	0	0		0		0	
TOTAL	49	17	2,675	(23)	3,493	(314)	6,168	(336)

Source: Survey of departments and agencies

### NOTES

In the taxation and finance sector, the Valuation Tribunal Service did not become a single body until 1 April 2004, and it will not report data until the end of the first year of operation.

In the social security and benefits area, the Commission for Social Care Inspection were unable to provide data on the numbers of staff handling appeals.

In the education, employment and skills area the bulk of the caseload goes to the School Admission Appeal Panels and the School Exclusion Appeal Panels. These are locally run bodies and hence staff data are not collected nationally – see the note to Figure 14.

## Independent complaints handlers, ombudsmen and other bodies

**2.22** We noted in Part 1 that there are six main ombudsmen organizations whose work deals wholly or in part with citizens seeking redress against public bodies. The Office of the Parliamentary and Health Services Ombudsman is the largest of these bodies and plays an influential role in the field. **Figure 17a** shows some summary statistics for these ombudsmen. While expenditure and caseload totals are shown no attempt has been made to calculate an average cost per case. This is because there is a wide variation in the nature of cases and how they are dealt with by different ombudsmen. In particular, some of the work undertaken by the Office of the Parliamentary and Health Services Ombudsman focuses on one or a few ‘representative cases’, where the outcome from the detailed investigation of the

representative cases is accepted by departments or agencies or the National Health Service body concerned as applying to all other relevant cases, which would lead to an overstatement of apparent costs.

**2.23** **Figure 17b** gives similar information for five independent complaints handlers, whose offices operate in a variety of ways. For instance, the Adjudicator’s Office achieves a mediation in around a third of their caseload and proceeds to a more formal recommendation only in the remaining two thirds where mediation fails, so it has mixed functions.

**2.24** The ombudsmen and complaints handler roles add significantly to the scale of activity in the citizen redress area, with an overall workload of over 39,000 new cases per year, more than 1,100 staff working in the area and total costs exceeding £42 million annually.

## 17a The budgets, staffs and caseloads of Ombudsmen in 2003-04

Name of the Ombudsman	Expenditure £000	Staff	Caseload
Parliamentary and Health Services Ombudsman (PHSO)	15,951	228	6,608
Prisons and Probation Ombudsman	2,592	52	3,530
Local Government Ombudsman	11,080	209	18,980
Housing Ombudsman Service	2,294	36	4,210
Pensions Ombudsman	1,588	30	3,140
Waterways Ombudsman	40	0.25	31

Sources: Annual Reports and data from organizations involved.

### NOTES

See also Figure 4. The legislative arrangements and processes used by the Ombudsmen listed above are different. The point of this figure is not to compare these bodies but to provide basic information about the scale of their current operations.

'Caseload' here refers to the number of new complaints received during the year, many of which may not be investigated or may fall outside the remit of a given office.

The Pensions Ombudsman considers that the number of cases closed is a more meaningful indicator of the workload each year. In 2003-04 the Pensions Ombudsman completed 2,880 cases at an estimated cost per case of £560.

Different elementary costs per case could be calculated by focusing on different elements of activity – for example, costs per interaction with members of the public, or cost per cases investigated, or cost per adjudications issued. The Parliamentary Ombudsman often undertakes work on a 'representative case' basis – see main text for details. Such an elementary calculation would also often mask very different underlying cost figures for different types of work. For instance, the Prisons and Probation Ombudsman provides a well-researched cost per case figure for a completed assessment (£134) and for a completed investigation (£1,189) in his Annual Report for 2003-04.

## 17b The total budgets, staffs and caseloads of some major independent complaints handlers

Organization	Expenditure £000	Staff	Caseload
The Adjudicator's Office	1,983	48	3,955
Healthcare Commission	1,200	70	2,000
Independent Case Examiner	2,224	81	2,150
Independent Complaints Reviewer	171	5	91
Bodies not falling under the Parliamentary Ombudsman's jurisdiction			
Independent Police Complaints Commission	23,000	225	918

Sources: Annual Reports and data from organizations involved.

### NOTES

The major independent complaints handlers all have significant differences in the way in which they record cases and the ways in which their staff are allocated to cases as explained below. A simple calculation of the unit cost of dealing with a complaint presents a very simplistic and misleading picture of the costs for each case and therefore we have not attempted to do that for this data. See also Figure 5. 'Caseload' here refers to the number of new complaints received during the year. See also notes to previous table.

The Adjudicator's Office took on 3,955 cases for an initial assessment in 2003-04, many of which were passed to the organization concerned for further investigation, and fully investigated 475 cases where it was appropriate for the Office to carry out the investigation.

The remit of the Healthcare Commission covers the regulation and assessment of private and voluntary healthcare sectors as well as the NHS, and its role is to promote improvement in healthcare. Expenditure data and caseload data above covers only the period since July 2004.

Figures for the Independent Complaints Reviewer are taken from the individual Annual Reports on its website, with data aggregated for the Charity Commission, Land Registry, National Archives and Housing Corporation. All figures are for 2003-04, except for the complaints number for the Land Registry, which is for 2002-03. Of the 2,150 referrals received, the Independent Case Examiner accepted less than 50 per cent of cases for investigation. During 2003-04 the Examiner cleared 806 cases by investigation or by alternative dispute resolution.

The Independent Police Complaints Commission is a new organization. From its inception in April 2004, the Commission had 918 complaints referred to it, comprising: 14 cases which are being investigated independently; 61 which have been accepted as managed investigations; and 343 which have been accepted as supervised investigations. In addition, 385 complaints have been returned to police forces as local investigations and 20 have required other police forces to become involved.

## Compensation payments

**2.25** Figure 18 shows our best estimate of total compensatory payments across central government organizations, drawing on responses to our survey supplemented by a survey of annual reports. Over one third of the total payments of £12.5 million are made by the Department for Work and Pensions, with the Land Registry and Inland Revenue as the other organizations also making large payments, and smaller but noticeable amounts paid by two organizations in the courts and legal services area. Inland Revenue's compensation payments are small relative to other government organizations in terms of their caseload volumes and total number of complaints received. Separate from the department's compensation system, there are special circumstances in which the Revenue will waive tax, where it has failed to make use of information supplied by taxpayers. The Department for Work and Pension's prominence reflects a very large number of small payments (over one half of all payments across central government, but averaging under £300 each). By contrast average payments by the second-ranked organization in Figure 18, the Land Registry, are more than ten times as large.

## Redress Systems and legal aid spending

**2.26** In addition to the direct costs of operating complaints and appeals systems, some substantial costs to the Exchequer may arise indirectly, because complainants or appellants are entitled to receive legal aid. In 2003-04 total legal aid spending amounted to £1,908 million. Figure 19 shows a categorization of legal aid spending across policy areas. At the top we have grouped together those policy areas with direct connections to citizen redress processes in the public sector and elsewhere, split up across tiers of government. The policy areas further down the table have progressively less relevance for citizen redress processes. In three rows of the table (immigration and asylum, welfare benefits and public law), most but not all legal aid expenditure is likely to relate to citizen redress processes in central government, totalling £198 million overall. In two further areas, mental health and clinical negligence, most but not all legal aid spending is likely to relate to citizen redress processes in the NHS, totalling £98 million overall. These are substantial sums, some £296 million in all. It is possible that improving citizen redress processes, so as to make them speedier, less costly and more effective, may also open a way to achieving worthwhile savings in legal aid expenditures.

### 18 Compensation payments as part of citizen redress processes in 2003-04

Department/agency	Cost £000	Number of payments	NOTE
Department for Work and Pensions	4,720	25,920	
HM Land Registry	3,800	894	NHS compensation costs are not covered here.
Inland Revenue	2,420	18,000	
Court Service	740	388	
Legal Services Commission	244	249	
Valuation Office Agency	210	475	
NHS Pensions Agency	86	128	
Veterans Agency	18	36	
Defence Aviation Repair Agency	15	1	
Vehicle Operator Services Agency	9	21	
Planning Inspectorate	6	6	
Department of Food, Environment and Rural Affairs	4	4	
<b>Total compensation payments</b>	<b>12,448</b>	<b>46,002</b>	

Sources: Survey of departments and agencies, supplemented by data from annual reports

## 19 How elements of legal aid spending in 2003-04 may be related to citizen redress processes

	Central government	National Health Service	Local government, police, others
Predominantly public sector areas relevant for citizen redress processes			
Immigration and asylum	184.1	▲	▲
Mental health	▲	23.7	▲
Actions against the police	▲	▲	10.3
Welfare benefits	6.2	▲	▲
Community care	▲		2.7
Mixed public and private sector areas, but mainly public sector and also relevant for citizen redress processes			
Clinical negligence	▲	74.0	▲
Public law	7.9	▲	▲
Education	▲	▲	4.9
<b>Total for all mainly public sector areas also relevant for citizen redress</b>	<b>198.2</b>	<b>97.7</b>	<b>17.9</b>
Mixed private and public sector areas, but mainly not public sector nor mainly relevant for citizen redress processes			
Personal injury			119.4
Housing	▲	▲	51.7
Consumer			25.4
Debt			7.0
Public sector areas with indeterminate relevance for citizen redress processes			
Crime		▲	1,179.0
Family law - Special Children's Act	▲	▲	175.8
Other public law family cases	▲	▲	31.2

Source: Data supplied by the Legal Services Commission

### NOTE

▲ indicates that a spending heading is not relevant for that tier of government. Blank spaces indicate that the spending heading could be relevant. Where there are numbers the spending head is principally relevant for this tier of government.

## The overall redress system

**2.27** The best estimates we can make of the current scale of redress operations across central government suggest an annual workload of 1.39 million complaints, appeals and ombudsmen cases. The overall redress operations of central government involve more than 9,300 staff and they cost at least £510 million per year to operate (see Figure 20).

Appeals and tribunals processes account for just over a half of the cases, but absorb nearly three quarters of the total costs and two thirds of staff numbers. Complaints are more numerous but cheaper to handle. Compensation paid as a result of any of the redress mechanisms accounts for a small fraction (less than one fortieth) of total costs.

**2.28** Only a tiny proportion of the tens of millions of government interactions with citizens that occur each year result in a complaint or appeal. But this proportion generates a significant section of overall government running costs, nearly 2 per cent of overall central government administrative costs. And the sheer scale of redress operations highlights the cost significance of even marginal improvements in the efficiency with which redress operations are conducted. For example, from Figure 20 making a 5 per cent improvement in the cost efficiency with which redress processes are operated could achieve a potential annual cost saving of at least £25 million annually although this would be offset by the costs of implementation. Similarly there are major savings to be made by departments and agencies if they can resolve more complaints and appeals at the lowest possible levels of the ‘ladder of redress’, rather than allowing complaints or appeal cases to progress up the system, involving extra bodies and accumulating extra costs and delays as they do so.

**2.29** To take advantage of such potential savings, however, requires departments and agencies to have the right kind of information systems and the right kind of pro-active managerial attitudes to sustain the active and integrated management of redress systems. Our survey of departments and agencies, and our detailed interactions with virtually all responding organizations, suggested multiple indications that these building blocks for a responsive and active management of citizen redress processes are only patchily present. In processing the survey responses the study team made more than 2,000 phone calls to government organizations, and our survey helpline staff additionally fielded 305 calls initiated by departments and agencies – see Appendix 1. Most central government organizations have only highly imperfect data available to them on their redress processes. Specialist bodies dealing with appeals or later stages of complaints systems have better data, as might be expected. Among more general government organizations, the executive agencies are the best-informed group, reflecting their stronger customer orientations, while some departments seem to have only a poor grip on their activities in this area. There were also many indications from the survey responses and our interactions with respondents that redress procedures are dealt with by agencies and departments in rather fragmented and low-key ways. Information about redress processes appears to be widely dispersed within the larger government organizations and little effort has apparently been made to pull it together.

### 20 The overall scale of redress systems across central government in 2003-04

Type of redress system	New cases annually (000s)	Total staff	Total costs (£ million)	Number of agencies involved
Appeals and tribunals	803	6,170	366	97
Complaints	543	2,170	59	230
Ombudsmen and mediators	42	985	73	11
Compensation	na	na	12	12
<b>All types</b>	<b>1,388</b>	<b>9,325</b>	<b>510</b>	<b>230</b>

Sources: Figure 15

#### NOTE

Compensation cases arise from complaints or appeals and so the number of cases and staff involved are not separately itemized here. NHS compensation costs are not covered here.



## PART THREE

Access to redress and how departments and agencies view redress issues



### This Part covers:

- access to redress;
- information on government organizations' websites;
- phone access to redress information; and
- departments' and agencies' views of redress issues.

**3.1** When government organizations provide public services they deal with people both as customers interested in securing the right services and as citizens with specific rights to fair treatment. It would clearly be a retrograde step to emphasize a quest for cost efficiencies in redress arrangements at the expense of the quality or extent of services available to citizens. In this Part we review the current arrangements that departments and agencies have for publicizing or explaining how citizens can make complaints or initiate appeals. We also look briefly at where government organizations see areas of possible improvement in redress issues.

## Access to redress

**3.2** Although relatively few citizens complain or lodge appeals about public services, it is important that citizens feel confident about their opportunities to seek redress if things go wrong, especially in a liberal democracy. To do that people must be able to find appropriate information to take up grievances when they need to. And they must be able to understand in broad outline terms how the redress process will work and see it as acceptable for people to make use of these procedures. Departments and agencies inform people about redress arrangements using four main mechanisms - providing information on websites, giving assistance over the phone, issuing leaflets and pamphlets and providing walk-in services for (some) customers via local offices.

**3.3** We have focused here only on assessing the first two mechanisms. Most departments and agencies now use the web as their primary source of reference materials for citizens. Far more information is now systematically and permanently available via this route than any other. In focus groups conducted with citizens and in our national survey, phoning up and accessing websites were amongst the most mentioned lines of recourse that people would use if they had a complaint. Visiting government offices in person was frequently discussed as an ideal course of action in focus groups, but participants also saw it as difficult to do. Even large departments and agencies

rarely have offices that are conveniently located for most people. Most central government organizations do not have local office networks and many small agencies will not even have a regional presence. In practice, apart from the taxation and benefits areas, relatively fewer people seem to use the local office route now compared to phoning or accessing websites. Complaints to the NHS, however, are overwhelmingly made locally, an important advantage. Departments' and agencies' leaflets are clearly important sources of information about redress systems in some areas (especially in the National Health Service where complaints leaflets are widely available locally). But there is some emerging evidence in other policy areas that printed materials have been cut back in favour of web publication. For instance, advice agencies told us that one medium-sized department has now withdrawn all its leaflets for the public and in our phone survey (see below) several organizations could not send our enquirers follow-on leaflets about how to complain. Leaflets and front office provision are also relatively difficult to study, since their distribution cannot be easily observed.

Hence the main data sources used here are first, a comprehensive census of central government organizations' websites; and second, the results of a limited 'mystery shopper' exercise with major departments and agencies conducted over the phone.

## Redress information on government organizations' websites

**3.4** We assessed the information about complaints, appeals and customer service mechanisms available to citizens over the web in autumn 2003. Our researchers systematically visited the websites of all the 277 central government organizations that we could identify as operating at the UK or England levels, (Scottish, Welsh and Northern Ireland agencies were excluded). We found only 11 small agencies that still did not have websites. Our coders analysed and categorized more than 60 different variables on sites in a consistent manner, and their results were carefully re-checked. During the summer of 2004 we updated our information on sites, to incorporate some significant improvements in provision that occurred while our study was underway. The coding sheet and complete results for the web census are available on [www.nao.org.uk](http://www.nao.org.uk) linked to the electronic version of this report, and Appendix 1 provides some further brief details of methods.

**3.5** The general information about customer services available on the web has improved greatly since previous National Audit Office reports (see *Government on the Web*, HC 87, Session 1999-00 and *Government on the Web II*, HC 764, Session 2001-02). More than five out of six departments and agencies (around 250) now provide phone, postal and email addresses for enquiries, although a small minority of these only gave the information in PDF format. PDF stands for 'post document format', a widely used but proprietary format marketed by the Adobe company. PDF documents require citizens to download or have access to this specific but free software before they can read them. PDF documents are still rarely searchable by web crawlers or search engines, and so information provided in this way is normally not as fully accessible as that provided in web formats. We found that still only a third of government organizations (98) provided an online enquiry form, which is generally a more systematic and useful form of web provision compared with e-mail. Many of the larger departments and agencies (109 out of the 277 total) provide postal addresses and phone numbers for local or regional offices, of which two thirds also gave local or regional email addresses. Half of the departments and agencies provided a statement about their customer service standards, but about a third of these were in PDF documents and so not easily accessible. Beyond this fairly basic level, however, the general information on the customer service function was not extensive. For instance, only 51 government organizations told people when their customer service enquiry function was open and somewhat fewer gave a named staff member with a specific number. Only 47 departments and agencies

explained how they were performing against their standards in easily findable web pages, although a further 36 buried this information in PDF files. Less than one in ten departments and agencies (24) publish the results of their customer satisfaction surveys or market research on the web, but slightly more did make this information available in PDF form.

**3.6** Looking specifically at information on how to make a complaint, **Figure 21** shows that only just over half of government organizations explain this accessibly on their websites. A third of organizations (84) give no information at all. The remaining one in six bodies provide information but in PDF form only. The ministerial departments all provide information, but this proportion drops below half for the numerous non-departmental public bodies and even amongst executive agencies. Looking at the terms used, **Figure 22** shows that around two thirds of departments' and agencies' language focuses on 'complaints' (which some observers believe may be somewhat off-putting, since British people are reputed to be averse to being seen as whinging or complaining). The remaining third of departments and agencies use more innovative terms. One in five organizations use phrases like 'putting things right', 'getting things right', 'if things go wrong' and 'correcting mistakes', and the remainder generally discuss their customer standards. Half of central government organizations' sites mention learning from mistakes, but only one in five uses phrases like apologizing or making amends. Just one in six bodies say that they provide compensation for mistakes.

**21** How different types of government organizations make information available on their websites on how to complain

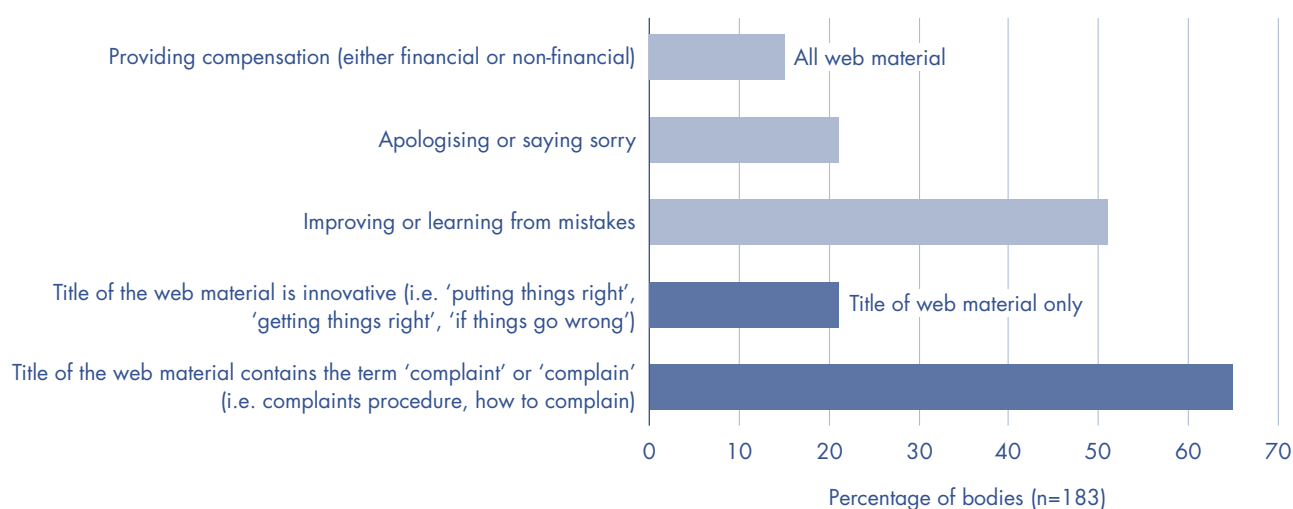
Type of agency	In web pages %	In PDF documents only %	No web information %	Total %	Number
Ministerial departments	94	6	0	100	17
Other agencies	65	6	29	100	17
Non-ministerial departments	60	20	20	100	15
Tribunals, appeals and ombudsmen	57	26	17	100	23
Executive agencies	48	17	35	100	75
Non-department public bodies	48	14	38	100	119
All government organizations	53	15	31	99	266

Source: *Census of central government organisations' websites*

**3.7** Turning to the language that government websites use to describe citizens' opportunities to seek redress, **Figure 23** shows that most of the organizations say relatively little. A quarter stress their commitment to putting things right, but fewer than one in six mention that citizens should expect a certain standard of service or have a right to seek redress. Agencies are much more forthcoming in characterizing their own behaviour when handling complaints. **Figure 24 overleaf** shows that most

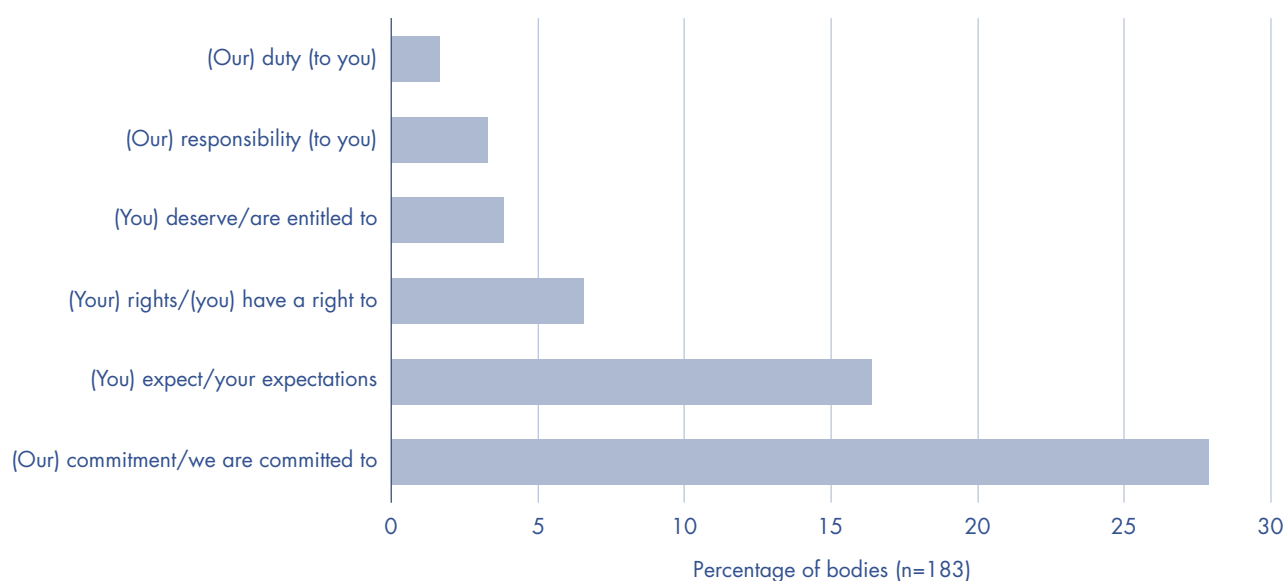
emphasize giving a speedy response, but quite small numbers say that complaints will be thoroughly or fully investigated (54 out of 183), confidentially (42) and politely or courteously handled (38). Around 80 agencies offer tokens like charters, codes of practice or quality marks, emphasizing their standards of service. Smaller numbers say that they positively want to support, co-operate with or help complainants (29).

## 22 The language used on government websites to describe making a complaint



Source: Census of central government organisations' websites

## 23 How government organizations' websites characterize citizens' redress opportunities



Source: Census of central government organisations' websites

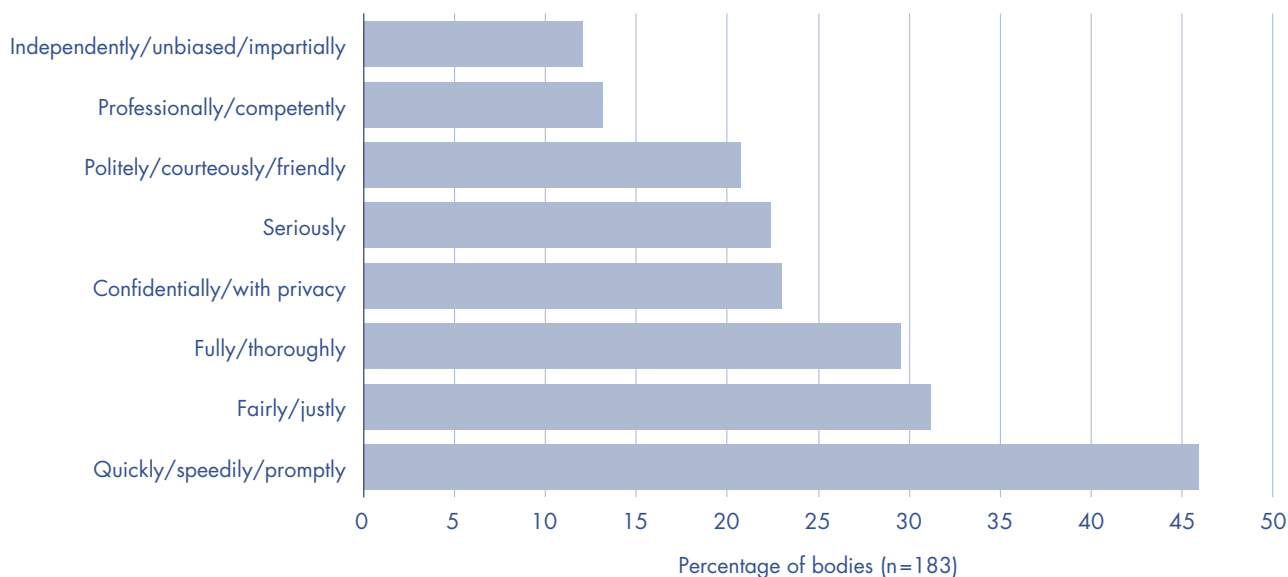
**3.8** Over two thirds of government organizations' websites mention that people thinking of making complaints may be unhappy or dissatisfied in some way with their treatment, but most departments and agencies are very coy about saying anything further in recognition of how people may feel. Only one in every 16 organizations mentions delays or the waste of time potentially involved in complaints, and even fewer acknowledge worry, frustration or confusion as emotions that may accompany making a complaint.

**3.9** The extent of the complaints information varies sharply across the 183 organizations that provide some electronic materials. Around two thirds provide one or more of a dedicated complaints address or phone number or email address, and in the same proportion of departments and agencies it is possible to identify the job title of someone to whom a complaint can be sent. But only one in five organizations give a named official to whom email complaints can be sent or the telephone number or email of a senior person at the agency. Most departments and agencies with material (141) tell people how their complaint will be handled and which section of the organization will deal with it.

**3.10** Amongst the departments and agencies that do provide some web information on complaints, two thirds of organizations say that they will acknowledge a

complaint and most of these state a time dimension of some kind for the acknowledgement reaching you. The most common promise for an acknowledgement is within 2 days (32 organizations) and altogether 68 organizations (a third of those with web materials) promise to acknowledge a complaint within a week. By contrast only 18 departments or agencies mention longer acknowledgement times of within 2 weeks or longer. Looking at the promises that government organizations make about the time taken to resolve complaints, there is a fairly uniform policy amongst departments and agencies providing electronic materials of promising to respond to complaints within one month (pledged by 69 organizations). Smaller numbers of organizations (45) mention that they will keep people regularly informed or up to date on how their complaint is progressing. Of course, it is also important to bear in mind that adding together the agencies without customer service web provision at all and those who give basic details only, means that a majority of all government organizations (178) still provide no information at all on acknowledgement times and a majority (194) give no information at all on response times. Only 40 per cent of departments and agencies providing web materials actually tell people what information to include in their complaint. And only just under a third (48) make public on the web the number of complaints they have received.

## 24 The language used by departments and agencies to describe their own behaviour in dealing with complaints



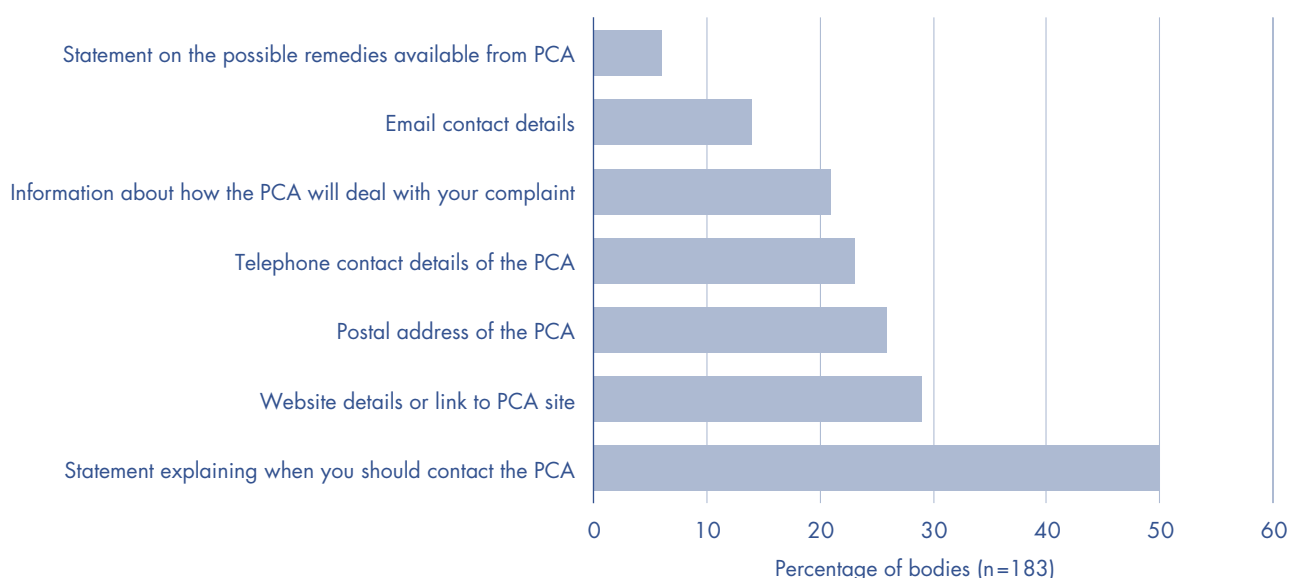
Source: Census of central government organizations' websites

**3.11** We also examined all the websites visited to check whether government organizations direct citizens to the Parliamentary Ombudsman or other ombudsmen. Our coders first searched on each site for ‘ombudsman’, a step that a reasonably knowledgeable citizen might take to find information quickly. **Figure 25** shows that only half of the government organizations with complaints information on the web gave information on how to contact the Parliamentary Ombudsman, and only one in three provided a web link to the Parliamentary Ombudsman’s website. Even fewer provided the Parliamentary Ombudsman’s phone or postal address, and only one in eight gave an email link. We found that one in five sites explained how the Parliamentary Ombudsman would proceed in handling complaints referred to her office and one in twelve sites gave information about the kind of redress that the Parliamentary Ombudsman could actually provide for complainants. These are disappointing levels of linkage. Government organizations could clearly do far more to alert citizens to the Parliamentary Ombudsman’s existence on their websites, providing immediate links and a basic explanation of the Parliamentary Ombudsman’s roles and capabilities.

**3.12** We also looked at whether websites mentioned the existence of an independent complaints handler (or mediator). There were 54 cases (around one site in six) where these kinds of intermediary bodies could be involved in investigating and resolving complaints. These references virtually all provided the complaint handler’s or mediator’s postal address and explained what complainants should do first, before taking their complaint to these bodies. Most references gave useful information on how the complaint handler or mediator would deal with complaints referred to them. But only around half of organizations referring to such bodies gave telephone or email contact details for them, and fewer than one in three provided a link to the complaints handler’s or mediator’s website.

**3.13** Turning to appeals and tribunal processes, it is important to bear in mind that Part 2 above shows that 97 government organizations are involved in either deciding appeals or tribunal cases or are being appealed against. Again our coders used the search engines on government websites (where available): inserting ‘appeal’ brought up relevant information on 40 sites (around half the number feasible) and inserting ‘tribunal’ turned up only 15 references. Across the organizations with web materials our coders actually identified 55 organizations or individuals with some kind of appeal function, 26 being references to tribunals and the remainder including a variety of committees, panels, commissioners or internal reviewers.

**25** The number of government organizations with different items of information on their websites about how to refer a complaint to the Parliamentary Commissioner for Administration (PCA)



Source: Census of central government organizations’ websites



**3.14** Around 40 sites give information on what to do if you want to appeal, clarify the circumstance when an appeal can be made and refer people to the body that can take appeals. Phone, email and website contact details for appeals bodies or tribunals are only provided in half these cases, chiefly on the sites of appeals or tribunal bodies themselves. Only around 10 organizations say how long appeals would take, clarify that appeals are free or give guidance on the kinds of evidence that people will need in an appeal. Just 8 sites explain how personal representation works in appeal hearings. Appeals bodies themselves mention that they are independent quite frequently (18 references in all) but it is hard to find how many appeals have been handled recently. We found 6 links each to the Council on Tribunals and to the Citizens Advice Bureaux across all our departments and agencies and just 7 links to other advice or support websites. This is again a disappointing level of performance. Many appeals and tribunals organizations have websites that are not very informative and those government departments and agencies with relevant appeals processes are sparing in mentioning them to citizens on their sites. It is also notable that complaints web pages are relatively much better designed and sophisticated than those few covering appeals. And information about complaints and appeals are most often on completely different parts of government organizations' websites.

**3.15** Altogether our coders looked for 90 different complaints and appeals features on departments' and agencies' websites. The top organizations achieved scores in the 50s, notably the Public Guardianship Office, Jobcentre Plus and the Audit Commission. But their strong standards are exceptional. **Figure 26** shows the distribution of scores across different types of central government organization. These patterns demonstrate that many executive agencies, non-departmental bodies and even tribunals and other agencies have poor standards in the complaints materials that they provide on the web. Across central government as a whole there is a long way to go for organizations to catch up with the provision on the best sites. Ministerial departments have the most developed websites on average, followed by non-ministerial departments. Executive agencies and non-departmental public bodies achieve overall scores for redress access information that are only two thirds of those for ministerial departments. The mainly smaller organizations have even lower levels of information.

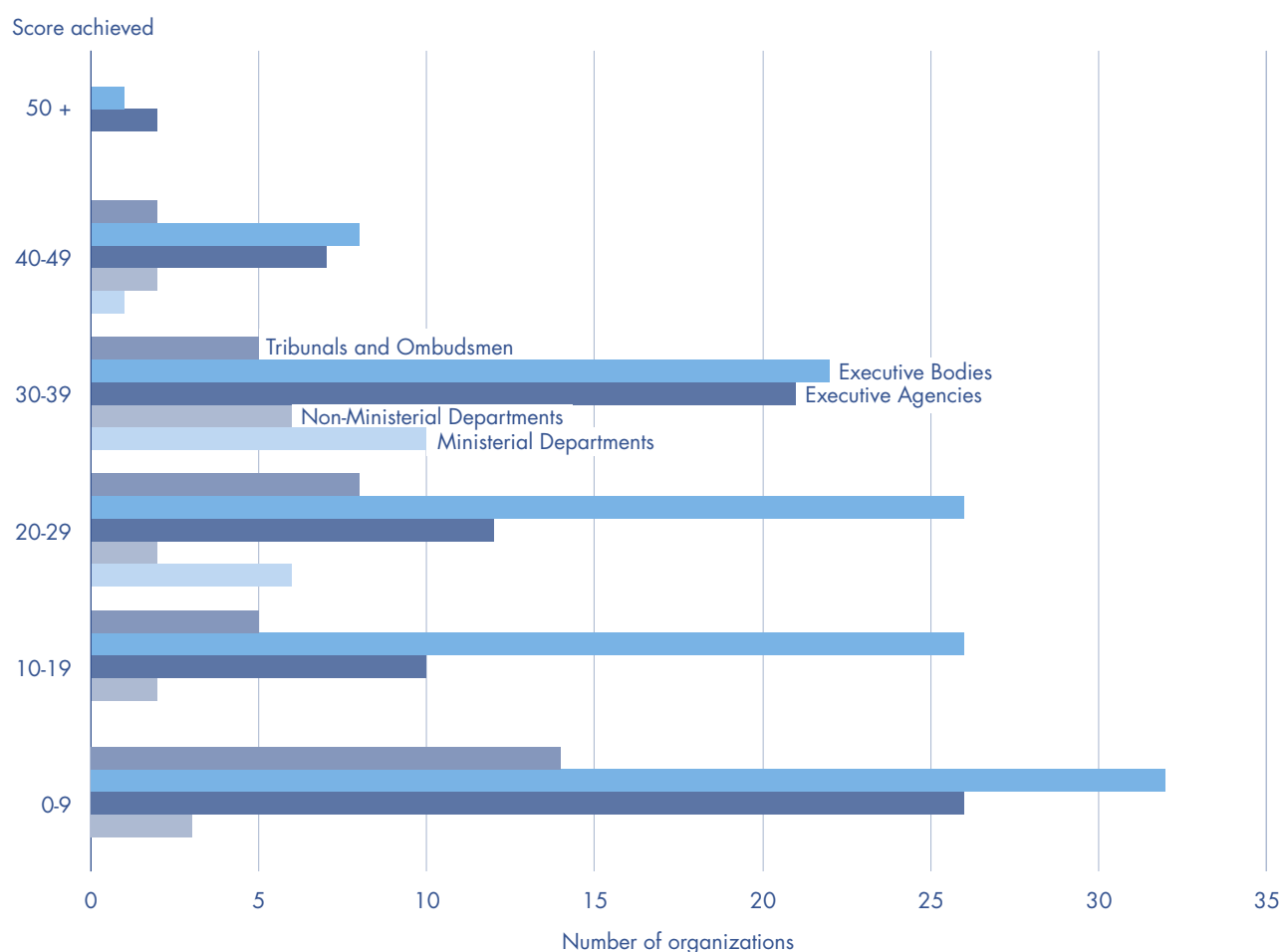
**3.16** Looking across policy sectors in **Figure 27 overleaf** shows that social security and benefits is the top-performing area for providing redress information, standing out somewhat from the rest of government. There are then five areas of public services (transport; immigration and visas; education; environment, local and agriculture; and criminal justice and legal) where provision is comparable and quite high. The remaining policy sectors then straggle slowly downwards, with provision in a policy sector like culture, media and sport being half the level overall of the top-scoring area.

**3.17** Overall, how much information do departments and agencies provide to citizens about redress arrangements on the web, and how helpful or accessible is it? There is no doubt that this has become the major source of information for those citizens with the capacity or inclination to access the web. There have been substantial improvements (even during the course of our study in 2003-04) in the information that departments and agencies provide. We noted many cases in our interviews where officials pointed to putting materials on the web as a sign that they had fulfilled the obligations on them to be open. But the overall standard of web provision remains disappointing in this area. The fact that some organizations score strongly in terms of providing information on redress, and that others can achieve a positive, friendly and informative experience for citizens, only serves to highlight the many sites where either no information is available or it is stored in obscure PDF pages not accessible via searching and often containing very formal and unwelcoming text.

## Phone access to redress information

**3.18** Notwithstanding their growing importance, the web and internet remain a minority means of accessing government information. Repeated surveys have shown that most British people prefer to telephone government departments and agencies if they can, although we note below that this pattern does not apply so much in redress cases. Nonetheless, our survey shows that nearly half of the public would seek to ring up an agency if they had a complaint or a grievance. In most such cases people might be responding to a communication from the agency or might have at least a letter or some other piece of paper with a telephone number on it. We could not feasibly investigate phone-in processes initiated in this way. But we could look at a more general case where someone knows which agency to contact but does not have a precise telephone number to ring and would like to find out where to go.

## 26 How different types of organizations score in our scale of 90 desirable features for information on redress

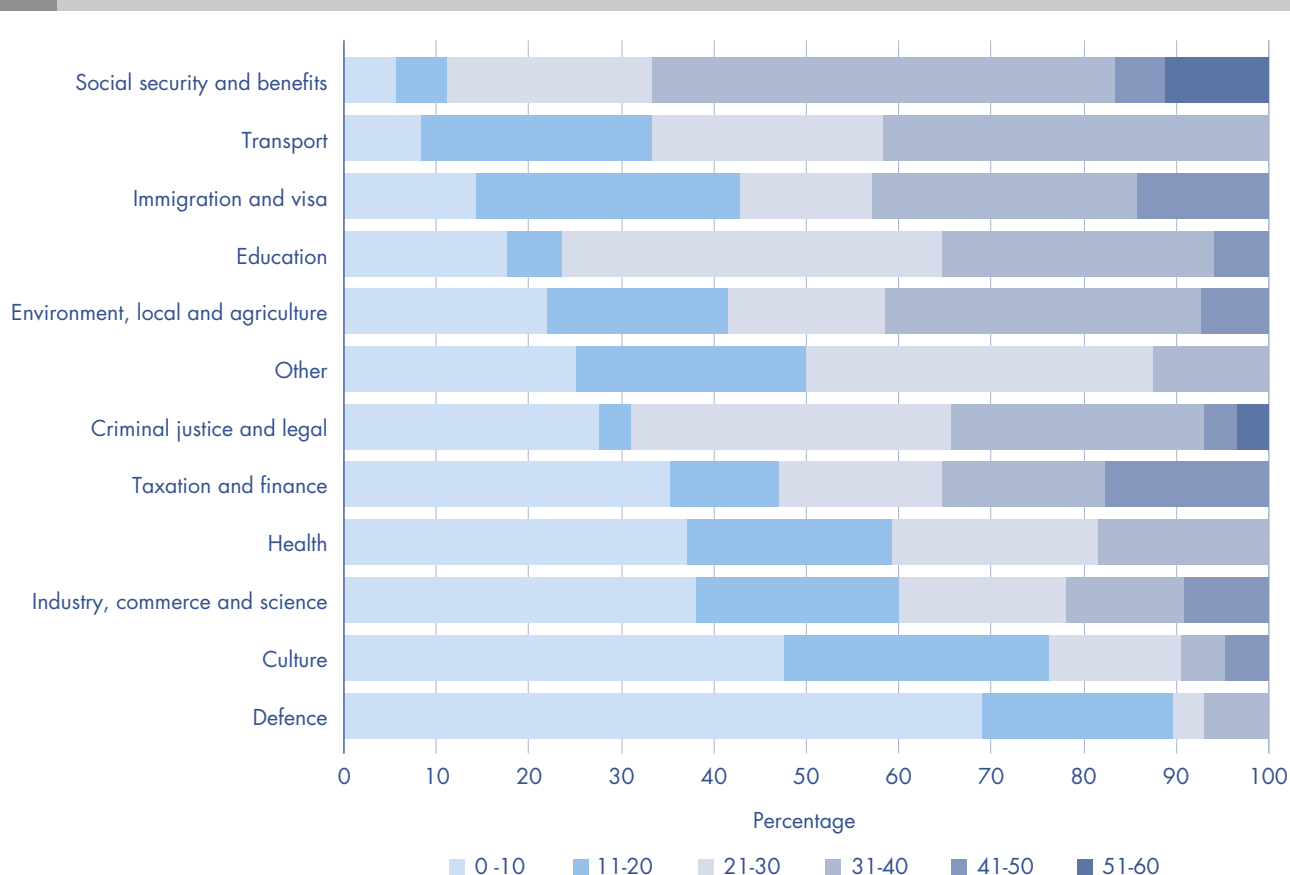


Source: Census of central government organizations' websites

**3.19** We conducted a limited 'mystery shopper' experiment in which we tried to ring up 20 major customer-facing departments and agencies, in each case with a brief relevant story line, seeking exploratory information on how to make a complaint. Our enquirers also sought to find out in general terms what they would need to do to complain and what their chances of success would be. In half the cases we began with a directory enquiries call to find a general phone number for the organization concerned, and then followed that up with the switchboard or call centre. In the other half of the cases we began using 'Yellow Pages' directories to find an

initial local or regional phone number. Once having reached the department or agency our callers asked to be referred to someone who could deal with a possible complaint, and if successful at this stage then explained the story line to the person reached. The caller would ask for details of how to make the complaint, how the procedure would operate and whether the department or agency could supply a leaflet explaining what to do in a print form. We also timed how long any promised leaflets or pamphlets then took to arrive. Our callers were well trained, intelligent and courteous, with relatively simple stories and questions to ask.

## 27 How different policy areas scored in our scale of 90 desirable features for access to information on redress



Source: Census of central government organizations' websites

**3.20** There was a highly variable level of performance across the departments and major agencies we surveyed in this way. (A full account of the results is given in a web annex on [www.nao.org.uk](http://www.nao.org.uk) linked to the electronic version of this report). In one major agency we never got through by phone despite repeated efforts, and in another two cases our callers experienced a very long wait on the phone. The performance of directory enquiries was patchy in connecting to relevant government units and our callers were referred to several different numbers in some cases. Jobcentre Plus gave the best standard of service, with accessible phone numbers, helpful and concerned telephone operators who quickly understood the problems, and a good range of leaflets that were despatched immediately and arrived next day. But this experience was unusual. In many of the 18 cases where we got through, our callers had considerable difficulties in reaching anyone relevant who could answer their problems or could convey more than a tiny fraction of the information about complaints available on that same organization's website. The process of phoning without an

immediate contact number was in the majority of cases frustrating, long-winded, difficult and embarrassing for our expert callers. We would judge that most ordinary members of the public would have given up long before obtaining useful information in around half of the cases. In addition, the help available over the phone varied greatly. The best agencies, like the Highways Agency and Jobcentre Plus, had well-informed operators who seemed to be recording details of the interaction on computer as our callers spoke with them and who were sympathetic and encouraging about possibly complaining. By contrast in the worst departments and agencies operators seemed uninterested in helping our callers, could offer little information about how redress systems work, had no printed leaflets they could send, or promised to send material which subsequently never arrived. In several organizations operators tried to refer our callers to information on their websites, but then seemed stumped for anything to suggest when our callers said that they had no web access.

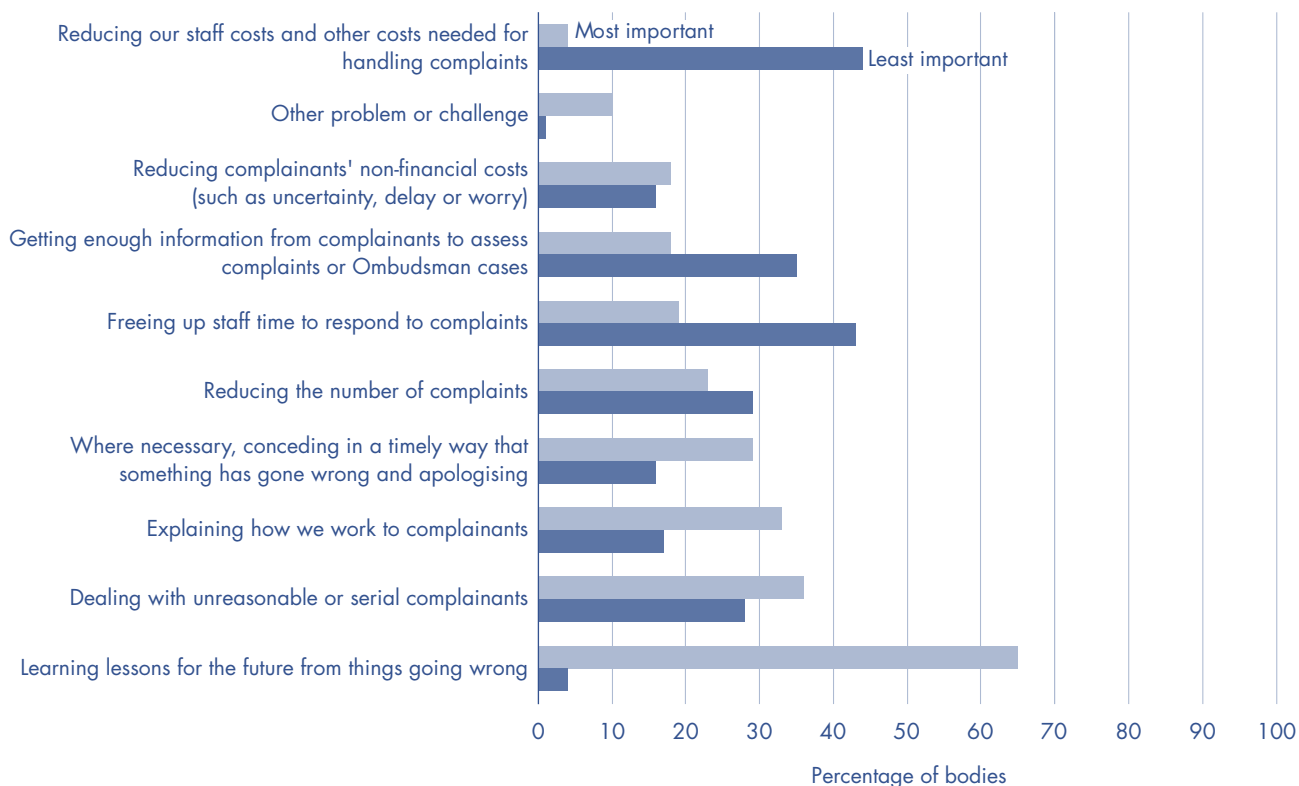
**3.21** We conclude that there is a strong *prima facie* case for believing that general phone enquirers receive a much poorer level of service on redress issues from even the largest and most customer-facing government organizations than do web users. Much less information is available to general phone enquirers than is provided on the web. In most cases there do not seem to be procedures in place to recognize or respond effectively to general phone enquirers. This imbalance in provision is likely to adversely affect social groups with the least access to the internet, especially people aged over 55 and those groups with the lowest household incomes.

## Departments' and agencies' views of redress issues

**3.22** In our surveys of government organizations we asked for indications of where they see the main problems and management challenges lying. The options included in these questions were developed from our case studies of

nine departments and agencies and our general interviews with organizations. For the 230 departments and agencies responding to our survey on complaints, **Figure 28** gives the two most important problems or management challenges. To assess the extent to which problems are seen as general or are disputed or not relevant to other organizations, we also show the number of departments and agencies which rate that problem as one of the two least important. The most important and general problem, and one seen as unimportant by almost no one, is for departments and agencies to learn from mistakes and complaints so as to improve matters in future. Government organizations rated two other problems as important rather than unimportant, namely explaining complaints procedures to citizens and where necessary producing a timely apology rather than protracting a complaint procedure. A third of departments and agencies rated dealing with unreasonable or serial complainants as important, but almost as many see this as least important.

**28** The most and least important problems or management challenges for departments and agencies running complaints handling systems



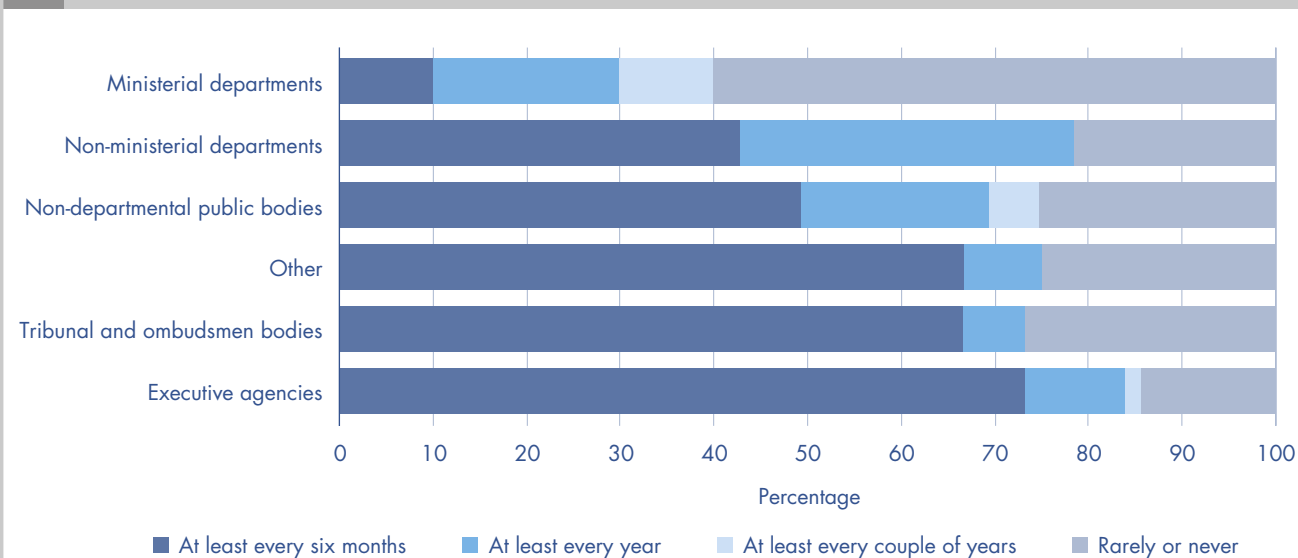
Source: Survey of departments and agencies

**3.23** We also asked organizations how often they survey people making complaints to ask them about their experiences. **Figure 29** shows that executive agencies stood out in these responses. Nearly half of them do survey work on complaints every couple of years and two fifths at least annually. By contrast all ministerial departments respond that they rarely or never do such survey work. And less than a quarter of non-ministerial departments or non-departmental public bodies regularly ask complainants about their experiences.

**3.24** In an earlier period, preceding the ‘new public management’ era, it was the practice of some chief executives or permanent secretaries to take a regular interest in complaints as an indicator of how their organization was performing - an approach still followed in two of our case study organizations. We asked departments and agencies in our survey how often trends in complaints are now reported to their management board or senior management. **Figure 30** shows that amongst ministerial departments the practice is clearly rare, with three fifths responding ‘rarely or never’ to this question. By contrast in all other types of agencies at least seventy per cent of organizations reported results annually to senior managers, a figure that reached five out of six for executive agencies. Most organizations with regular reporting on complaints in fact do it at least every six months, the minimum cycle for them to be reasonably agile in analysing and responding to emerging problems.

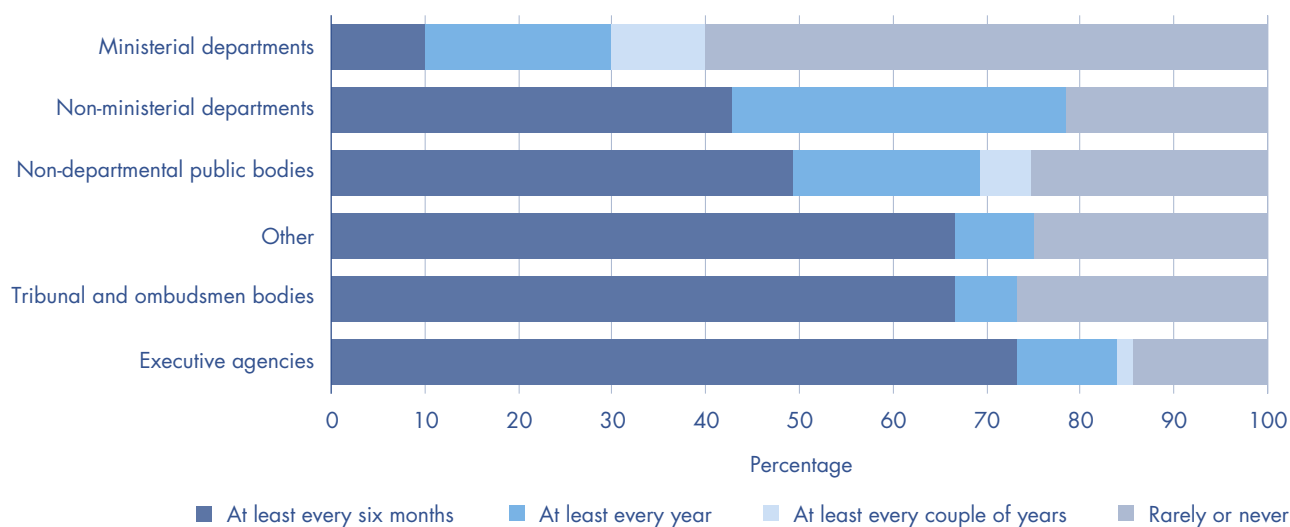
**3.25** In the survey of central government organizations we also asked whether they had targets for acknowledging the receipt of complaints, and for responding to the complaints substantively. Only 59 departments and agencies responded that they had acknowledgement targets. **Figure 31** shows that they are chiefly for periods of 5 working days or less, although one or two organizations still have ten day targets. Generally speaking the percentages of complaints acknowledged within targets is high, at around 90 per cent. On substantive response times more than twice as many organizations responded that they have targets, with a bunching around three main intervals, of 10, 15 and 20 working days. The spread of complaints met within target levels is generally wider, between 80 and 100 per cent. There does not appear to be any association between the number of days to the target and the proportion of complaints met within target levels – shorter target in terms of days are just as frequently met as longer ones. There are indications that around one in six departments or agencies are still performing quite poorly against their targets for substantively responding to complaints.

**29** How often departments and agencies carry out survey work to evaluate the experience of citizens making complaints



Source: Survey of departments and agencies

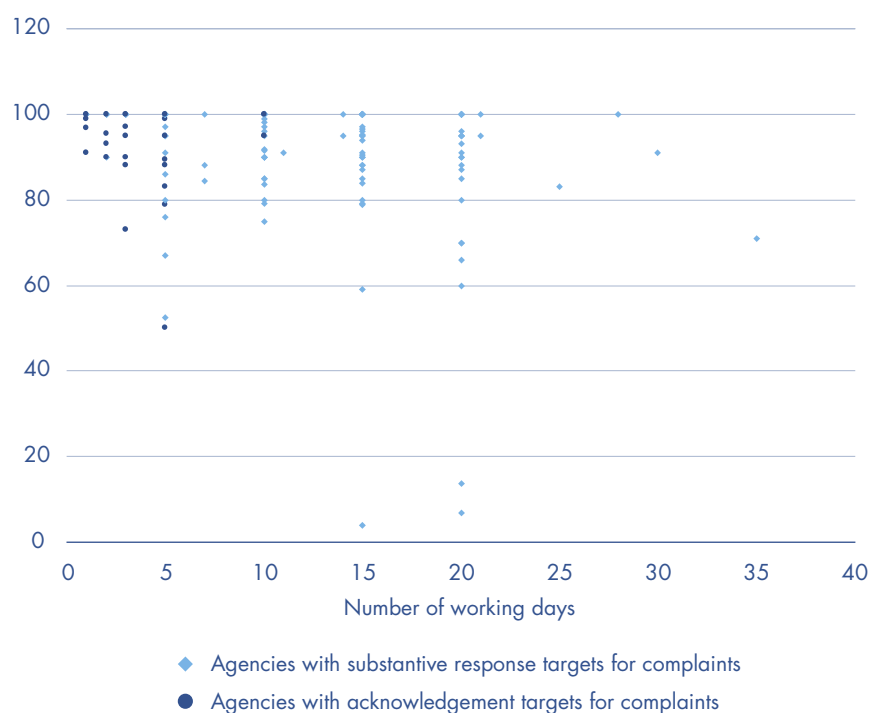
### 30 How often departments and agencies formally report trends in complaints to senior management



Source: Survey of departments and agencies

### 31 How departments and agencies define targets for complaints handling, and performance against these targets, 2003-04

Percentage of complaints acknowledged within this target



Source: Survey of departments and agencies

#### NOTE

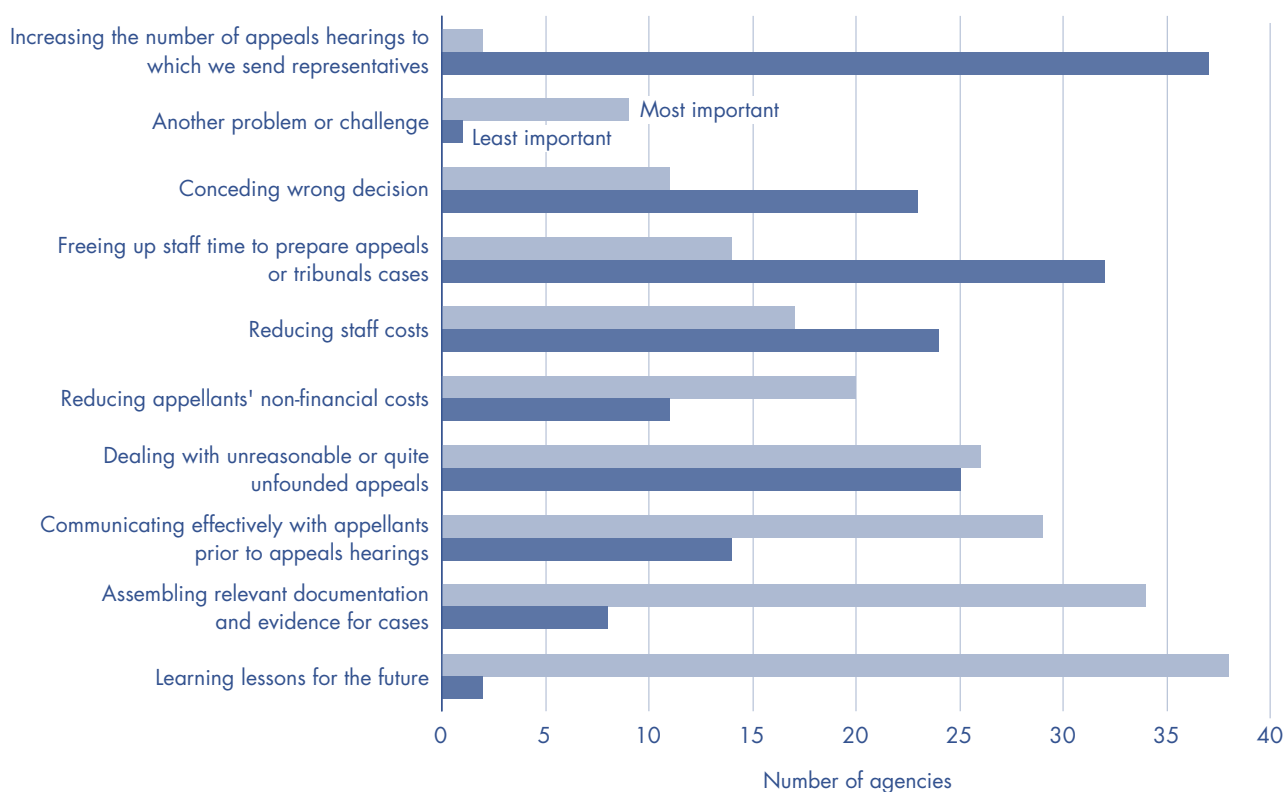
Each dot in this figure represents one organization. We include only departments and agencies that returned our complaints survey with specific data on 'number of days to acknowledgment and response' and 'performance against percentage based targets'. This reduced the N significantly to 56 organizations that provided 'acknowledge' data, and 139 organizations that provided 'substantive response' data. Of the 56 organizations with 'acknowledge' targets all but three also had 'substantive response' targets.



**3.26** Turning to appeals processes, **Figure 32** shows the most and least important problem as rated by respondents here. Again, being able to learn from mistakes and create positive learning feedback for the organization emerges as the most general problem or challenge, although only just over a third of organizations nominate it (compared with 60 per cent of organizations responding on complaints). Running close behind as a problem is the task of assembling documentation and evidence for cases. Dealing with unreasonable appeals is less prominent here. Communicating with appellants before hearings is also mentioned by over a quarter of the organizations and reducing appellants' non-financial costs (such as worry or delays) by one in six respondents.

**3.27** The overall picture of problems and management challenges evident in the survey responses, across both complaints and appeals, shows that avoiding repetitive cycles of mistakes and corrections followed by the reappearance of the same mistakes is the key problem. Government organizations do not seem to feel that improving services to complainants or appellants is much of a problem, although some do mention reducing feelings of worry or aggravation. Many departments and agencies responding apparently do not have targets for responding to complaints. The organizations with more demanding targets for responding to complaints tend to meet them as often as do those that allow themselves more time.

**32** The most and least important problems or management challenges for departments and agencies involved in appeals or tribunal services



Source: Survey of departments and agencies



## PART FOUR

### How citizens view redress arrangements



### This Part covers:

- complaints and related processes;
- appeals and tribunals; and
- overall view of redress processes.

**4.1** Do current government redress arrangements provide citizens with what they want? Are they easy to use? Do people understand what to do if something goes wrong in their dealings with a public agency? And do they have accurate expectations of how redress processes in a government organization will work? Are there missing elements in the current range of provisions, things which most people believe would add value and make redress processes more useful and accessible? We investigated these issues using four focus groups and a national opinion survey with just over 1,000 respondents carried out by ICM Research, of which full details are given in Appendix 1.

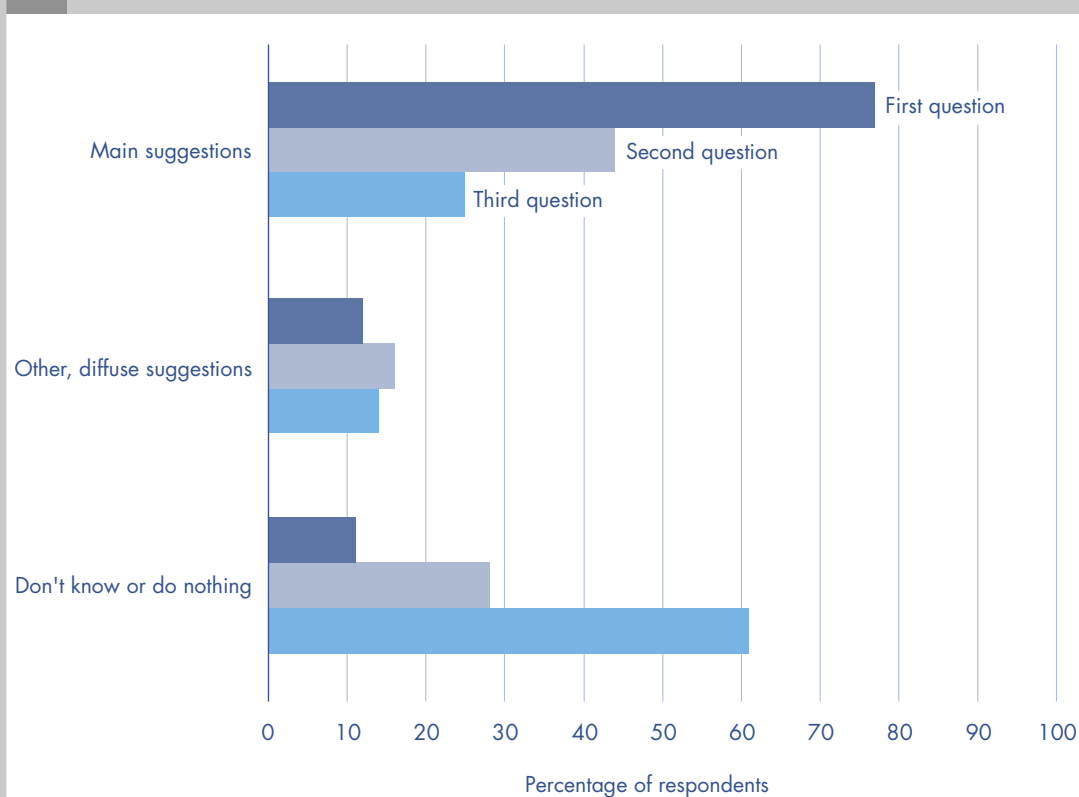
## Complaints and related processes

**4.2** In our focus groups we began by asking people in a general way what they might do if they experienced something going wrong in their dealings with a government department or agency. We recorded these responses and then went on to ask group members to put themselves in a range of more specific situations. We used three simple case stories to get discussion started: a problem with a tax code following a change of employers; being in hospital or visiting a relative there and being worried about the standard of cleaning in the ward; and an elderly relative or friend being wrongly advised they were ineligible for a benefit only to find out too late to claim that they would have been eligible. Most people give a fairly restrictive set of responses in answers to the general question, which they subsequently considerably expand or amplify in discussion of more specific scenarios. People who initially suggested that they would do nothing over a generally framed dissatisfaction were often able to suggest useful ideas for doing something about more focused problems.

**4.3** Drawing on these results in our national survey we began by asking respondents: ‘Suppose something went wrong in one of your dealings with a government agency (for example, over tax, a social security benefit, a passport or a licence), would you tend to accept the outcome even if you felt it was wrong? or tend to complain or appeal and try and get it put right?’ Nine tenths of people chose complaining or appealing, with only one person in eleven saying that they would give up and let the issue lie. This high level of confidence in respondents’ abilities to get something positive done was reflected in all the focus groups, where most people felt assured that it would at least sometimes be worth pushing for redress, even though they also regarded government organizations generally as large, bureaucratic, attached to fixed ways of handling issues and impersonal.

**4.4** We next asked our survey respondents: ‘Suppose the issue was so important to you that you did try and get things put right, what would you do?’ Our surveyors recorded all the ideas or suggestions that were mentioned, and then asked what people would do next. Again all the courses of action suggested were written down and interviewers then asked a final probe question about whether there was anything else that people might do. None of the responses given here was prompted by reminding people of specific redress options. Instead ICM researchers categorized the recorded ideas into main groups (discussed in more detail below). In response to the first question **Figure 33 overleaf** shows that three quarters of respondents came up with the ‘mainstream’ suggestions itemized there, while the remainder either had no suggestion or proposed diffuse or non-obvious suggestions (such as shouting at officials). The proportion suggesting mainstream ideas fell below half for a second suggestion and to just a quarter of respondents at the third suggestion probe stage. The proportion of people responding ‘don’t know’ or that nothing could be done increased somewhat at the second phase of the question, and considerably at the third stage, while the rate of diffuse suggestions changed relatively little. This pattern suggests that although nine out of ten people are confident they would complain or appeal when asked in the abstract, only three quarters of people can come up with a useful suggestion of what to do to get things put right, and under half of our respondents could provide two suggestions.

### 33 The pattern of main suggestions, diffuse suggestions, and 'don't know' or 'do nothing' responses across three redress scenario questions

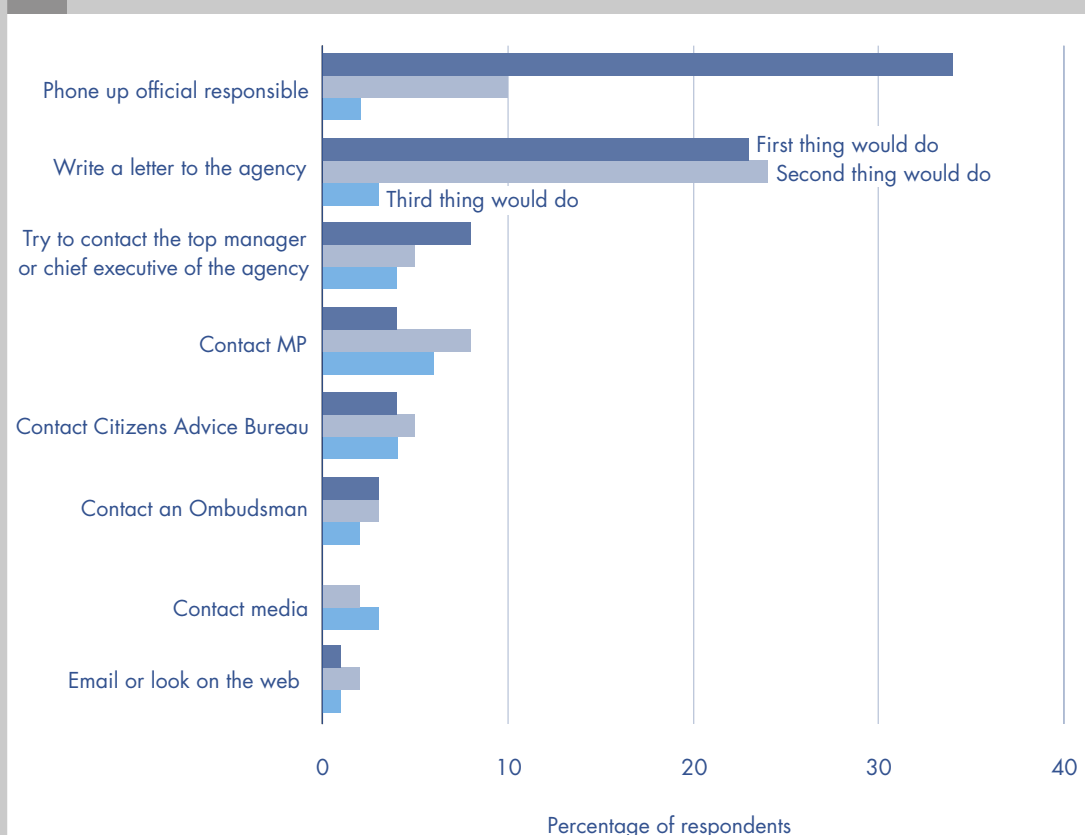


Source: National sample survey

**4.5** The specific ideas that people came up with in the main suggestions category are shown in **Figure 34** for the three successive rounds of the question. Over a third of people would first try to phone the agency and seek to find the official responsible, closely followed by people who would write a letter to the organization. The third most popular course of action was to attempt to contact a responsible manager in the government department or agency, or the chief executive at its head. There was extensive discussion in our focus groups about the relative advantages of these two approaches. Phoning was seen as convenient and interactive, potentially able to sort out confusions quickly. But group participants worried greatly about four things: the difficulties of finding the right person to answer queries unless you have a specific named official to contact; the frustration of being relayed from

one section or official to another, having to explain what you want multiple times; the fact that one can apparently get differing informal answers from different officials or at different times; and not having any record at your end that you had rung and been promised some action. The difficulties of contacting many government departments and agencies by phone at all were extensively discussed and many people in the groups were unhappy with call response times, automated phone systems and talking to people in call centres who did not understand the issues they wanted to raise. Writing letters was generally seen by older people in the focus groups as more reliable, since departments and agencies were more likely to respond in an organized way to correspondence and one could keep a copy of a letter and prove that it had been sent.

### 34 What action citizens would take to put right something that goes wrong in dealing with a government agency (unprompted response)



Source: National sample survey

**4.6** In our focus groups many younger people suggested the same advantages for emails and felt by contrast that letter writing was too time consuming. In addition, participants who advocated emailing stressed that you could prove that your message had been sent and that it had been received and opened, so unlike a letter, departments and agencies could not claim to have not received an email. But there was extensive uncertainty about whether departments and agencies responded to emails at all or required complaints to be sent in on paper. Some sceptical participants were also unsure about whether government bodies had organized systems for handling emails or whether their complaints could be passed around sections and perhaps lost. In our national phone survey emailing or using

the web to find information about government organizations was mentioned very rarely, but they were much more prominent in the group discussions. We noted a clear tendency in the focus groups for older people to have much better developed 'stored knowledge' about redress procedures and about whom to approach to help with complaints or appeals processes, compared with younger people who had much less experience to draw on. However, a substantial minority of group participants in their 20s and early 30s stressed that while they often did not know a particular piece of information (such as the name of their local MP) they could easily find it out in a couple of minutes on the web. Hence their information skills meant that they did not need to retain so much knowledge in their heads.



**4.7** Going to MPs was widely recognized in the focus group discussions as a useful additional route. Although apparently not very important in terms of first recourse actions, contacting an MP is a more important second and third used solution. In fact, **Figure 35** shows that one in six respondents said that they would go to an MP unprompted, by far the most mentioned 'indirect' route, beating contacting the Citizens Advice Bureaux. MPs were also more than twice as frequently mentioned as going to any form of ombudsman. In the focus groups, however, there was some cynicism about MPs, their motives for being involved, whether their offices were well organized, and whether their help really counted for anything with government

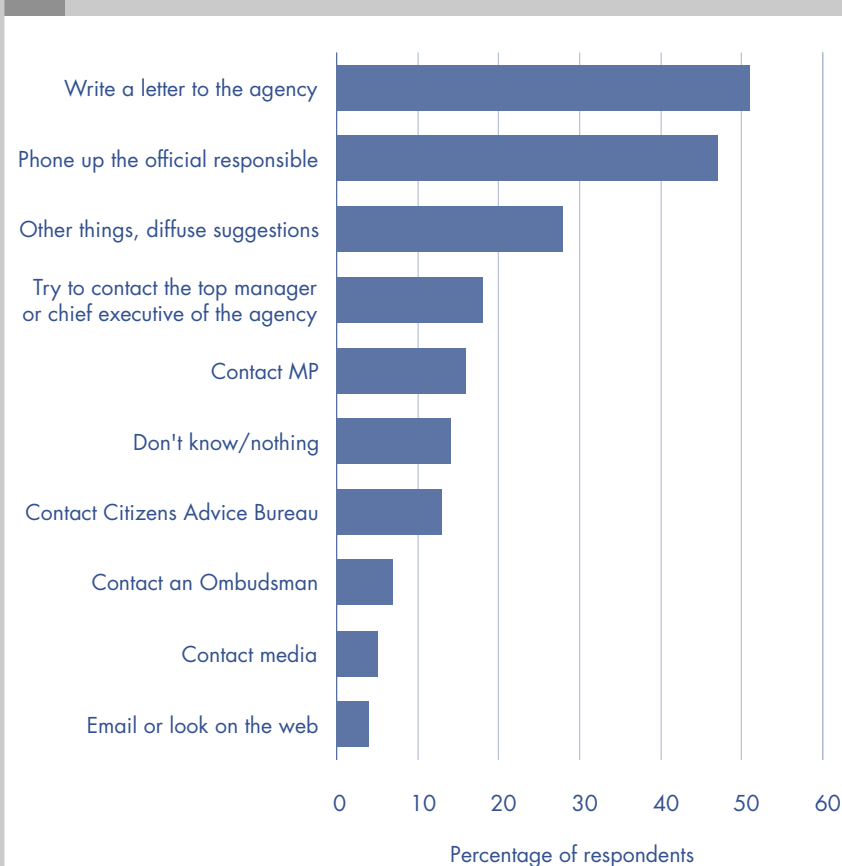
bureaucracies. But there was also a widespread recognition that MPs (especially those who are recently elected) work much harder than in the past at their constituency work. People who had sought their help pointed out that you could go and see them easily and that by sending multiple letters MPs brought extra clout to issues with a public interest dimension. Many older focus group participants had involved an MP in at least one issue at some time or another and most reported very positive results.

**4.8** Citizens Advice Bureaux were an important resource mentioned by one respondent in seven in the survey. In the focus groups Citizens Advice Bureaux were seen as admirable organizations run by very

committed and helpful people, if you could manage to go and see them in person. But their performance was seen as varying sharply between the two cities where we conducted focus groups and in both locations they were judged impossible to reach by phone. Small proportions of survey respondents suggested other collective or 'political' solutions could help with redress issues, including contacting the media and securing local support for petitions or demonstrations. In the focus groups these alternatives were generally seen as more important, with several participants reporting successful outcomes from petitioning and lobbying, especially at local council level.

**4.9** Only one respondent in 14 mentioned any kind of ombudsman unprompted in our national survey, a disappointing level of salience. In the focus groups private sector ombudsmen (for instance, for financial services and insurers) were mentioned more than government sector ombudsmen and few people seemed to have a specific ombudsman in mind or to understand the distinctions between them. We found no one in more than 50 focus group members who knew who the 'Parliamentary Commissioner for Administration' was and respondents found it irrational that the Parliamentary Ombudsman should apparently have two names and 'be known by an alias' (as one person remarked). The 'MP filter' for involving the Parliamentary Ombudsman was not well known and when explained to three groups it was seen as unhelpful and hard to understand, although it was supported in the fourth group. Some people distrusted MPs to pass on to the Parliamentary Ombudsman a complaint with which they or their party disagreed. The Health Services Ombudsman's role was not well known, and NHS complaints were

**35** All actions citizens would take to put right something that goes wrong in dealing with a government agency (cumulative unprompted responses)



Source: National sample survey

seen as an exceptionally complex process. Several people mentioned writing to the Local Government Ombudsman over problems with their council and receiving prompt and useful replies.

**4.10** The findings in both our survey and focus groups contrast strongly with a 2003 MORI poll undertaken for the above three ombudsmen and available on their websites. MORI asked people if they knew about each named ombudsman. When prompted in this way, around two in five people in that survey said that they knew about each of the ombudsmen (compared with 94 per cent who said that they had heard of the Citizens Advice Bureaux and nearly three quarters who reported knowing about the Police Complaints Authority<sup>4</sup>). Our focus group respondents did agree with the 2003 MORI survey in generally seeing ombudsmen as very independent, scrupulous and capable of resolving issues authoritatively. But they also saw ombudsmen as a remote 'last resort' option, which could only be involved on a serious issue when other options had already been exhausted. Those participants who had heard of ombudsmen also felt that they would take a long time to produce results.

**4.11** We asked our survey respondents if they complained, how long they thought it would take for them to get a response from a government department or agency. **Figure 36** shows that there was a wide range of answers. Two fifths of people expected a response within two weeks, a third thought it would take up to a month, and one person in five gave timings longer than five weeks. One in ten people said that a response would take longer than three months or would never happen. In the focus groups there was a majority

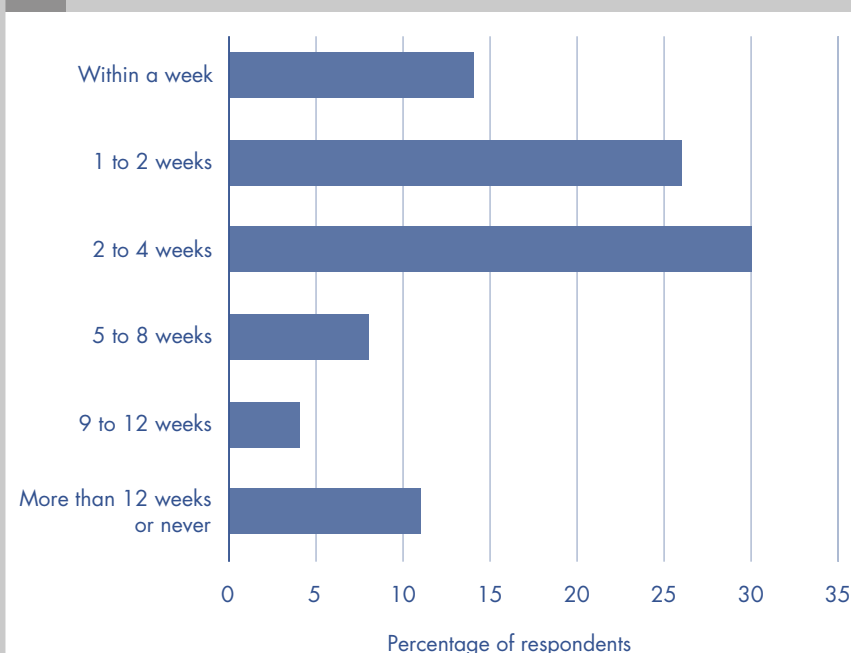
view that government departments and agencies in general were large and impersonal organizations, which worked especially slowly in making good any mistakes, although they could be quick to seek taxes or to refuse permissions or benefits eligibility. At the same time some respondents reported positively on their experience of dealing with some government organizations over problems and getting speedy and helpful responses, especially when phoning in. Inland Revenue was seen as quick and helpful in changing employee tax codes, for instance, but as less so when dealing with self-employed people and about tax credits. A range of long-running examples of complex issues whose resolutions stretched over many months were mentioned by focus group members. Most participants stressed the scale of government operations as a factor in delays,

but only a few saw government departments and agencies as currently over-loaded or stretched by staff cuts. Several people pointed to recent increased government spending as rendering such excuses for delays no longer applicable.

**4.12** We asked respondents in our survey how government organizations' handling of complaints compared with that of private businesses on five dimensions.

**Figure 37 overleaf** shows that the results were uniformly unfavourable for departments and agencies. Businesses were seen as far more likely by a factor of five to one to be speedy in responding to complaints and by a factor of over three to one to give complaints most individual attention. More than twice as many respondents felt that private companies would give more financial compensation than government

**36** How long citizens think it would take to put right something that goes wrong in dealing with a government agency



4 The Police Complaints Authority ceased to exist in April 2004. Its functions were taken over by the Independent Police Complaints Commission.

organizations and even in terms of being fair in handling complaints the private sector came out ahead. The narrowest item was on which sector would involve most efforts by complainants in order to get a result.

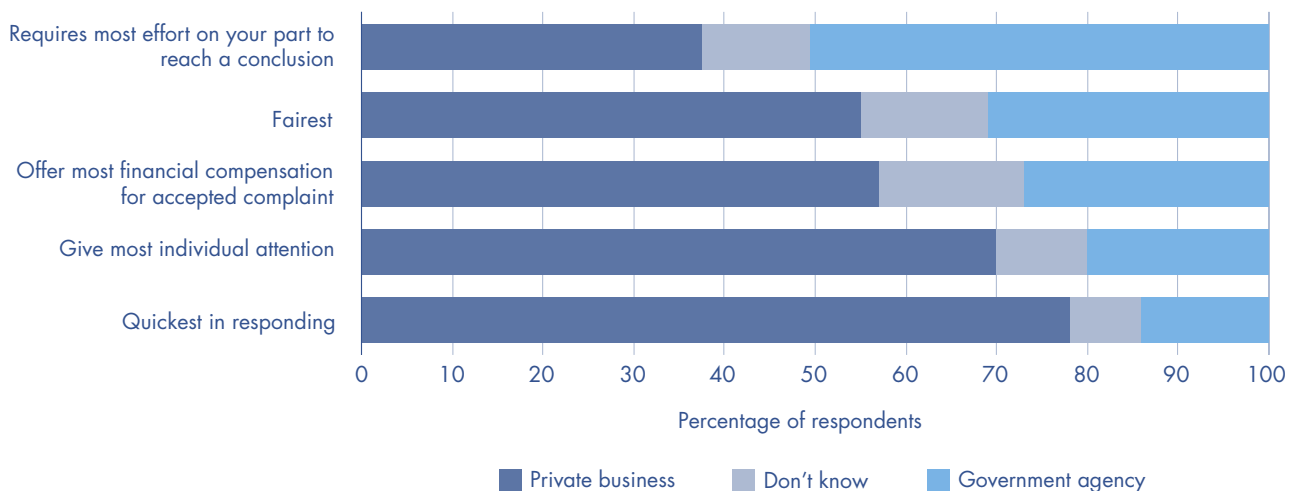
**4.13** Similar patterns were observable in the four focus groups, especially in terms of the relative speed of business and government responses. But in some groups there was more discussion than Figure 37 implies about the varying standards of complaints handling across different types of private businesses. Government organizations were adversely compared with Marks and Spencer and John Lewis stores, whose standards of customer service and branch accessibility were held out as the acme of good practice. The public sector was also seen to be performing worse than banks, building societies and major supermarket chains. But government organizations were rated better in some focus groups than other kinds of ‘hard-faced’ businesses, especially IT companies, tour operators and estate agents. On one of the issues included in Figure 37, departments and agencies paying financial compensation, group participants were also notably divided in their reactions. A minority of participants felt that government should provide better compensation in response to admitted mistakes. But a majority felt that government compensation should be limited, since it could only be achieved either by damaging the funding available for meeting key public services needs or by raising more money in taxes. A minority complained

that government was already paying too much money in compensation in the NHS, or that people were too quick to sue public bodies because of a ‘compensation culture’ (a topical theme in party politics at the time of some of our focus groups).

## Appeals and tribunals

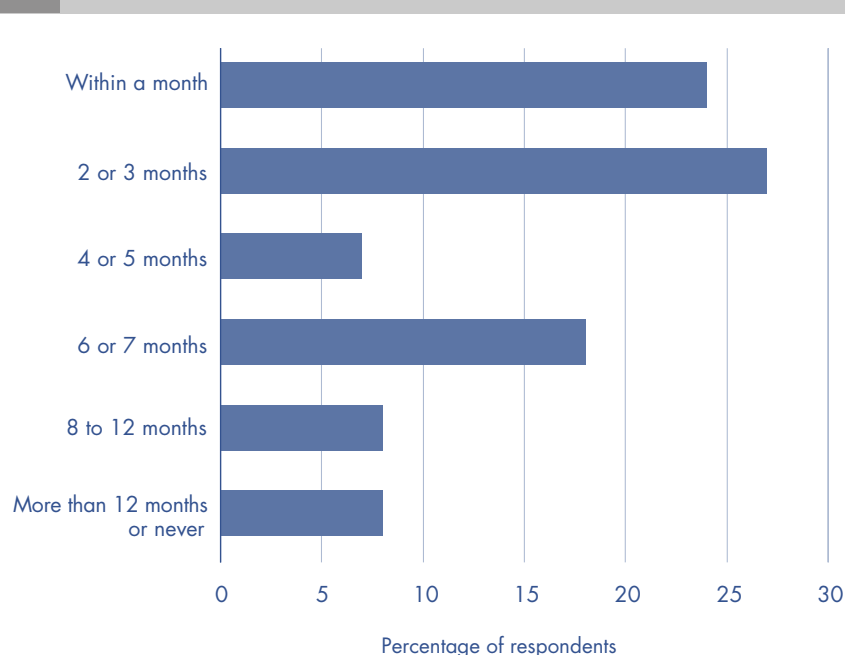
**4.14** Turning to appeals and tribunals we first asked our survey respondents: ‘Suppose that you were told that you could appeal a decision made by a government agency, that you think is wrong. How long would you think it would take before your appeal was decided?’ Figure 38 shows that there was a rather bifurcated pattern of responses. Over half of respondents felt that they would get an appeal resolved within three months, and one in four felt that it would take less than a month. However, a third of respondents expected it to take more than six months, and one person in twelve expected that it would take longer than a year. The mean response time across all respondents was hence more than 4 months, with a strong dispersion (standard deviation) around the average. Discussion in the focus groups (especially those with the oldest and most experienced participants) stressed that government appeals and tribunals processes typically took months and months of waiting before decisions were reached, and that it was frustrating not to know what stage your case had reached, nor to know what you needed to do to advance your case.

**37** How citizens compare government organizations and private businesses in terms of handling complaints



Source: National sample survey

### 38 How long citizens think it would take to get an appeal against a government agency decided



**4.15** We asked the survey respondents about three features of appeals, shown in **Figure 39 overleaf**, where they could choose between two possible responses, one reducing the amount of work for appellants (and hence marked F for ‘favourable’ in Figure 39 overleaf) and the other implying more effort (marked U for ‘unfavourable’). Three quarters of respondents felt that submitting an appeal would mean filling in a new form, more than three times as many as believed that paperwork already submitted could be reused. Three fifths of people believed that they would have to produce more documents and evidence, although

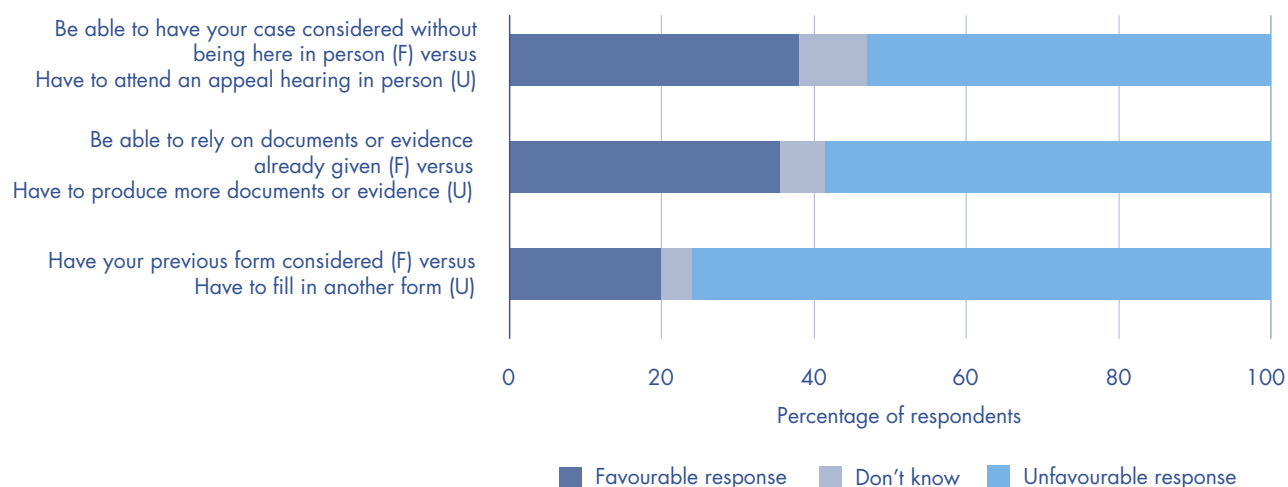
a third felt that they could rely on previous documentation. Just over half of respondents felt that they would have to attend an appeals hearing in person, compared with two fifths who expected to be able to avoid this. In the focus groups, participants who had made an appeal stressed the additional paperwork involved and felt that they received little information (either from the agency they were appealing against or from the appeals body) about what they had to prove or what issues the decision would hang on. Most appeals experiences in the group discussions related to social security benefits issues or to school

places, and going in person was seen as onerous unless you could be accompanied by a care worker or other advocate. Recent research suggests that only two fifths of people in social security appeal cases are represented, and only a tiny proportion by lawyers.<sup>5</sup> However, some people reported positive experiences, such as their appeal being considered without their attending.

**4.16** We also asked our survey respondents: ‘Suppose that you were told that you could question a government decision affecting you at a tribunal. What do you think it would be like?’ Again the options were paired as favourable and unfavourable responses, shown in **Figure 40 overleaf**. Nearly two thirds of respondents thought a tribunal would be rather intimidating or off-putting and small majorities felt that tribunals would be like a court and require a lot of expertise. In the focus group discussions tax tribunals and employment tribunals were the best-known cases, and opinions were similar to those for appeals processes. We asked participants if they understood why some similar-looking processes are sometimes called appeals and others are termed tribunals. Few could suggest an explanation, except one man who said that tribunals should strictly have three people making a decision. A standard way of describing appeals processes would clearly aid citizens’ understanding.

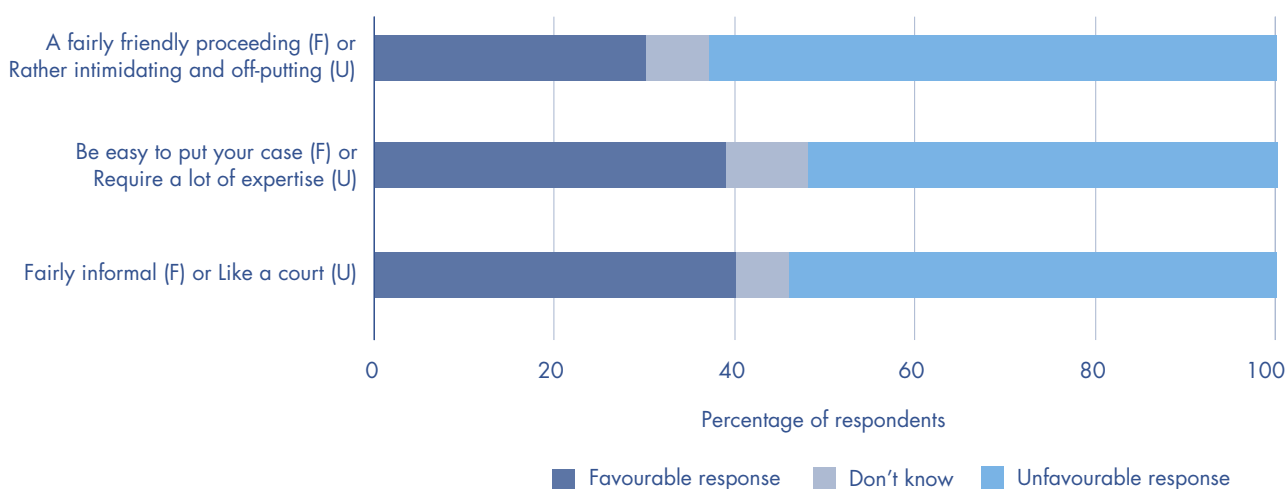
<sup>5</sup> Michael Adler and Jackie Gulland, *Tribunal Users’ Experiences, Perceptions and Expectations: A Literature Review* (London: Council of Tribunals, 2003), commissioned by Lord Chancellor’s Department, p. 18.

### 39 How respondents expect that an appeals process will work



Source: National sample survey

### 40 How respondents expect that a government tribunal will work



Source: National sample survey

## Overall views of redress processes

**4.17** We asked focus groups participants what in their view were the differences between complaints on the one hand and appeals or tribunal processes on the other. Most people had a very vague idea of this distinction. In discussions the majority view was that appeals and tribunals were perhaps a more advanced stage of the complaints process, a higher tier of the 'ladder of redress'. However, in most of the focus groups a minority of people there did explain to others the official distinction made by most departments and agencies between complaining

about poor treatment or wrong processes in handling an issue and appealing against an incorrect or disputed decision. Participants saw the distinction as breaking down when it came to government organizations giving poor advice that made people lose out in agency decision-making. Most people felt that the idea of independent complaints handlers or mediators could prove useful in getting departments and agencies to more quickly admit if mistakes had been made, to offer compensation or an apology and perhaps also to learn from past mistakes. The approaches used by ombudsmen in financial services were mentioned positively.

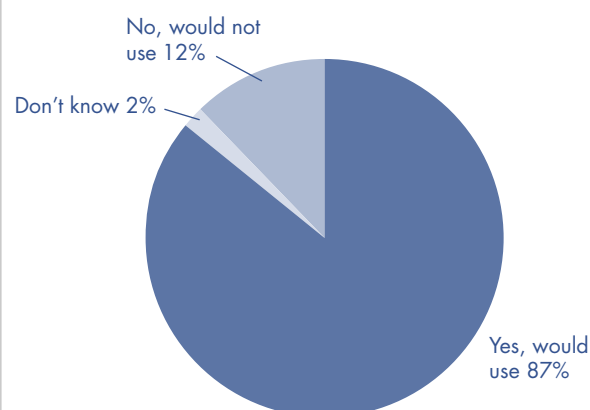
**4.18** We ended our focus groups with general discussions about possible ideas for improvements in government redress processes. Key themes included the need to have a speedy acknowledgement of a complaint (within one or two days), along with some feedback on how long it would take to substantively look into the complaint, and a definite response within two or three weeks. It was recognized that more complex issues could take longer but that in this case people should be able to track what stage their case had reached. In several of the focus groups, participants asked why government organizations could not track complaints or appeals cases electronically, in the same way as the Post Office and private mail companies now do with parcels.

**4.19** Far and away the most important and troublesome problems that focus group participants saw with accessing government redress processes concerned taking the first step towards making a complaint or lodging an appeal. An especially difficult stage was seen to be finding out where you were supposed to go to complain when you did not have a specific letter or government form in front of you and had no previous experience of how processes worked in that part of the government system to draw on. Some people in the groups contrasted the remoteness and impersonality of government organizations unfavourably with a firm like Marks and Spencer, which 'have a branch in every High Street' that you could visit in person and where you could be confident that your grievance or issue would be handled respectfully. A consensus emerged in three of the four groups that the government lacks a good customer service function that was clearly identifiable and easy to access. A suggestion made in our second group and welcomed by most members was that a single government help centre should be established as a 'routing' organization with a well-known phone number and perhaps website, so that people would have a first port of call in case of having difficulties. We asked our third and fourth focus groups to comment on this proposal and participants were generally enthusiastic. They stressed that such a help centre should not try to do everything but instead should route people to the right organization and to phones that would be answered by real people. The example of NHS Direct was introduced by several participants as a similar kind of operation and one that could be valuably extended to government departments' and agencies' redress systems as a whole. The Cabinet Office commented to us on this idea that if anything along these lines were to be introduced it would have to be effective and provide value for taxpayer's money.

**4.20** We asked our national survey respondents about the suggestion emerging from the focus groups: 'Some people have suggested that there should be a "general

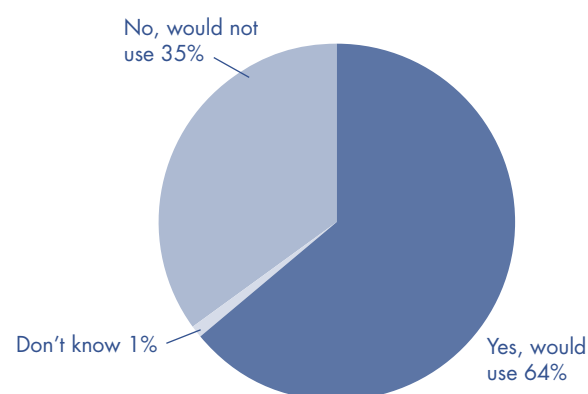
help centre" for government, which people could contact to find out how they could go about complaining or querying decisions made by individual government agencies. Do you think this is a good idea?' A large majority (87 per cent) of respondents said 'Yes' here, and 11 per cent said 'No'. We asked if respondents themselves would use such a help centre and **Figure 41** shows that the pattern of responses persisted here. We also asked if people would visit the website of such a help centre and here two thirds of respondents were positive and a third negative (see **Figure 42**). **Figure 43 overleaf** shows that older respondents were the least willing to visit the web version of such a government help centre.

**41** The number of respondents who would use a government help centre



Source: National sample survey

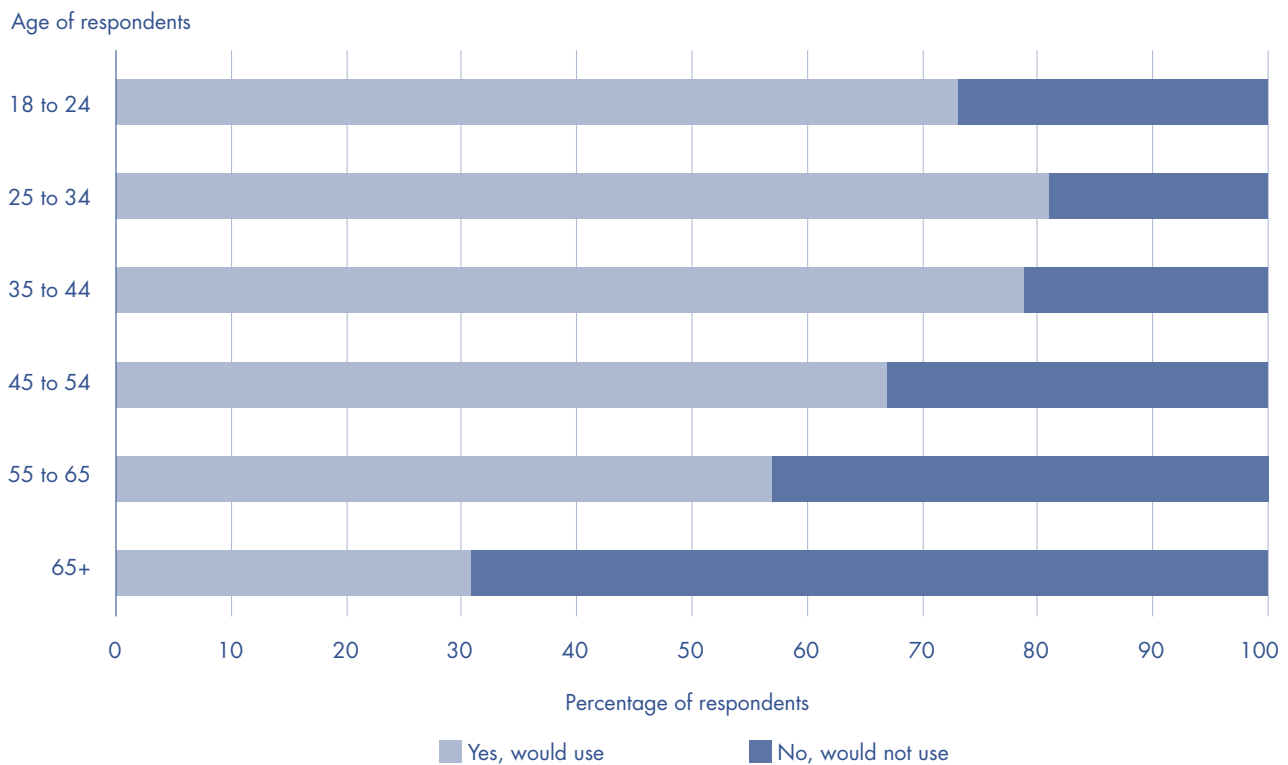
**42** The number of respondents who would use the website of a government help centre



Source: National sample survey



### 43 The number of respondents who would use the website of a government help centre, by age of respondent



Source: National sample survey

**4.21** Overall, the focus groups and the national survey suggest both some reasons for optimism and for concern about citizens' experiences of redress. On the positive side our respondents generally are confident that confronted with a mistake or an injustice they would try to get things put right. And each of our four focus groups provided encouraging evidence of some participants' past success in securing good service from some departments or agencies, involving MPs and changing outcomes. However, the general view of government organizations in the national survey compared their performance on redress unfavourably with business on all the dimensions we asked about. And the focus group discussions showed a general view of government organizations as large, unconcerned with individuals and behaving mainly in passive-reactive ways. There was little evidence in either the survey or the focus groups that citizens yet see current redress processes as fitting with successive governments' modern public service aims.

# APPENDIX 1

## Study methods and scope

**1** The main methods used in the study were: short case studies of complaints handling and appeals in nine government organizations (described in Appendix 2 and so not further discussed here); a survey sent to central government organizations; a census of all government organization websites; a phone ‘mystery shopper’ exercise with 18 large departments or agencies; a programme of focus groups along with a national survey of public opinion on redress issues; and interviews and consultations with comparator organizations, ombudsmen and stakeholder groups.

### Survey sent to central government organizations

**2** We devised separate survey forms covering complaints processes and appeals and tribunals processes. Full versions of the two parts of the questionnaire are on the website for this study, on [www.nao.org.uk](http://www.nao.org.uk). We then drew up a list of 277 central government organizations to which they should be sent. Appeals and tribunals

processes affect only some organizations, but complaints processes should exist in any central agency. **Figure 1.1** below gives a complete listing of all agencies contacted and whether they responded or not. (Note that the list in Figure 1.1 does not quite cover all central government organizations. Some bodies in the sphere of the Department of Culture, Media and Sport had to be omitted to avoid over-loading them with National Audit Office tasks and we also excluded a number of other bodies, such as the three main intelligence services). We achieved a final response rate of 92 per cent for the complaints questionnaire, which is generally very good for a mail and email survey of this kind. We also sent our appeals survey to all the government bodies, with an option for organizations to simply declare that they had no appeals or tribunals processes: here we achieved 252 replies (a 91 per cent response rate). Of these, 155 agencies had no appeals involvement, 70 organizations are appealed against and 22 organizations run appeals or tribunals processes.

Figure 1.1: The organizations surveyed to ascertain the scale and costs of redress systems

Organization	Part 1 on complaints returned or not	Part 2 on appeals returned or not
<b>CRIMINAL JUSTICE AND LEGAL</b>		
Assets Recovery Agency	✓	Returned, no appeals
Centrex	✓	✓
Commission for Racial Equality	Missed deadline	Not returned
Court Service	✓	Returned, no appeals
Criminal Cases Review Commission	✓	Returned, no appeals
Criminal Injuries Compensation Appeals Panel	✓	✓
Criminal Injuries Compensation Authority	✓	✓
Criminal Records Bureau	✓	✓
Crown Prosecution Service	✓	Returned, no appeals
Department for Constitutional Affairs <sup>1</sup>	✓	Returned, no appeals
Equal Opportunities Commission	✓	Returned, no appeals
Forensic Science Service	✓	Returned, no appeals
HM Prison Service	✓	✓
Home Office	✓	Not returned
Independent Police Complaints Commission	See note 2	See note 2
Land Registry	✓	Returned, no appeals
Lands Tribunal	✓	✓
Legal Services Commission	✓	✓
National Crime Squad	✓	✓
National Criminal Intelligence Service	✓	✓
National Probation Directorate	✓	✓
Official Solicitor and Public Trustee	✓	Returned, no appeals
Parole Board for England and Wales	✓	Returned, no appeals
Police Information Technology Organization	Survey not relevant	Survey not relevant
Prisons and Probation Ombudsman	✓	Returned, no appeals
Privy Council Office	Survey not relevant	Survey not relevant
Public Guardianship Office	✓	Returned, no appeals
Serious Fraud Office	✓	Returned, no appeals
Youth Justice Board for England and Wales	✓	Returned, no appeals

Figure 1.1: *Continued*

Organization	Part 1 on complaints returned or not	Part 2 on appeals returned or not
<b>CULTURE AND HERITAGE</b>		
Arts Council England	√	√
Big Lottery Fund	√	Returned, no appeals
British Association for Central and Eastern Europe	Survey not relevant	Survey not relevant
British Council	√	Returned, no appeals
Charity Commission	√	Returned, no appeals
Churches Conservation Trust	√	√
Covent Garden Market Authority	√	Returned, no appeals
Department of Culture, Media and Sport	√	Returned, no appeals
Design Council	√	Returned, no appeals
English Heritage	√	Returned, no appeals
Gaming Board for Great Britain	Survey not received	Survey not received
Great Britain China Centre	Survey not relevant	Survey not relevant
Millennium Commission	√	Returned, no appeals
Museum of London	√	Returned, no appeals
National Heritage Memorial Fund and Heritage Lottery Fund	√	Returned, no appeals
National Lottery Commission	√	√
Royal Botanic Gardens, Kew	√	√
Sport England	√	√
Sports Council for Wales	√	√
UK Film Council	√	√
UK Sport	√	√
Visit Britain	Missed deadline	Not returned
<b>DEFENCE</b>		
Army Base Repair Organization	Survey not relevant	Survey not relevant
Army Training and Recruiting Agency	Logistical problem prevented response	Logistical problem prevented response
British Forces Post Office Agency	√	Returned, no appeals
Defence Analytical Services Agency	√	√
Defence Aviation Repair Agency	√	√
Defence Bills Agency	√	√
Defence Communication Services Agency	√	√
Defence Estates	√	Returned, no appeals
Defence Procurement Agency	√	Returned, no appeals
Defence Scientific Advisory Council	Survey not relevant	Survey not relevant
Defence Scientific and Technical Laboratory	√	Returned, no appeals

Figure 1.1: *Continued*

Organization	Part 1 on complaints returned or not	Part 2 on appeals returned or not
<b>DEFENCE <i>continued</i></b>		
Defence Storage and Distribution Agency	Not returned	√
Defence Vetting Agency	√	Returned, no appeals
Disposal Services Agency	Survey not relevant	Survey not relevant
Fleet Air Museum	√	Returned, no appeals
Ministry of Defence	Survey not relevant	Survey not relevant
MOD Police and Guarding Agency <sup>3</sup>	√	Returned, no appeals
Pensions Appeal Tribunals	√	√
Royal Air Force Museum (Hendon)	√	Returned, no appeals
Royal College of Defence Studies	Survey not relevant	Survey not relevant
Royal Marines Museum	√	Returned, no appeals
Royal Naval Museum	√	Returned, no appeals
Royal Navy Submarine Museum	√	Returned, no appeals
Strategic and Combat Studies Institute	Survey not relevant	Survey not relevant
The Met Office	√	Returned, no appeals
UK Hydrographic Office	√	Returned, no appeals
Veterans Agency (Executive Agency of MOD)	√	√
Warship Support Agency	√	Returned, no appeals
<b>EDUCATION, EMPLOYMENT AND SKILLS</b>		
Adult Learning Inspectorate	√	Returned, no appeals
British Educational Communications and Technology Agency	√	√
Department for Education and Skills	√	Returned, no appeals
Engineering and Physical Science Research Council	√	Returned, no appeals
Fire Service College	√	Returned, no appeals
Higher Education Funding Council for England	√	√
Investors in People	√	√
Learning and Skills Council	√	Returned, no appeals
National Archives	√	Returned, no appeals
National College for School Leadership	√	√
Office for Standards in Education	√	√
Qualifications and Curriculum Authority	√	√
Remploy Ltd	√	Returned, no appeals
School Admission Appeal Panels <sup>4</sup>	√	√
School Exclusion Appeal Panels <sup>5</sup>	√	√
Special Education Needs and Disability Tribunal	√	√
Student Loans Company Limited	√	Returned, no appeals
Teacher Training Agency	√	√

Figure 1.1: *Continued*

Organization	Part 1 on complaints returned or not	Part 2 on appeals returned or not
<b>ENVIRONMENT, LOCAL AND AGRICULTURE</b>		
Advantage West Midlands	✓	Returned, no appeals
Agricultural Lands Tribunal	Not returned	Not returned
Association of National Park Authorities	Survey not relevant	Survey not relevant
Audit Commission	✓	✓
British Potato Council	✓	Returned, no appeals
Centre for Environment, Fisheries and Aquaculture Science	✓	Returned, no appeals
Countryside Agency	✓	✓
Department for Environment, Food and Rural Affairs	✓	✓
East of England Development Agency	✓	Returned, no appeals
English Nature	✓	Returned, no appeals
Environment Agency	✓	Returned, no appeals
Food from Britain	Survey not relevant	Survey not relevant
Food Standards Agency	✓	Returned, no appeals
Forestry Commission	✓	✓
East Midlands Development Agency	✓	Returned, no appeals
Home-Grown Cereals Authority	✓	Returned, no appeals
Horticultural Development Council	Survey not relevant	Survey not relevant
Housing Corporation	✓	Returned, no appeals
Joint Nature Conservation Committee	✓	Returned, no appeals
Local Government Boundary Commission for Wales	✓	Returned, no appeals
Local Government Ombudsman	Survey not relevant	✓
London Development Agency	✓	Returned, no appeals
Meat and Livestock Commission	✓	Returned, no appeals
Milk Development Council	✓	Returned, no appeals
National Forest Company	✓	Returned, no appeals
Natural Environment Research Council	✓	✓
North West Development Agency	✓	Not returned
Office of the Deputy Prime Minister	✓	Returned, no appeals
One North East	✓	✓
Ordnance Survey	✓	Returned, no appeals
Planning Inspectorate	✓	✓
Plant Varieties and Seeds Tribunal	See note 6	See note 6
Rural Payments Agency	✓	✓
South East of England Development Agency	No data held	No data held
South West Development Agency	✓	Returned, no appeals
Standards Board for England	✓	✓



Figure 1.1: *Continued*

Organization	Part 1 on complaints returned or not	Part 2 on appeals returned or not
<b>ENVIRONMENT, LOCAL AND AGRICULTURE <i>continued</i></b>		
Subsidence Adviser	See note 7	See note 7
The Crown Estate	Survey not relevant	Survey not relevant
The Rent Service	✓	Returned, no appeals
Veterinary Laboratories Agency	✓	Returned, no appeals
Veterinary Medicines Directorate	✓	Returned, no appeals
Warwick HRI	Survey not received	Survey not received
Yorkshire Forward	✓	Returned, no appeals
<b>HEALTH</b>		
Commission for Patient and Public Involvement in Health	No record of data request before deadline	No record of data request before deadline
Department of Health	✓	Returned, no appeals
Family Health Services Appeal Authority	✓	✓
Family Health Services Appeal Tribunal	✓	✓
Health Development Agency	✓	Returned, no appeals
Health Protection Agency	✓	✓
Medical Research Council	✓	Returned, no appeals
Medicines and Healthcare Products Regulatory Agency	✓	✓
Mental Health Act Commission	✓	Returned, no appeals
Mental Health Review Tribunal	Data not held	✓
National Blood Service	✓	✓
National Clinical Assessment Authority	✓	Returned, no appeals
National Institute of Clinical Excellence	✓	✓
National Patient Safety Agency	✓	Returned, no appeals
National Radiological Protection Board	✓	Returned, no appeals
National Treatment Agency	✓	Returned, no appeals
NHS Appointments Commission	✓	Returned, no appeals
NHS Direct	✓	✓
NHS Litigation Authority	✓	Returned, no appeals
NHS Pensions Agency	✓	✓
NHS Purchasing and Supply Agency	✓	Returned, no appeals
Prescription Pricing Authority	✓	Returned, no appeals
UK Transplant	✓	Returned, no appeals

Figure 1.1: *Continued*

Organization	Part 1 on complaints returned or not	Part 2 on appeals returned or not
<b>IMMIGRATION AND VISA</b>		
Asylum Support Adjudicator	√	√
Foreign and Commonwealth Office	√	√
Immigration and Nationality Directorate (Directorate within the Home Office)	√	√
Immigration Appellate Authority <sup>8</sup>	√	√
Immigration Services Tribunal	√	√
Office of Surveillance Commissioners	√	Returned, no appeals
Office of the Immigration Services Commissioner	√	√
UK Passport Service	√	Returned, no appeals
<b>INDUSTRY, COMMERCE AND SCIENCE</b>		
Advisory, Conciliation and Arbitration Service	√	Returned, no appeals
Biotechnology and Biological Sciences Research Council	√	Returned, no appeals
British Antarctic Survey	√	Returned, no appeals
British Hallmarking Council	√	√
British Waterways	√	Returned, no appeals
British Wool Marketing Board	Survey not relevant	Survey not relevant
Central Science Laboratory	Survey not relevant	Survey not relevant
Coal Authority	√	√
Companies House	√	√
Competition Commission	√	Returned, no appeals
Construction Industry Training Board	√	√
Copyright Tribunal	√	Returned, no appeals
Council for Science and Technology	√	Returned, no appeals
Council for the Central Laboratory of the Research Councils	√	Returned, no appeals
Department of Trade and Industry	√	√
Economic and Social Research Council	√	Returned, no appeals
Energy Watch	√	Returned, no appeals
Engineering Construction Industry Training Board	√	√
English Partnerships	√	Returned, no appeals
Exports Credits Guarantee Department	√	Returned, no appeals
Health and Safety Executive	Not returned	Not returned
Horse Race Betting Levy Board	Not returned	Not returned
Human Fertilisation and Embryology Authority	√	Returned, no appeals
National Consumer Council	√	Returned, no appeals
National Endowment for Science, Technology and the Arts	√	Returned, no appeals
National Institute for Biological Standards and Controls	√	Returned, no appeals
National Physical Laboratory	√	Returned, no appeals

Figure 1.1: *Continued*

Organization	Part 1 on complaints returned or not	Part 2 on appeals returned or not
<b>INDUSTRY, COMMERCE AND SCIENCE <i>continued</i></b>		
National Weights and Measures Laboratory	✓	Returned, no appeals
Office of Communications	✓	Returned, no appeals
Office of Fair Trading	✓	✓
Office of Fair Trading - Adjudication Unit	✓	Returned, no appeals
Office of Gas and Electricity Markets	✓	Returned, no appeals
Office of Government Commerce	✓	Returned, no appeals
Office of National Statistics	✓	Returned, no appeals
Office of the Information Commissioner	✓	✓
Office of Water Services	✓	✓
Particle Physics and Astronomy Research Council	Survey not relevant	Survey not relevant
Pesticides Safety Directorate	✓	Returned, no appeals
Post Office	Missed deadline	Not returned
Postal Services Commission	Not returned	Not returned
Postwatch	✓	Returned, no appeals
Sea Fish Industry Authority	Survey not relevant	Survey not relevant
Sector Skills Development Agency	✓	Returned, no appeals
Security Industry Authority	✓	✓
SITPRO	Survey not relevant	Survey not relevant
Small Business Service	✓	Returned, no appeals
The Patent Office	✓	✓
UK Atomic Energy Agency	✓	Returned, no appeals
UK Trade and Investment	✓	Returned, no appeals
Waterways Ombudsman	✓	Returned, no appeals
Wilton Park Conference Centre	Missed deadline	Not returned
Wine Standards Board	Survey not relevant	Survey not relevant
<b>OTHER</b>		
Cabinet Office	✓	Returned, no appeals
Central Office of Information	✓	Returned, no appeals
Department for International Development	✓	✓
Government Car and Despatch Agency	Missed deadline	Not returned
Independent Complaints Reviewer	✓	Returned, no appeals
Queen Elizabeth II Conference Centre	✓	Returned, no appeals
The Adjudicator's Office	✓	Returned, no appeals

Figure 1.1: *Continued*

Organization	Part 1 on complaints returned or not	Part 2 on appeals returned or not
<b>SOCIAL SECURITY AND BENEFITS</b>		
Appeals Service	√	√
Care Standards Tribunal	Survey not relevant	√
Child Support Agency	√	√
Children and Family Court Advisory and Support Service	√	√
Commission for Social Care Inspection	√	√
Disability and Carers Service (Directorate within the Department for Work and Pensions)	√	√
Disability Rights Commission	√	√
Department for Work and Pensions	√	√
Employment Tribunals Service	√	See note 9
General Social Care Council	√	√
Housing Ombudsman Service	Survey not relevant	Returned, no appeals
Independent Case Examiner	√	Returned, no appeals
Independent Review Service for Social Fund	√	√
Jobcentre Plus	√	Returned, no appeals
London Pensions Fund Authority	√	√
Occupational Pensions Regulatory Authority	√	√
Pensions Ombudsman	√	Returned, no appeals
Social Security and Child Support Commissioners	√	√
The Pension Service	√	√
<b>TAXATION AND FINANCE</b>		
Bank of England	Survey not relevant	Survey not relevant
Debt Management Office	√	Returned, no appeals
General Commissioners of Income Tax	√	√
Government Actuary's Department	Survey not relevant	Survey not relevant
HM Customs and Excise	√	√
HM Treasury	√	Returned, no appeals
Inland Revenue	√	√
Insolvency Practitioners Tribunal	√	√
National Savings and Investments	√	Returned, no appeals
Royal Mint	√	Returned, no appeals
Office of the Special Commissioners	√	√

Figure 1.1: *Continued*

Organization	Part 1 on complaints returned or not	Part 2 on appeals returned or not
<b>TAXATION AND FINANCE</b> <i>continued</i>		
The Insolvency Service	√	Returned, no appeals
Treasury Solicitor's Department	√	Returned, no appeals
Valuation Office Agency	√	√
Valuation Tribunals	See note 10	See note 10
VAT and Duties Tribunal (see Financial Services Tribunal)	√	√
<b>TRANSPORT</b>		
Civil Aviation Authority	Survey not relevant	Survey not relevant
Department for Transport	√	Returned, no appeals
Driver and Vehicle Licensing Agency	√	Returned, no appeals
Driving Standards Agency	√	√
Highways Agency	√	Returned, no appeals
Maritime and Coastguard Agency	√	Returned, no appeals
National Parking Adjudication Service	Survey not relevant	√
Office of Rail Regulation	√	Returned, no appeals
Strategic Rail Authority	√	Returned, no appeals
Transport Tribunal	√	√
Vehicle and Operator Services Agency	√	Returned, no appeals
Vehicle Certification Agency	√	√

## NOTES

- 1 We have listed separately tribunals administered by the Department for Constitutional Affairs.
- 2 The Independent Police Complaints Commission (IPCC) was set up in April 2004, and so could not yet provide the full data requested in our complaints and appeals surveys. However, IPCC did separately supply the partial data it had available: see also Figure 17b.
- 3 In 2004, the MOD Police and Guarding Agency (MDPGA) became responsible for two previously separate organizations. The first, MOD Police, is subject to the whole apparatus of the national police complaints and appeals system, overseen by the Independent Police Complaints Commission. The second, MOD Guard Service with about 4,000 staff, carries out access control and vehicle and personnel searching functions across the Defence estate. It currently has no formal complaints handling system since it has only just been given a corporate status. However, a complaints system is currently being put in place.
- 4 The School Admission Appeal Panels are independent bodies in local areas hearing appeals on non-selection of children from parents who expressed a preference that their children should attend a particular school. The appeal arrangements are made by local authorities for maintained schools, and by governing bodies for foundation and voluntary aided schools (although some elect to use local authority arrangements).
- 5 The School Exclusion Appeal Panels are independent bodies in local areas hearing appeals against decisions by schools to exclude children.
- 6 The Plant Varieties and Seeds Tribunal has not been called upon to sit since 1984.
- 7 The Office of the Subsidence Advisor ceased to exist on 9 October 2004.
- 8 The Immigration Appellate Authority (IAA) consists of two main tiers, the Immigration Adjudicators and the Immigration Appeal Tribunal. The Adjudicators tier is the first tier of the IAA and includes all new appeals referred on by the Home Office. The Immigration Appeal Tribunal (IAT) consists of two tiers, application for permission to appeal to the Tribunal, and the Tribunal stage itself. The IAT also remit cases back to the Adjudicators for a further review.
- 9 The Employment Tribunals Service deals with appeals following judgments from Employment Tribunals. However, they have no appeals in the context of citizen redress as an organization, because the nature of the tribunals' cases is that of one party versus another party.
- 10 The Valuation Tribunal Service did not become a single body until 1 April 2004, and so will not report complaints until the end of the first year of operation. Data on appeals from the previous, locally organized Valuation Tribunals are included in the Part 2 figures above.

Census of central government organizations’ websites

3 We devised a coding frame for categorizing website provision for redress and analysed the websites for all central government organizations, including all those listed in Figure 1.1. (We also included a small number of additional bodies, chiefly agencies subsequently merged or abolished by the time we conducted the surveys of organizations). The coding frame and the basic results for the web census are available on the website for this study at [www.nao.org.uk](http://www.nao.org.uk) and on [www.GovernmentOnTheWeb.org](http://www.GovernmentOnTheWeb.org).

Phone ‘mystery shopper’ exercise

4 We identified 18 major departments and agencies with strong relevance for significant customer groups and for each one drew up a general enquiry story script. Members of the study team then set out to ring up each organization, in half the cases using the ‘Yellow Pages’ directory and in the other half using a 118 directory service. When the caller reached the agency she sought someone to advise her on making a complaint, and when the correct person was reached the caller followed through a short script designed for that organization. For each body reached callers also asked for leaflets and pamphlets and the time taken to receive any materials sent was recorded. The organizations covered were:

Child Support Agency	Countryside Agency	Department for Culture, Media and Sport
Department for Education and Skills	Department for Work and Pensions	Driver and Vehicle Licensing Agency
Driving Standards Agency	Environment Agency	Highways Agency
HM Customs and Excise	Inland Revenue	Jobcentre Plus
Learning and Skills Council	Immigration and Nationality Directorate (Home Office)	NHS Direct
Planning Inspectorate	Sports England	Passport Agency

To get some idea of how other large organizations' phone systems for complaints work we also rang two large private sector firms delivering comparable services. A short report on the ‘mystery shopper’ exercise is available on the website for this study, at [www.nao.org.uk](http://www.nao.org.uk) and at [www.GovernmentOnTheWeb.org](http://www.GovernmentOnTheWeb.org).

Focus groups and national opinion survey

5 To explore redress issues we conducted a small pilot focus group with young people in London and then undertook four main focus groups with 10 to 12 people in each group, two in Leeds and two in Watford. We used the results from the focus groups especially to help us draw up questions for a brief phone survey of national public opinion about redress issues, carried out by ICM Research in the course of a wider omnibus survey. The number of respondents was 1,007 and they were chosen to be nationally representative on the main demographic variables. A complete questionnaire for the survey and details of the main responses are given at the website for this study at [www.nao.org.uk](http://www.nao.org.uk) and at [www.GovernmentOnTheWeb.org](http://www.GovernmentOnTheWeb.org). We also looked at recent relevant opinion research, including a major study carried out for some of the main Ombudsmen in 2003. We also examined academic work carried out by Professor Hazel Genn and Professor Michael Adler on tribunals, both of whom also kindly discussed their studies with us.



## Interviews and consultations with comparator organizations, ombudsmen and stakeholder groups

6 We undertook visits to four main comparator organizations and conducted interviews with senior responsible personnel there, and the results for the organizations concerned are given in Appendix 3. We also undertook a focus group with five representatives of stakeholder organizations (the Consumers' Association, the Law Centres Federation, the National Association of Citizens Advice Bureaux (CAB) and the National Consumer Council). We met with the Parliamentary and Health Service Ombudsman, the Local Government Ombudsman and the Adjudicator. We surveyed the publications of the British and Irish Ombudsman's Association and attended its annual meeting. We surveyed the annual reports and documentation for the main ombudsmen and independent complaints handler bodies, as well as all the main appeals handling bodies. We sought comments on our draft report from two expert readers, to whom we are very grateful for their comments:

- Mr Walter Merricks, the Financial Ombudsman, and former Chairman of the British and Irish Ombudsman's Association; and
- Professor Michael Adler, Department of Law, Edinburgh University.

## APPENDIX 2

### The case study departments and agencies

**1** Salient details for the nine organizations covered in our short case studies are listed in the 'report cards' below along with their main characteristics and major redress systems. In each case we visited the organization concerned, conducted between two and four interviews with senior personnel responsible for redress processes, collected statistics and documentation on redress performance, and reviewed the department's or agency's web profile on redress issues. In some cases we also conducted

interviews with partner organizations, such as dedicated appeals bodies. We used the information from these organizations to gauge the diversity of practices in central government and to prepare the surveys on complaints and appeals subsequently sent to all departments and agencies (see Appendix 1). We thank the case study organizations for their help and assistance.

The report cards below show data for 2003-04 in all cases, unless otherwise stated. We have rounded all numbers for complaints and appeals (over 20) to the nearest ten.

## Court Service

<b>Profile:</b>	<p>An Executive Agency under the Department for Constitutional Affairs (DCA).  Gross operating costs £855 million (and staff costs £473 million) in 2003-04.  Operating income £357 million in 2003-04.  Staff is 9,545 FTE across 300 court locations, organised in 6 regional Court Circuits and the Supreme Court.</p>	
<b>Core services:</b>	<p>Manages the Supreme Court of England and Wales (the Court of Appeal, and the High Court), 218 County courts, and 78 Crown courts (including 42 combined courts).</p>	
<b>Definition of complaint:</b>	<p>'Any expression of dissatisfaction with service or facilities that needs a response'</p>	
<b>Levels for handling complaints:</b>	<p><b>COMPLAINTS LEVEL 1</b>  Complaints usually received initially at Court Manager level  Aim to respond within 5 days</p>	<p>13,000 new complaints received  No compensation authority</p>
	<p><b>COMPLAINTS LEVEL 2</b>  Complaint progressed to Group Manager level  Aim to respond within 10 days  Approximately 35 staff in total at local and regional level</p>	<p>Compensation authority up to £5,000</p>
	<p><b>COMPLAINTS LEVEL 3</b>  Team at Head Office Customer Services  Approximately 22 staff  Aim to respond to ministerial, ex-gratia and official cases within 15 days</p>	<p>5,822 complaints received  (4,800 complaints about the treatment of citizens by officials)</p>
	<p>The Parliamentary Ombudsman received 14 complaints about the Court Service in 2003-04.</p>	
	<p>The Court Service can only handle complaints about the management and administration of court cases and hearings. Complaints about the judiciary are handled by the Judicial Complaints Unit at DCA.</p>	
<b>Cost of handling complaints:</b>	<p>Estimated staff costs of £1.4 million in 2003-04.</p>	
<b>How appeals are handled:</b>	<p>The Court Service's tasks mean that it does not make decisions that are appealed, nor run appeals processes. Until February 2004 the Court Service was responsible for administering some major tribunals (such as the Immigration Appellate Authority and the Pensions Appeal Tribunals). From February 2004, these roles moved to the Tribunals Group (an operational unit of DCA). The Court Service therefore no longer has any responsibilities for running tribunals.</p>	
<b>Compensation:</b>	<p>£740,000 compensation paid to cover substantive financial loss and costs.  388 payments made from 948 claims (2003-04).</p>	
<b>Bottom line cost of redress:</b>	<p>Low end estimate of £2.14 million (excludes overhead costs of complaints handling).</p>	

## Department for Work and Pensions (DWP)

**Profile:** Ministerial Department with a gross expenditure of £109,353 million for 2003-04. Gross administration costs £6,278 million (including staff costs). Overall staff numbers as at 1 April 2004 were 120,200 FTE. In 2003-04 17.7 million customers received 686 million payments.

**Core services:** Responsible for setting policy and delivering the UK welfare reform agenda.

**Definition of complaint:** 'Any expression of dissatisfaction about the work of our organization'

Levels for handling complaints:		Total complaints	Complaints about DWP bodies	
	<b>COMPLAINTS LEVEL 1</b>			
	598 Staff	Around 120,090 to DWP and related bodies	Child Support Agency	49,040
			Pension Service	41,030
			Jobcentre Plus	40,020
			Disability and Carers	8,890
			Appeals Service	760
	<b>COMPLAINTS LEVEL 2</b>			
	Central Office/HQ or CEO level	Around 20,050 for DWP and related bodies	Child Support Agency	7,180
	134 staff		Pension Service	530
			Jobcentre Plus	8,850
		Disability and Carers	3,730	
		Appeals Service	120	
	<b>COMPLAINTS LEVEL 3</b>			
	Independent Case Examiner reviews complaints from the Child Support Agency only		2,150 complaints referred	
			2,100 cases cleared	
			436 cases investigated	
			37% fully upheld	
			49% partially upheld	
			370 cases resolved by mediation	
	800 complaints were referred to the Parliamentary Ombudsman of which 202 were cleared without investigation and with a positive outcome for the customer. In addition a further 91 were investigated of which 40 more reported as upheld.			

800 complaints were referred to the Parliamentary Ombudsman of which 202 were cleared without investigation and with a positive outcome for the customer. In addition a further 91 were investigated of which 40 more reported as upheld.

**Cost of handling complaints:** Estimated at £16 million (but this number excludes the cost of handling complaints in Jobcentre Plus).

Levels for handling appeals:	APPEALS LEVEL 1	Total appeals	Appeals by benefit (% revised)	
	First decision makers 670 staff (No data here for the Pensions Service)	304,600 applications for review of decision (03-04)	DLA	102,830 (38%)
			Short term	70,500 (37%)
			JSA	44,000 (40%)
		120,000 revised	AA	22,570 (48%)
			Income Support	21,530 (45%)
	APPEALS LEVEL 2			
	Appeals Service 955 staff	235,630 appeals 178,500 cleared at hearing 79,740 revised in appellant's favour		
	APPEALS LEVEL 3			
	Social Security and Child Support Commissioners	4,860 applications 2,630 appeals		

**Cost of handling appeals:** £65.5 million estimated minimum cost of running appeals at DWP.

**Compensation:** £4.7 million compensation awarded in 2003-04. 25,920 compensation awards made.

**Bottom line cost of redress:** At least £104 million estimated cost of DWP redress, but note missing data above.

### NOTES

1. The number for Level 1 complaints staff excludes data for frontline complaints handling staff in Jobcentre Plus or the Disability Carers Service.
2. The data on appeals at Level 1 do not include the costs of appeals or numbers of staff in the Pensions Service or all business areas of Jobcentre Plus.
3. The abbreviations used for Appeals Level 1 are: AA Attendance Allowance; JSA Jobseekers Allowance; DLA Disability Living Allowance and 'Short term' means short term benefits.
4. The figures for the complaints referred to the Parliamentary Ombudsman are taken from the DWP's records.

## HM Land Registry (LR)

<b>Profile:</b>	Executive Agency and Department in its own right, directly accountable to the Secretary of State for Constitutional Affairs and the Lord Chancellor. Ministerial responsibility lies with the Department for Constitutional Affairs (DCA). Income from registry fees is £399 million. Staff of 8,200 across 24 regional offices and Head Office in London. Gross operating costs (including staff salaries) £336 million.	
<b>Core services:</b>	Administers access and amendments to the national register of freehold and leasehold land and property ownership. Fees are charged for access to the register.	
<b>Definition of complaint:</b>	'Any expression of dissatisfaction made to any part of the organization'	
<b>Levels for handling complaints:</b>	<p><b>COMPLAINTS LEVEL 1</b> Regional customer service managers 2,850 new complaints received 70 per cent from solicitors or mortgage lenders LR aim to acknowledge the same day and for a full reply within 5 days</p> <p><b>COMPLAINTS LEVEL 2</b> Customer Service Manager (at Head Office) 260 complaints</p> <p>The Agency Case Review team at Head Office and lawyers at local office level consider claims for compensation for errors and inaccuracies in the national register that lead to financial loss.</p> <p><b>COMPLAINTS LEVEL 3</b> Independent Complaints Reviewer 36 complaints referred consisting of 85 allegations 15 per cent upheld in favour of the complainant</p> <p>The Parliamentary Ombudsman received 5 complaints in 2003-04 about the Land Registry, but did not undertake any formal investigations.</p>	
<b>Cost of handling complaints:</b>	No data on estimated cost to the Land Registry in 2003-04. We estimate very roughly that complaints handling costs are at least £140,000 per year.	
<b>How appeals are handled:</b>	No appeals process: Land Registry lawyers deal with disputes between parties and, where possible, seek or broker agreement.	
<b>Compensation:</b>	£3.8 million paid to cover substantive financial loss and costs from errors or inaccuracies in the register. This amounts to 894 separate payments, of which: 411 for errors in extent of registered titles on the register; 166 for lost documents and administrative errors; 154 for errors in searches, official copies or other matters; 151 for errors or omissions from register entries; 12 payments for errors caused by fraud or forgery.	
<b>Bottom line cost of redress:</b>	At least £3.9 million (mainly compensation payments from statutory scheme).	

## Inland Revenue (IR)

<b>Profile:</b>	<p>Non-ministerial Department to HM Treasury.  Net revenue collected £221,000 million in 2003-04.  Staff of 75,320 mostly spread across 7 regional offices and about 70 local areas.  Gross administration expenditure £2,970 million (staff costs £1,870 million).</p>	
<b>Core services:</b>	<p>Administration and collection of PAYE tax revenues (1.66 million employers' returns per year) and self-assessment (9.4 million returns per year). IR also administers National Insurance contributions, child benefits, child and working tax credits (6 million families), Student Loan deductions and the National Minimum Wage.</p>	
<b>Definition of complaint:</b>	<p>'Any expression of dissatisfaction about the work of our organization'</p>	
<b>Levels for handling complaints:</b>	<p><b>COMPLAINTS LEVEL 1</b>  Counter staff or customer relationship managers at local or area level  Approximately 300 staff</p> <p>Acknowledge complaint within 3 days</p> <p><b>COMPLAINTS LEVEL 2</b>  Regional complaints and customer services teams  Central Complaints Policy team at HQ (do not handle complaints)</p> <p><b>COMPLAINTS LEVEL 3</b>  The Adjudicator's Office provides independent review of complaints that are referred up from the Regional Office level</p> <p>The Parliamentary Ombudsman received 186 complaints about IR in 2003-04 (53 complaints upheld in favour of the complainant).</p>	<p>69,000 new complaints received (including 30,000 complaints about tax credits)  85 per cent of complaints from citizens</p> <p>Around 10 per cent of complaints referred up to regional offices (approximately 7,000 cases)</p> <p>3,350 complaints and requests for assistance received, the majority being requests for assistance directly from citizens  390 complaints investigated  370 complaints resolved  47 complaints upheld</p>
<b>Cost of handling complaints:</b>	<p>Estimated cost to IR of £8.8 million in 2003-04.</p>	
<b>Levels for handling appeals:</b>	<p><b>APPEALS LEVEL 1</b>  New appeals Units established in mainland UK since June 2003. They review contentious decisions and advise Directors on a course of action for resolving disputes.</p> <p><b>APPEALS LEVEL 2</b>  The General Commissioners determine appeals and other matters that are referred by Inland Revenue's Appeals Units or Directors.</p>	
<b>Cost of handling appeals:</b>	<p>No national data are available here.</p>	
<b>Compensation:</b>	<p>£2.4 million paid to cover substantive financial loss and costs.</p>	
<b>Bottom line cost of redress:</b>	<p>Estimated £11.1 million (for complaints and compensation only). This number does not include the administrative costs of IR appeals (or Appeals Units).</p>	



## Legal Services Commission (LSC)

<b>Profile:</b>	<p>Non-departmental public body to the Department for Constitutional Affairs.          Budget £2,200 million (2003-04).          LSC has 1,620 staff across 12 regional offices and Head Office (London).          Annual operating costs (including staff costs) £90 million.</p>	
<b>Core services:</b>	<p><i>Community Legal Service</i> (CLS) providing civil and legal advice and financial aid to citizens (annual cost £1 billion).  <i>Criminal Defence Service</i> (CDS) providing legal advice and representation prior to and post criminal charges (annual cost £1.5 billion).</p>	
<b>Definition of complaint:</b>	‘Any negative comments registered at any level of the organization’	
<b>Levels of complaints handling:</b>	<b>COMPLAINTS LEVEL 1</b>	
	Regional office customer service teams	2,989 new complaints received
	Approximately 12 staff	57% from citizens
	Aim for a full reply within 10 days at local level or within 15 days at HO level	
	<b>COMPLAINTS LEVEL 2</b>	
	Another regional office peer reviews complaint (since Feb 2004)	Handful of cases since Feb 2004
	<b>COMPLAINTS LEVEL 3</b>	
	Customer service team at Head Office	248 complaints progressed up from regional offices
	Approximately 8 staff	
	The Parliamentary Ombudsman received 6 complaints about LSC in 2003-04.	
<b>Cost of handling complaints:</b>	Estimated cost to LSC of £175,000 in 2003-04 (£25 average cost per complaint).	
<b>Levels of appeals handling:</b>	<b>APPEALS LEVEL 1</b>	
	Internal case review of legal aid funding decisions and ‘representations’ (i.e. third party challenges)	8,470 new appeals received All new appeals resolved (58% of cases in favour of appellant)
	40 staff handle appeals	3,891 ‘representations received’
	Target is a hearing within 8 weeks from receipt of appeal - 78% achieved	
	<b>APPEALS LEVEL 2</b>	
	Funding Review Committees (FRC):	4,900 cases progressed to FRC
	12 committees (1 per region) hold face-to-face hearings	4,660 FRC hearings
		1,350 FRC appeals upheld
<b>Cost of handling appeals:</b>	<p>Approximately £210,000 (but excluding the costs of FRCs for LSC).          Average cost per appeal to LSC is £89 (excluding FRCs).</p>	
<b>Compensation:</b>	<p>£244,000 paid under the compensation scheme for maladministration to cover financial loss and/or botheration          249 compensation payments made.</p>	
<b>Bottom line cost of redress:</b>	Approximately £595,000 (excluding the costs of FRCs for LSC).	

## Planning Inspectorate (PINS)

<b>Profile:</b>	Executive Agency to the Office of the Deputy Prime Minister and to the National Assembly for Wales. Total running costs (including staff costs) £46 million (2003-04). 744 staff - 285 inspectors and 459 administrative staff. HQ in Bristol and Cardiff.	
<b>Core services:</b>	Responsible for the processing of planning and enforcement appeals in England and Wales (mostly where development has been refused by a local authority). PINS also holds inquiries into local development plans and major planning decisions that have been 'called in' by the First Secretary of State. Additionally it conducts work on behalf of various other government departments.	
<b>Definition of complaint:</b>	'Any expression of dissatisfaction about the work of our organization'	
<b>Levels for handling complaints:</b>	<p><b>COMPLAINTS LEVEL 1</b> Complaints before a planning decision has been taken are dealt with by the allocated caseworker. Numbers of complaints at this level are not recorded because PINS see them more as queries about an ongoing process.</p> <p><b>COMPLAINTS LEVEL 2</b> Head Office Quality Assurance Unit (QAU) QAU handles post-decision complaints</p> <p>PINS records each written piece of correspondence as a complaint. The Parliamentary Ombudsman received 5 complaints that required PINS to make a formal written response in 2003-04.</p>	
<b>Cost of handling complaints:</b>	Staff costs at the central level are estimated to be £190,000 and the average cost of a complaint is estimated to be £90.	
<b>Levels for handling appeals:</b>	<p>Planning appeals form the bulk of PINS work. In 2003-04, PINS received 25,890 new planning and enforcement appeals.</p> <p><b>APPEALS LEVEL 1</b> - <i>Written representation</i>: inspector views site and case file then makes a decision in writing - <i>Informal hearing</i>: all parties involved meet to discuss the case and a decision is made</p> <p><b>APPEALS LEVEL 2</b> - <i>Public Inquiry</i>: only for cases with wide impacts - <i>High Court</i>: appeal decisions are legal documents and therefore cannot be changed unless successfully challenged in Court (Court actions includes cases brought by councils and companies as well as citizens)</p>	
<b>Cost of handling appeals:</b>	£34.95 million total cost of running appeals service by PINS (including staff and overheads).	
<b>Compensation:</b>	6 payments totalling £5,800 paid in 2003-04 (was £15,300 in 2002-03).	
<b>Bottom line cost of redress:</b>	£35.1 million estimated cost of all PINS redress systems (excludes overhead costs for complaints). PINS' appeals mostly provide redress against other bodies.	

## Valuation Office Agency (VOA)

Profile:	Executive Agency to the Inland Revenue with annual income £191.2 million. Gross operating costs (including staff salaries) £186.6 million. Staff of 4,436 across 80 offices and Head Office in London.		
Core services:	Compiles and maintains the business rating and council tax lists for England and Wales, and values property for the purposes of tax administration, and provides property valuation services to other public bodies.		
Definition of complaint:	'Any expression of dissatisfaction about the organization however made'		
Levels for complaints handling:	<b>COMPLAINTS LEVEL 1</b>		
	Group Customer Service Manager at network offices	1,489 new complaints received (50% council tax/40% rating)	
	Partly involves 23 staff (equivalent 11 working years)	1,430 complaints resolved 38% complaints substantially upheld in favour of complainant	
	<b>COMPLAINTS LEVEL 2</b>		
	Head Office Customer Service Team 6 staff work on CS and complaints	196 new complaints received 208 complaints resolved 16% complaints substantially upheld in favour of complainant	
	<b>COMPLAINTS LEVEL 3</b>		
	Independent Adjudicator	11 cases referred (3 upheld against VOA)	
	No formal investigations about VOA by the Parliamentary Ombudsman (2003-04).		
Cost of handling complaints:	Estimated cost £796,000 (staff costs £541,000). Average cost to VOA per complaint handled is £472.		
Levels for handling appeals:	Persons dissatisfied with the value or other elements ascribed to their property, whether on the basis of the existing circumstances or because of some material change in those circumstances, may lodge a query in the form of a 'proposal' to alter the council tax band or non-domestic rating assessment. On average, less than 10 per cent of rating proposals are received direct from citizens (unrepresented) – the bulk are received from corporate occupiers. If the proposal is not resolved within a specified period, it is passed to the Valuation Tribunal as an 'appeal' against the fact that the VOA has not yet reached a decision on whether to make an alteration to the assessment or banding sought. Around 1,230 staff process proposals and appeals.		
		Non-domestic rating	Council tax
	<b>APPEALS LEVEL 1</b>		
	Valuation Officer or Listing Officer	149,510 proposals	29,300 proposals
	180 Council tax staff	15,290 unrepresented	
	1,050 Rating staff	140,850 become appeals	29,330 appeals
		77,940 resolved before hearing	15,630 resolved before hearing
	<b>APPEALS LEVEL 2</b>		
	Valuation Tribunal - decisions are binding on VOA	3,830 appeals decided in favour of unrepresented appellants	1,005 appeals upheld in favour of appellant
Cost of handling appeals:	Estimated £6.9 million cost of handling council tax and rating proposals/appeals made by citizens. Average cost to VOA per appeal handled is £210.		
Compensation:	475 payments totalling £211,860 to cover financial loss and 'worry and distress'.		
Bottom line cost of redress:	Estimated £7 million in relation to complaints and proposals from citizens.		

### NOTE

Either party can appeal to higher courts following an adverse decision from the Valuation Tribunal under certain circumstances - this includes an appeal on value or fact (not just on law) under the rating regime.

## Veterans Agency (VA)

<b>Profile:</b>	<p>Executive Agency of the Ministry of Defence (MOD).  Funding allocation £33.5 million (2003-04).  Net operating cost £32.5 million (2003-04).  Civilian staff of 844, mostly based in Norcross, Blackpool.</p>	
<b>Core services:</b>	<p>Responsible for co-ordinating, managing and delivering veterans services, administering the War Pensions Scheme and other payment schemes, and advising the MOD centre and ministers on war pensions policy matters.</p>	
<b>Definition of complaint:</b>	<p>'Any expression of dissatisfaction about the work of our organization'</p>	
<b>Levels for handling complaints:</b>	<p><b>COMPLAINTS LEVEL 1</b>  Customer Services Manager  5 staff  Acknowledge complaints within 5 working days and reply within 10 working days  870 new complaints in 2003-04  65% of these are from citizens directly</p> <p><b>COMPLAINTS LEVEL 2</b>  Chief Executive level  Full review will be taken on complaints</p> <p><b>COMPLAINTS LEVEL 3</b>  Independent Complaints Panel  Check on the processing of complaints rather than the substance of a decision  2 cases referred in 2003-04  1 found in favour of the complainant</p> <p>2 cases were referred to the Parliamentary Ombudsman in 2003-04.</p>	
<b>Cost of handling complaints:</b>	<p>Estimated £164,850, including staffing and overheads.  Average cost to the VA per complaint handled is £190.</p>	
<b>How appeals are handled:</b>	<p><b>APPEALS LEVEL 1</b>  Pensions Appeal Tribunals  67 staff involved in appeals at the VA  3,490 new appeals received  1,010 found in favour of the appellant</p> <p>80% of cases involved a formal hearing  In 99% of cases an official from VA acted as presenting officer</p>	
<b>Cost of handling appeals:</b>	<p>Data-based figure of £5,306,900 for total cost of appeals in 2003-04.</p>	
<b>Compensation:</b>	<p>36 payments totalling £18,000 compensation awarded in 2003-04 (down from £43,000 in 2002-03).</p>	
<b>Bottom line cost of redress:</b>	<p>Estimated £5.5 million costs for VA in 2003-04.</p>	

## Vehicle and Operator Services Agency (VOSA)

<b>Profile:</b>	Agency operating as a Trading Fund within the Department for Transport (DfT). Income of £135.6 million in 2003-04 (up from £114.7 million in 2002-03). Staff of 2,608. Total operating costs (including staff costs) £127 million.	
<b>Core services:</b>	Responsible for enforcing vehicle safety and environmental protection legislation through the administration of operator licensing, supervision of the MOT scheme, the statutory testing of vehicles and roadside enforcement.	
<b>Definition of complaint:</b>	'Any expression of dissatisfaction about the work of our organization that requires a formal response'	
<b>Levels of complaints handling:</b>	<p><b>COMPLAINTS LEVEL 1</b>          Customers are initially advised to contact their local office or test station, either the person they dealt with or their line manager. Details of locally resolved complaints are kept at VOSA test stations in manual logs.</p> <p><b>COMPLAINTS LEVEL 2</b>          National Complaints Co-ordinator          Two staff review cases and refer back to the local level for technical advice. They can change decisions and reimburse costs.</p> <p><b>COMPLAINTS LEVEL 3</b>          Chief Executive's Office          2 staff          Full review of complaint</p> <p>VOSA provided answers to 46 Parliamentary Questions and replied to 40 letters from MPs.</p> <p><b>COMPLAINTS LEVEL 4</b>          Independent Complaints Assessor          (also oversees other DfT agencies)</p> <p>The Parliamentary Ombudsman received 1 case about VOSA in 2003-04.</p>	
<b>Cost of handling complaints:</b>	Staff costs for levels 2 and 3 estimated at £51,000.	275 complaints in 2003-04 249 of these were from business customers not citizens
<b>How appeals are handled:</b>	VOSA run some appeal processes, such as appeals from MOT garages about disciplinary procedures or from transport companies regarding goods vehicles that fail their annual test. But these do not concern citizens' redress mechanisms.	
<b>Cost of handling appeals:</b>	Not applicable	
<b>Compensation:</b>	A total of £9,030 was paid in compensation for 21 justified complaints.	
<b>Bottom line cost of redress:</b>	No overall data available but will be small.	

## APPENDIX 3

### Four comparator studies

**1** We undertook four short comparator studies to examine how redress arrangements are handled in other systems, two drawn from the UK private sector (covering HSBC Bank and the Financial Ombudsman Service) and two drawn from the public sector (the National Ombudsman of the Netherlands and the Scottish Public Services Ombudsman). Each of the four cases was selected because they illustrate different forms of good practice in the bulk handling of complaints.

#### Private Sector I: HSBC Bank

**2** For HSBC, a complaint is any form of dissatisfaction with either a service, a product or a communication with the bank. (A complaint could even be from a non-customer who for instance does not like one of its advertisements on television). Complaints can be expressed in any way, either by telephone, in writing, electronically or face-to-face. HSBC have a brochure setting out their complaints procedure, which is in every branch in the country and on the bank's website.

**3** All financial services firms report their customer complaint numbers to the Financial Services Authority (FSA), but these numbers are not made public. HSBC have a customer base of 8.5 million and only a tiny proportion of these have an outstanding complaint with the bank at any given time. The FSA has mandated requirements for dealing with complaints (established in December 2001). HSBC always aims to improve upon this requirement, in contrast to some other banks that fulfil the requirements strictly to the letter. For instance, HSBC aims to resolve or (as a minimum to formally acknowledge) a complaint within two working days, while the FSA mandate five. The bank will then work to provide a full response to the customer within 10 working days, compared to the FSA's maximum period of 28 days. If a complaint cannot be resolved with a customer it may be necessary for the bank to issue a 'Final' response, or a letter of deadlock, which allows the customer to take their complaint for independent adjudication under the Financial Ombudsman Service. Only a small proportion of customer complaints end up with the Ombudsman.

Throughout the entire complaint handling procedure, the bank makes customers aware that taking their complaint to the Financial Ombudsman Service remains an option available to them. Complaints that are referred to the Financial Ombudsman Service can take up to three months or more in adjudication, depending on the complexity of the case. The bank agrees to abide by the decisions made by the Financial Ombudsman Service.

**4** Customers can send their complaints to HSBC's Customer Relations Department, to the appropriate business area, or to an area or branch manager. They will receive a response from that part of the bank that is responsible for the issues raised. If a customer has written directly to the Chairman or Chief Executive, in the majority of cases the customer will receive a personal response from them. So a customer who has written to the Chief Executive will get a letter from the Chief Executive. Where detailed investigation and responses are required it may be appropriate to delegate responsibility for reply to other senior managers. If a customer has experienced errors or poor service, the bank will sometimes offer compensation or goodwill payments, which can take the form of cash payments or something more personalised, such as flowers, bottles of wine, or even donations of money to the customer's favourite charity.

**5** The bank monitors the volume of complaints and the resources required to handle these effectively. They have 10 customer relations staff in their Head Office Customer Relations team and a dedicated complaints helpline operated by five people. There are also customer relations staff employed in the Card Services division and in their Customer Services Centres. In the branch network and call centres, all managers and staff receive training on handling and resolving customer complaints.



**6** The bank tracks the volume and nature of complaints received very closely. Every single contact with a customer is logged on to a centralised Customer Relationship Management (CRM) system. The FSA mandate a system of record keeping for complaints and the bank built the complaints part of their CRM system to comply with that regulation. This system helps to ensure that complaint-handling is seen as an integral part of the bank's overall customer service. The CRM system provides comprehensive data on complaints, which the Head Office Customer Relations team monitor every month. They also send out the data to senior management, report them to quarterly board meetings and hold two-monthly 'Complaints Forum' meetings with senior management to discuss performance. But Customer Relations are not the sole custodians of the data, since senior managers can extract data for themselves.

**7** The FSA have 22 broad categories of complaint, with further sub-categories that all financial services teams must use. In addition, the Head Office Customer Relations team record a wide range of enquiries received from customers that are not classified as complaints. They find that some complaints are media influenced, particularly by consumer radio and TV programmes and newspapers. The bank's Marketing and Media Relations departments will provide advance notice of any particular topics or issues that might arise.

**8** Prior to its acquisition by HSBC in 1992, the then Midland Bank plc was experiencing reputational problems. At that time, the Chief Executive Officer brought in a new ethic to 'compete on service', in which complaints were seen as fundamental. At that time the bank had a more glossy brochure than they do now, entitled 'We want you to complain' as part of their campaign. The campaign involved writing to every customer asking them to complain, a process which engendered some 20,000 letters of complaint. More than twelve years on, the bank does not consider their current strategy as representing a change of philosophy, but their stance has moved on and the current CEO is anxious to achieve 'zero complaints' as part of his vision for the organization. HSBC has a commitment to providing a first class customer service and sees dealing with complaints as an integral part of this, including (where appropriate) using feedback from customers to make improvements to products and services.

## Private Sector II: The Financial Ombudsman Service

**9** The Financial Ombudsman Service is the unitary supplier of ombudsman services in the financial services industry, established in 2001 under the Financial Services and Markets Act 2000 as a completely independent mediation and ombudsman service to financial institutions and their customers. In this brief period the Financial Ombudsman Service has grown to be the mainstream form of redress for the financial services industry, for instance, rapidly outpacing County court cases in this area. The scale of the Financial Ombudsman Service activities has grown rapidly in the last four years.

**10** From the start the Financial Ombudsman Service invested heavily in its back office IT and its customer contact division with the aim of being able to handle bulk enquiries economically, using phone and email primarily to contact customers. The Financial Ombudsman Service customer contact division has very high levels of customer satisfaction and answers 80 per cent of calls within 20 seconds. It receives about 1,200 calls a day and handles additionally 1,000 pieces of mail. Over 500,000 people make enquiries by phone, mail or email of the Financial Ombudsman Service each year. In the initial stage of complaints the Financial Ombudsman Service take down details mainly by phone and will begin to fill in a complaint form for the consumer. At this stage the Financial Ombudsman Service staff try to make consumers focus down on the substance of their complaint and to help them clarify what the key problem is. If it is apparent that the consumer has not complained to the financial institution first and given them the opportunity to try and resolve matters, the Financial Ombudsman Service will inform the relevant bank or financial institution and tell them that they have a period of eight weeks to try and reach agreement with their customer. The Financial Ombudsman Service will write to the consumer at the same time to tell them that the financial institution has eight weeks within which to try and resolve matters, before the ombudsman service can become involved. The ombudsman service will enclose the partially completed complaint form which consumers will need to complete and sign if the complaint is not resolved to their satisfaction by the financial institution and the consumer then wants to come back to the ombudsman service.

**11** If consumers come back to the ombudsman service, staff in the customer contact division will see if matters might be resolved right from the start - for example, where a problem stems from a simple administrative error or a misunderstanding. Very early resolution may be achieved either by convincing consumers that they have not in fact been poorly treated or by persuading financial institutions to seek to remedy matters in line with the ombudsman service's view. The customer contact division is able to 'resolve' about 30 per cent of initial contacts in this way.

**12** In 2004, close to 98,000 cases needed to go on to case-handlers for a more detailed look at matters. Generally, the ombudsman service will first seek to resolve matters by mediation or conciliation - and the majority of complaints that come before the Financial Ombudsman Service are resolved in this 'informal' way. It may be that the matter can be resolved over the telephone. Otherwise, where the nature of the case requires it, the ombudsman service will provide a written explanation of any initial view that it has reached.

**13** In more complex cases, which require a more detailed investigation, the ombudsman service will issue an adjudication to both parties. An adjudication is a formal written report which sets out the findings of an adjudicator and details any redress that the adjudicator considers appropriate. In most cases, both sides accept the adjudicator's findings. But either party is entitled to ask for a review and final decision by an ombudsman. If the consumer accepts an ombudsman's decision, both the consumer and the firm are bound by it. Otherwise, the firm is not bound and the consumer remains free to take the matter to court.

**14** Of the cases resolved last year, 42 per cent of complaints were resolved informally, at the earlier stages of the process. A further 50 per cent of cases were resolved following an adjudication and only 8 per cent of cases needed to go on to an ombudsman for a final decision.

**15** The Financial Ombudsman Service is funded by a combination of an annual levy and case-fees. A general levy is payable by all financial services firms covered by the ombudsman service (with some few exceptions) and the case-fee is paid by all firms (with some few exceptions) in respect of each chargeable case against them that the Financial Ombudsman Service handles. The case-fee in 2004 is £360. In personnel terms the Financial Ombudsman Service now plans to have 860 staff in 2004, up from 760 last year and 540 the year before that, and more than twice its initial set-up size of 344. Because formal investigations are rising with higher demand for the Financial Ombudsman Service services, the organization can plan for adequate staff, office and IT resources to meet its workload. The Financial Ombudsman Service's budget will be close to £50 million in 2004-05, up from approximately £36 million in 2003-04. The unit cost - which is calculated by dividing the Financial Ombudsman Service's total costs (less financing costs) by the number of cases closed is around £470 - or around £200 per case handled if the work of the customer contact division is taken into account. These levels compare favourably with most ombudsman and mediator services in the public sector.

**16** The Financial Ombudsman Service focus is firmly on whether the customers of a financial institution have been treated unfairly and have lost money that they should not have done and/or suffered avoidable worry, distress and inconvenience. The Financial Ombudsman Service has a maximum award limit of £100,000 and most of its cases involve much smaller sums - with around £3,000 to £6,000 per case being the normal midspread values range. The organization does not distinguish between procedural issues and substantive issues in the way that government organizations normally differentiate 'complaints' and 'appeals'. Rather the Financial Ombudsman Service will assess whether or not any alleged failings on the part of a financial firm in the provision of a financial service has caused the consumer (or may cause the consumer) financial loss, material distress or material inconvenience. In general terms, the Financial Ombudsman Service upholds in whole or in part 35 to 40 per cent of complaints initially received, and in the remainder of cases either finds no damage done to the customer's interests or agrees that a firm's offer to put matters right is appropriate. For companies an adverse Financial Ombudsman Service finding at least delivers finality, while for customers a finding that their complaint does not succeed at least provides assurance that they have not been poorly treated or that a firm's offer is appropriate.

**17** The Financial Ombudsman Service has a distinctive activist style, emphasizing a strong focus on resolving key issues, speedy communication with complainants and company staff and a refusal to be side-tracked into complexities and side-issues. It achieves tight average costs by first, investing adequately in the staff and systems needed to process workloads; and second, by handling cases through the various stages (from the initial mediation stage to a formal investigation, to an ombudsman's final decision) consistent with the nature of the complaint and the principles of correctness and fairness.

## Public Sector I: The National Ombudsman of the Netherlands

**18** The Office of the National Ombudsman of the Netherlands works hard to maintain its public reputation. Its building has huge illuminated letters proclaiming 'Nationale Ombudsman' along the base of the building, at the eye-level of passers by. The website stresses the importance of the institution, its link to a specific individual and its public face: 'The role deliberately elects to make a single person, the National Ombudsman, represent the institution in the eyes of the outside world, as a counterbalance to an often faceless bureaucracy'.

**19** The Ombudsman is a younger institution in the Netherlands than the UK, having been founded in 1982. The Office originally covered central government and the police, but its scope has been extended since then to autonomous government bodies, the provinces, water boards and some municipalities. Municipalities can choose whether to be covered by the National Ombudsman or to devise their own, as around 50 per cent have done (for example, Amsterdam, the Hague and Utrecht). In total the Ombudsman deals with around 500 bodies, although that figure incorporates all regional tax offices as one body. The current incumbent of the post is Roel Fernhout who has held the post for five years.

**20** The Ombudsman's Office has around 130 staff, with a total budget for 2003 of 8,633,000 euros. Staff are divided into four groups. The first group, called 'Admissibility and Competence' (overseen by the Deputy Ombudsman), includes a front office of four staff dealing with all emails and phone-calls to the freephone 0800 number of the Office. Staff do their best to answer all queries, not just those that fall inside the Ombudsman's remit. A further 22 staff in this group look at correspondence relating to initial complaints and judge whether they fall within the Ombudsman's competence. They then judge whether to send the complaint on to one of three investigation teams with around 20 staff in each covering:

- police and justice (including the Ministry of Justice);
- income-related and decentralised government bodies (tax, social security, study grants); and
- all other agencies (including Immigration and Naturalization).

**21** Citizens submit complaints directly to the Ombudsman via a 'petition'; that is, a simple form asking for details of name and address, a description of the action to which the complaint relates, the complaint itself and the way that the complaint has been submitted to the administrative authority involved. The Ombudsman's Office provides a standardized form for all complaints, which is at the back of their brochures and on their website (it can be submitted electronically). During 2003, 18 per cent of complaints came through on this internet-based form (a share that is rising quickly), with another 7 per cent on the hardcopy form by post. But the majority (75 per cent) of complaints still come through as open-form letters. The Office does not encourage open-form emails, so there is no email address on their publicity and they only get 530 a year. They get around 22,000 phone calls a year. In total 33,030 people applied to the office in 2003 by phone, electronically or in writing. (Numbers here and below are rounded to the nearest ten.)

**22** In 2003, the Ombudsman dealt with 10,210 ‘cases’ – that is, formal complaints submitted to the Office on which a file was opened. Of these, 16 per cent were designated inadmissible under the Act – that is not falling within the Ombudsman’s jurisdiction. A further 57 per cent were deemed admissible but they were not investigated because they were not ‘ready’, mostly because the complainant had not taken them up with the agency involved. In these cases the Ombudsman’s Office recommended them to take this step, assisting them to do so in some cases. A total of 2,750 cases (27 per cent) were deemed as admissible during the year and were investigated fully. Most of the complaints in 2003 related to justice, including immigration and naturalisation (24 per cent); social affairs and employment (17 per cent); police (12 per cent); finance (10 per cent); and municipalities (9 per cent).

**23** The Ombudsman places a high value on public awareness of the institution. Official information about the Ombudsman on the web and in leaflets stresses the importance of news media interest. One of our interviewees commented: ‘Highlighting a particular case contributes to the effectiveness of his work and as such can be seen as one of the foundations of his authority’. There has been a sustained endeavour to raise the public profile of the Office since the mid-1990s, which has brought an enormous increase in telephone calls to the Ombudsman’s Office from 2001, when the toll free number was introduced. The Ombudsman’s Office were alerted to their lack of profile by a survey in 1998, which found that the office was known to only around 17 per cent of citizens, that people did not know that the Office dealt only with government, nor that their services were free. After an unsuccessful trial campaign based on advertisements in regional newspapers, which tried to explain everything about the institution to the public, the Office came to the conclusion that they needed a short clear message, so they re-targeted the campaign at just getting people to ring up. They set up the front office and the toll free number and made a 27 second TV commercial – a first for the institution. The commercial shows a woman walking in a crowd of people (to show that the Ombudsman is for everybody to use) and saying ‘If you have a problem with the government and you can’t solve it yourself, please phone us!’ The Ombudsman is proud of the advertisement although conscious of its cost: ‘It’s very good, very simple... but very expensive.’ The following year the Office ran a more regional campaign (they have noticed big variations in data across regions), but consider that ‘nothing is as good as national TV’.

**24** The Ombudsman’s Office has long maintained a profile in the print press. For 18 years, the Ombudsman has published a weekly column in the *Telegraaf*, the most popular paper in the Netherlands, which presents a ‘case of the week’ that has been solved (with personal details anonymised). Staff commented that ‘we see immediately the effect the next Monday’. The Ombudsman’s Office also publishes a special newsletter for intermediaries, which is distributed to legal aid shops, job centres and other bodies four times a year and is very popular.

**25** The Ombudsman’s Office evaluate their campaigns every year, by surveying before and after about public awareness of the Office. They are particularly keen on monitoring the number of inadmissible complaints made, and try to keep this number down. Now, 17 per cent of respondents refer to the Ombudsman’s Office when they answer the question: ‘There’s one organization in the Netherlands which deals with complaints about government. Who is it?’ The Ombudsman is now much more associated than previously with complaints about government.

**26** The website is an important part of the Ombudsman’s strategy. It is in two parts: one for complaints and one containing all the Ombudsman reports (this latter is the most visited part of the site). The budget for the site is about 10,000 euros a year. In 2003 they had 1,470 visitors per day, up from 960 in 2002 and 780 in 2001. In particular, the 18 per cent of complaints that come via the site shows an impressive growth in usage.

**27** The Ombudsman produces around 500 reports a year. Some of them take up one issue on which the Office has seen a rise in cases - for example, a recent 192-page report on rent commission tribunals (which deals with landlords and tenants). Sometimes they do more general reports: for example, last year parliament requested a report on government handling of correspondence (letters, emails and requests) and a summary of the findings was sent to all civil servants in September 2003. Most reports are sent to regional or national press when completed. Around six reports a year are press released.



**28** In contrast to the UK, all government bodies in the Netherlands have reasonably standard internal complaints procedures and the Ombudsman has been responsible for overseeing these procedures since July 1999 (and since 1993 for the police). All administrative authorities have a nominated contact person for the Ombudsman – there are hundreds of them, because they go right down across levels of government, even into tax offices. The Ombudsman is pleased with this initiative, considering the contact people (who are reasonably senior) as the ‘hand and feet’ of his office within government bodies.

**29** The Ombudsman’s Office do ‘name and shame’ agencies for their complaints record, with a list of poor performers in their annual report. But they find that agencies are keen to work with them to improve. The tax office used to be the worst, but they introduced a campaign based on the slogan ‘We can’t make it nicer but we can make it easier’, which brought their complaint levels to the Ombudsman right down. Now, the Immigration and Naturalization Service is the number one source of complaints, with around 1,200 complaints to the Ombudsman and very high numbers of internal complaints, so the Ombudsman is making them a priority for improvement.

## Public Sector II: The Scottish Public Services Ombudsman

**30** The creation of the Scottish Parliament and Executive in 1999 was an opportunity for a number of innovations within the British parliamentary tradition. The Scottish Parliament established an integrated ombudsman service for all Scottish public services, that is, covering the operations of the Scottish Executive, local authorities and the NHS in Scotland. The Scottish Public Services Ombudsman was established in 2002 to bring together the work of four previously separate ombudsmen services. In October 2004, the Scottish Executive also announced that the Ombudsman’s remit is to be extended to cover complaints about further and higher education. The Ombudsman (Professor Alice Brown) has established a main office in Edinburgh (complete with interview booths allowing citizens to walk-in from the street and make complaints). There are 37 staff in total and complaints are accepted by letter, in person and via email. Phone enquiries are extensively handled but formal

complaints must be submitted in writing before they can be investigated. The Scottish Ombudsman’s website allows people to email enquiries or complaints and unlike the Parliamentary and Health Services Ombudsman in England there is no MP filter required. (For its first three years the Scottish Parliament did refer enquiries about the Scottish Executive via MSPs in a way analogous to the English practice, but this arrangement was scrapped with little impact in 2002 when the new integrated office began work.)

**31** The Scottish Ombudsman continues to operate within the normal approach of ombudsmen in the UK, beginning by establishing whether the complainant has exhausted the normal processes open to them in dealing directly with the department, local council or health agency concerned. Cases that have still ground to cover here are referred to the organization involved. Where a case is accepted for investigation, the Ombudsman’s office is striving to create more integrated standards and methods of working across their caseload. The primary advantage of the Scottish arrangements is that complex, multi-agency issues can be addressed in a much more joined-up way, and the inconvenience to the complainant can be minimized. The new, easier access means of contacting the Ombudsman have also produced a substantial but controlled growth of cases, from 1,336 in 2001-02 to 2,000 cases in 2003-04. Because Scotland is a smaller country it is also more feasible for the new Ombudsman office to do more outreach activities in regions and localities, briefing interest groups and public sector organizations and attending conferences and meetings to explain what its role is. The Ombudsman is also heavily involved in advising on redress procedures across the public services in Scotland, especially where new legislation is underway.

**32** The Ombudsman’s Office has worked effectively with the Scottish Parliament, where there are 129 MSPs (in addition to 73 Westminster MPs for Scotland), giving a relatively intensive degree of political representation compared with England. The right to petition the Parliament on issues has also been used expansively by interest groups and members of the Scottish public. The Office regularly briefs Scottish Parliament committees and communicates extensively with Scottish Executive on embodying good redress principles into new legislation.