

annual report 2020



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Our Role and Vision

Our Role

The Adjudicator's Office:

- Resolves complaints that come to us by providing an accessible and flexible service and making fair and impartial decisions.
- Supports and encourages effective resolution throughout the complaint handling process.
- Uses insight and expertise to support departments to learn from complaints to improve services to customers.

Our Vision

By working with the departments and using our independent insight and expertise, we will achieve these positive outcomes for our customers:

- Complaint handling is trusted as fair.
- Responsive to customer needs.
- Insight from complaints improves services for customers.



The Adjudicator's foreword

Welcome to the annual report for my fourth year in office.

The Adjudicator's Office has had another successful year; we maintained strong performance in resolving complaints with historically low investigation times. We introduced new ways of working that ensure the independence of our investigations and we developed our ability to identify and analyse feedback from complaints. There has been an increase in engagement with the department in learning from complaints.

The number of complaints we received is slightly below last year's 1043. There was an upturn following the welcome introduction of a digital channel for complaints in January 2020. This could indicate that demand for our service has been suppressed over previous years because of poor access. The upheld rate for HMRC has increased to 44%.

The number of Valuation Office Agency (the VOA) cases we received was up on last year at 54 and the upheld rate increased this year to 13%.

The increase in the percentage of complaints upheld coincides with the introduction in April 2019 of changes to the way that we investigate complaints. They enable more independent decision making – and enhance our ability to hold the department to account when they do not put things right for customers.

Over the year engagement with our feedback has greatly improved. The department published a formal response to my last annual report and responds to our monthly performance reports. We have regular meetings



“The department have stepped up visibility of their commitment to learning from customer feedback and improving services to customers.”

Helen Megarry
The Adjudicator

with departmental colleagues across all levels of our organisation. I attend meetings of the Customer Experience Committee and appreciate the insight that this gives into HMRC's work to improve services for customers at a strategic level. I was consulted on development of the new customer Charter and contributed to the Charter Annual Report.

HMRC has set up a Customer Insight Board, meeting monthly to discuss issues raised through customer insight, including complaints. This approach has raised challenges, that the department is working to overcome. Some areas of business have been proactive in seeking learning opportunities from our feedback. There is also a trial underway to re-model complaint handling, which, if successful and adopted could address many of the issues that we have raised relating to departmental complaint handling.

The department has stepped up visibility of their commitment to learning from customer feedback and improving services to customers. On a day to day basis this is not always reflected in the complaints that we see or the interactions that we have with departmental staff. This is not surprising as much of the change anticipated by the department in its strategic approach to customers is dependent on widespread culture change. Such change takes concerted leadership, planning, and time.

Even if successful, there will be a delay before the positive effects filter through into what we see during our investigations. We continue to see

evidence of many aspects of performance reported in previous years, including; continued misunderstanding of the purpose and value of good complaint handling and failure to consider the impact of actions or decisions on customers.

We have given feedback to the department about customers that bring their complaints to us before they have completed internal complaints processes. Analysis of these customers' journeys highlights issues of accessibility to the complaint process and appropriate escalation. The department's responses to our feedback have been mixed and although it accepts that customers getting stuck in the complaint process represents poor service, we maybe some way off seeing a comprehensive improvement in customer experience.

We have continued to develop what we offer the department in terms of reports on learning identified from complaints. We provided further evidence of themes identified in previous years, including; the impact of inflexible application of policy or process on individuals and lack of focus on the needs and circumstances of customers. Although recognition of these issues is implicit in the work that the department is engaged on at a corporate level, there are clearly structural and cultural barriers to making timely or systemic changes. The department has gone some way to putting in place mechanisms for acting on feedback but resolving issues is slow and resource intensive and there is clearly room for

Complaints resolved in 2019-20

1,078

Average time to resolve a complaint

2.3

months – 2019-20

3.6

months – 2018-19

7.5

months – 2017-18

streamlining the process. We have a new strategy for our learning from complaints activity and will seek to improve the way that we feedback our insight to support the departments in improving services for customers.

The Home Office approached me to provide an independent review of decisions and complaints under their Windrush Compensation Scheme. A great deal of work has gone into setting up the frameworks and systems that will enable my office to to provide the service.

I am grateful for the enthusiasm, hard work and commitment of my team. We have achieved a great deal in terms of providing a timely and quality complaint service to our customers and building professional relationships with the department that sustain productive and outcome focussed discussions. Since my appointment as Adjudicator I have been supported by Jane Brothwood as my Head of Office. As she prepares to leave us, I acknowledge that we owe so much of our success to Jane's phenomenal energy and experience and I wish her all the best in her career beyond the Civil Service.

At the end of the year the UK has been responding to an unprecedented public health crisis. HMRC has a critical role in supporting citizens through the COVID-19 crisis and has been required to develop new systems and re-prioritise resources at pace. This will inevitably impact on the level and nature of customer complaints. We continue to work with the department through these challenging circumstances to give our support and insight into customers experience through complaints.

Helen Megarry
The Adjudicator



Office update

Over the past four years, we have transformed our organisation.



“The office is in the best position in a 27-year history.”

Jane Brothwood
Head Office

Our people

Throughout 2019-20, we have continued to develop our leadership and management skills and engage our people. Our 2019 Civil Service People Survey responses were, again, amongst the highest performing teams across the Civil Service. While we clearly still have more to do, key responses compared with 2015 included:

Overall engagement:

64%

an increase of 30 percentage points

Organisational objectives and purpose:

97%

an increase of 24 percentage points

Leadership and development:

70%

an increase of 43 percentage points

Leadership and managing change:

66%

an increase of 52 percentage points

We also improved our recruitment processes to ensure that people recruited to our office have the appropriate skills and experience. Our first external recruitment campaign resulted in seven colleagues joining us in March 2020 bringing a range of complaint handling skills.

Digital Service

In our 2018-19 annual report, we highlighted the risk that customers were deterred from escalating their complaint to the Adjudicator due to the lack of a digital complaint channel. This was also highlighted in evidence to the Treasury Select Committee.

A digital complaints' channel and secure email service was introduced from January 2020. Lessons learned from the implementation of our digital service mirrors the learning we see from complaints. As seen on page 17, the number of complaints escalated to the Adjudicator's Office increased from January 2020. This indicates that the lack of digital services may have deterred customers from escalating their complaint to us.

We are now working with departmental colleagues to secure a replacement case management solution. The current system is no longer fit for purpose and capacity has been maximised. HMRC's digital colleagues have also outlined the technology debt associated with the current case management solution. This is in addition to the outstanding department risk regarding our lack of call recording.

Complaint Investigation

The office is in the best position in a 27-year history. We have achieved positive outcomes for our people, our organisation, and our complainant customers. We have put systems in place to identify and share insight and potential learning with the department, providing opportunities for HMRC/VOA to improve complaint handling and services for customers more broadly. We have established the framework for the Adjudicator's Office to provide an independent review of Windrush Compensation Scheme decisions and complaints about Home Office handling of applications.

Our approach to improving our internal complaint handling systems and processes has resulted in further improvements in customer services, for our complainant customers and for the department. Timely resolution of complaints is enabling us to provide real time insight and learning for HMRC and VOA. While we still have more to do, our performance has continued to improve since 2016, and is in the context of an increase in complaints escalated to the Adjudicator's Office. At 31 March 2020:

- customer complaints on hand have reduced from a 12-month backlog of 1102 at 31 March 2016 to 175
- complaint resolution improved from over 11 months in 2015-16 to less than 3
- customers are waiting an average of 4-6 weeks for us to begin active investigation of complaints

- staff in post has reduced
- productivity improvements have been maintained.

In March 2019, on recommendation of the Parliamentary and Health Service Ombudsman, the Home Office asked us to undertake the independent review of Windrush Compensation Scheme awards and complaints about the handling of compensation scheme claims. Following extensive conversations to ensure a common understanding of our role and remit, the Service Level Agreement with the Home Office and HMRC was signed and effective from 9 December 2019.

To date, we have only received four decisions for review and no complaints, so it is too early to identify any potential learning points.

COVID-19

In response to the COVID-19 health crisis, we temporarily moved all our people to working from home. This minimised the risk to our people, while ensuring continuity of service for our customers.

To ensure we could continue to provide the essential elements of our work, we tried to telephone our customers who had submitted complaints by post, to obtain email addresses to allow us to communicate via secure email. Additionally, we wrote to all of our customers to inform them of the change. Our website was also updated to inform customers. We continued to register all new complaints we received digitally and by post, with volunteers periodically

going to our Nottingham office, to action our mail. We also loaned staff to support the wider HMRC, as they introduced new services to support customers during the health crisis.

And finally

This is my final report as Head of the Adjudicator's Office, as I leave the Civil Service on 30 June 2020 to take up a portfolio of activities.

Working with colleagues over the past four years, we have achieved a number of great outcomes for our people, our organisation, and our complainant customers. We have also put systems in place and provided opportunities for the wider department to learn from complaints. The independent review of Windrush Compensation Scheme decisions and complaints about Home Office handling of applications is now in place to support those citizens who have been impacted.

I especially want to thank Helen for her support and encouragement. The office is in the best position of a 27-year history and it is always best to leave positively, so I feel that now is the right time to leave both the Adjudicator's Office and the Civil Service.

My best wishes to Helen and all my colleagues in the Adjudicator's Office, for their continued success.



Feedback about the Adjudicator's Office

We always welcome feedback from customers as it helps us to review our service and seek improvement. In addition to compliments, we also consider:

Complaints about our service

During the year we received 16 complaints about the level of service we provide. These were about a range of different issues, but notably fewer about the length of time it took to begin our investigation of the customer's complaint. While the number of complaints this year is in keeping with the average for previous years, our aim is to provide a service that customers are satisfied with.

We continue to critically review all of our processes and how we work, in order to improve delivery times and customer service, and Jane Brothwood highlighted our successes so far.

However, the fact remains that the Adjudicator's Office carries out detailed investigations which necessarily can take some time to complete.

Investigations usually require contact with both the customer and the department, as well as independent research. Because each complaint is different and needs to be investigated on its own merits we cannot predict how long each investigation will take.

The 'Complaints about our service' leaflet, which is available on our website, tells our customers how to raise their concerns.

Queries about the Adjudicator's Office recommendations

The Adjudicator's Office does not want to delay the resolution process for those customers who do not agree with decisions. In all cases, it is for the customer to decide their next course of action, including an approach to the Parliamentary and Health Service Ombudsman.

All our recommendation letters explain the process for referring a case to the Parliamentary and Health Service Ombudsman if the customer remains dissatisfied.

External engagement

Valuing the Adjudicator's insight

Our 2019 Annual Report detailed the evidence we gave to the Treasury Select Committee, and the recognition of the value our work has in promoting good customer service.

Recognition of our contribution in 2019-20 included:

In a written statement to Parliament, the Financial Secretary to the Treasury (FST), Jesse Norman MP, said:

"The Adjudicator's independent role in complaints handling is a core component of ensuring public trust in HMRC, and of HMRC's evolution as a service organisation."

The FST gave evidence to the House of Lords Economic Affairs Committee, during their investigation into HMRC's approach to recovery of loan charge debts. He announced that:

"...HMRC will be working with the Adjudicator to be much quicker about absorbing issues of complaints and to make themselves a far more complaints friendly organisation."

One of the recommendations The Economic Affairs Committee made as a result of their review (The Powers of HMRC: Treating Taxpayers Fairly (House of Lords Paper 242)), was:

"The Adjudicator has an important role in providing an independent overview of HMRC's treatment of taxpayers. Consideration should be given to widening the role to increase taxpayer access or increasing HMRC

obligations to respond to and act on Adjudicator recommendations."

We continue to highlight the opportunities and value of learning from complaints for improving services to customers. Our stakeholders endorse our approach. Our strategic aim is to work with the departments we adjudicate for, and to use our influence to support improvement in services for customers.

Home Office Windrush Compensation Scheme

Since December 2019 we have a new role in the Home Office Windrush Compensation Scheme. Our role, and the Service Level Agreement that underpins it, are on our GOV.UK pages.

The Adjudicator's Office will conduct an independent review of Home Office decisions made under the Windrush Compensation Scheme on:

- entitlement to compensation.

In addition, the Adjudicator's Office will:

- investigate complaints about how the Home Office handled a claim for compensation.

Ombudsman Association

In 2019-20, we continued to contribute to the [Ombudsman Association](#), where our engagement includes:

- **Helen Megarry** is a Director on the Board
- **Jane Brothwood** chaired the Casework Interest group
- **Sarah Doherty** is Deputy Chair of the HR group.



Learning from complaints

Key messages shared 2019-20

A major part of the Adjudicator's role is to support the department to use insight and learning from complaints to improve complaint handling and broader service to customers.

Over the past 12 months we have provided four thematic reports:

- Tax Credits/Universal Credit complaints – April 2019
- Escalation of Complaints – September 2019
- Policy Formulation and Application – October 2019
- Departmental Engagement – March 2019

We have provided learning points using our six complaint categories, which highlight opportunities for learning. These are:

- 1. Policy and Process** (e.g. were processes followed correctly? Did process issues contribute to the complaint?)
- 2. Decision Making** (e.g. was decision making fair, reasonable and consistent? Was the decision made at the right point?)
- 3. Customer Focus** (e.g. did the complaint handler show empathy and understanding? Was the impact on the customer acknowledged?)

4. Culture and Behaviours (e.g. were departmental values demonstrated? Did the complaint handler take ownership of the complaint?)

5. Communication (e.g. were communications clear? Was the tone of the response appropriate?)

6. Complaint Procedures (e.g. did the department demonstrate learning from mistakes? Was the complaint procedure followed?)

The key themes identified were:

Tax Credits/Universal Credit

Since 2016, we have highlighted potential risks for customers and the department, in relation to the transition from tax credits to Universal Credit. In addition, our first thematic report, produced in January 2018, focused on the handling of tax credit complaints.

This latest thematic report examined the issues that we have highlighted to HMRC relating to tax credit and Universal Credit complaints investigated since 2018-19. We emphasised that customers should not be allowed to fall between government departments, regardless of which department "owns" the mistake.

The key findings were:

- Evidence of a lack of focus on the customer and ownership of their issues where they span tax credits and Universal Credit. This can result in customers being unable to resolve issues where one or other

department are at fault because resolution of their complaint falls between the two departments. This can happen where each department narrowly considers the part of the process that they are responsible for and fails to take ownership for resolving issues that arise from the customer's overall experience. This also relates to the use of the HMRC/DWP complaint handling protocol and the impact for customers following HMRC and DWP appeals.

- Evidence that the department does not always recognise the impact, for the customer, of misadvice or error. They do not always recognise that process, intended to apply where no error occurred, may not be appropriate following an official error. This includes the application of processes which would apply where new tax credits are no longer available which, in some cases, leads to ongoing financial loss.
- Evidence that the department does not always follow guidance, where an official error or misadvice led to tax credits overpayments.

In June 2019, HMRC recognised the potential impact of ongoing financial loss for customers where there is official error or departmental misadvice, and is currently developing a solution to ensure customers are put back in the position they would have been in, had the departmental error not occurred.

Escalation of complaints – September 2019

In our Annual Report 2019, we mentioned that our thematic reports on premature complaints and escalation of complaints had highlighted possible systemic problems in the escalation of complaints and the frustration this caused customers.

Throughout the year we have continued to receive complaints where customers approach us to resolve their issues before HMRC or the VOA have given a formal response that confirmed the complaint had exhausted departmental internal complaints processes.

Departmental complaints policy published on GOV.UK, tells customers they can have their complaint looked at twice, to give HMRC and the VOA the opportunity to put things right, before referring the customer to the Adjudicator's Office.

Our review found that 38% of our customers approached us before HMRC and the VOA had given a second formal decision on the customer's complaint in accordance with their "two opportunity" process. This indicates the department's system may deter access to and through their complaints process and could be indicative of systemic issues. We have highlighted the risks involved in underreporting of complaints to the department in previous thematic reports.

In 2019-20 we worked with departmental colleagues to develop a protocol for handling these complaints to both improve the service we give to the complainant customer and provide insight and learning to the department from these customers' experience.



Our key findings were:

- Complainants approach the Adjudicator's Office prematurely, before the department have completed their complaint processes. This is a continuing issue and evidence suggests the department have not taken effective action on learning we previously identified.
- Delays in escalating complaints. Some customers receive multiple responses and added layers of complaints handling, rather than the two responses outlined in the HMRC and VOA complaint handling process. This often prolongs issues for complainants.
- Evidence suggests that MP correspondence is sometimes treated as a separate issue, rather than as part of the complaint procedure. Again, this prolongs and can confuse the complaints process for customers.
- The number of premature complaints escalated to the Adjudicator's Office suggests departmental under recording of complaints.

We identified three main difficulties customers had with departmental handling of their complaint, which had caused them to come to us:

1. Failure to register the complaint – These complaints show the department have given multiple responses to correspondence about dissatisfaction but have not treated the issue as a complaint by the department.



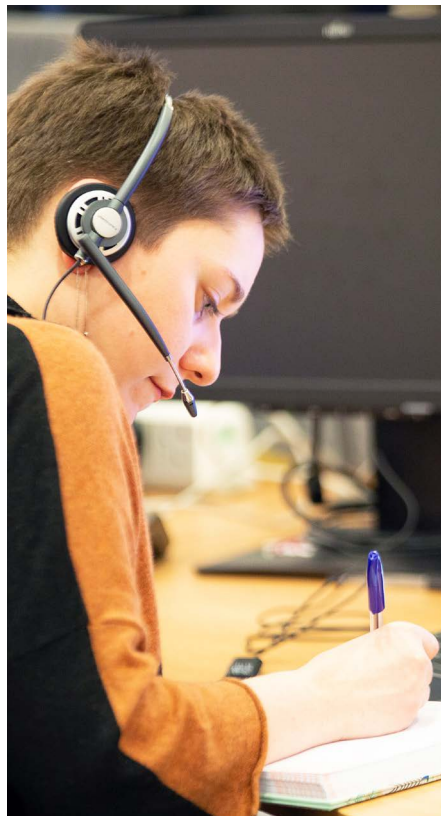
2. Failure to escalate the complaint – Complaints that show multiple correspondence and departmental responses to a complaint at first review, rather than escalation for a second review.
3. Failure to act on the complaint – The department has treated customer correspondence as a complaint and registered it on their complaints management system but has taken no action to progress the complaint.

Understanding the issues faced by customers allowed us to make improvements to the service we offer to customers and the department. This includes a more open approach to whether complaints are ready for us to investigate and, where appropriate, signposting customers back to the department for a second review. We developed criteria to support our decisions that ensure we continue to meet the requirements of our Service Level Agreements.

Policy formulation and application: October 2019

We investigated a series of complaints where an underlying aspect of policy drives customer dissatisfaction. We identified a theme of policy formulated in a way that does not anticipate foreseeable variations in customer circumstances. The department then applies policy to customers' complaints even when their circumstances do not fit within the anticipated framework.

Our remit explicitly excludes investigating complaints about



departmental policy. However, we do have a role in considering whether the department has applied policy properly including whether policy covers an individual customer's circumstances. We also share feedback on causes of customer dissatisfaction to inform potential improvement to services for customers.

Our thematic report 'Tax Credits/ Universal Credit complaints' published in April 2019 highlighted a number of issues having an impact on customers, caused by gaps in policy. We gave the following recommendation:

"HMRC should examine any future business changes to identify potential gaps in policy which will impact customer service and complaints".

Our report "Policy formulation and application" examined the extent to which policy formulation and application affects complaints across the wider department, considering evidence from recent investigations.

The key findings were:

- Aspects of formulation or application of policy frequently drive customer dissatisfaction. Policies do not always anticipate foreseeable future events or variations in customer's circumstances – and when this happens there is little flexibility in either process or approach to mitigate the impact on customers.
- A rigid approach to customer complaints means that processes are applied that are not always appropriate to the customer's circumstances. Some flexibility is required where policy does not or cannot cover all eventualities.
- Where potential gaps in policy are an issue in customer complaints, the department's internal complaint handling process does not effectively identify or address that.
- Where policy does not adequately cover a customer's circumstances there are lengthy delays in resolving issues, particularly where policy has to be re-formulated.

“The quality of your care and help has been magnificent and I cannot thank you enough for your outstanding service and professionalism.”

Customer

Engagement – March 2020

In the past 12 months there has been a notable improvement in departmental conversations about insight we have provided through the four tiers of learning: results of individual investigations, topical reports, thematic reports, and feedback from the department to us on customer service improvements they make as a result.

We receive formal responses to our monthly reports, our thematic learning reports, and a formal response to our Annual Report (Annual Report 2019). This is a positive development.

There is clear evidence that some HMRC colleagues are using insight from complaints to try to engage the department in learning from complaints and improving services for customers, both in relation to strategic change and fixing issues.

Strategic engagement with HMRC has improved, with commitments from HMRC's Executive, increased engagement with the Customer Experience Committee, and the creation of the Complaints Insight Board. HMRC is developing a new Charter and Customer Strategy. We acknowledge it will take some time for the changes from these activities to feed through to operational delivery.

In the meantime, potential issues are ongoing in many cases, without timely resolution for customers. There appears to be difficulty in securing departmental traction for the required strategic changes which will also enable effective and timely resolution



of individual issues. Many of the issues we raise have their roots in the cultural positioning of the 'customer' in the department. We recognise

a lot of work is required to change the departmental culture so that the customer genuinely takes a place in action planning and decision making.



Our Annual Report 2018-19 highlighted the following key themes:

- **Policy and Process:** 'Policies: when developing new systems and approaches insufficient consideration is given to how customer issues will be dealt with when they fall outside documented policies. Similarly, there is a lack of flexibility to resolve a customer's issues'.
- **Customer Focus:** 'Customer focus: activity is often driven by internal departmental needs and focus rather than an external customer perspective'.
- **Culture and Behaviours:** 'Culture: a narrow approach to following process, even where departmental errors are identified. Impact on the customer is not properly acknowledged or assessed'.
- **Complaint Procedures:** 'Complaint handling – the purpose of complaint handling and good practise is not consistently understood or applied'.

We continue to see evidence of these issues.

We recognise that the department is trying to embed a common understanding of the benefits of learning from complaints. It is encouraging to see the positive steps being made to engage and discuss matters with the Adjudicator's Office, with the joint intention to improve the service they provide to customers. However, we recognise

that some of these issues are complex and are taking time to resolve.

From 2016-17 to 2019-20, we have shared insight about:

- NHS Widening Access Training Scheme
- Extra Statutory Concession A19
- Code of Practice 26
- Collection of historic debt
- Escalation of complaints and premature complaints
- High Income Child Benefit Charge
- Tax Free Childcare
- Tax Credits to Universal Credit and ongoing future financial loss.

In our "Engagement" report, we noted that much of the insight we delivered in earlier reports remains outstanding. Where the department have identified potential service improvements, these are taking a long time to deliver and provide the required positive outcomes for customers.

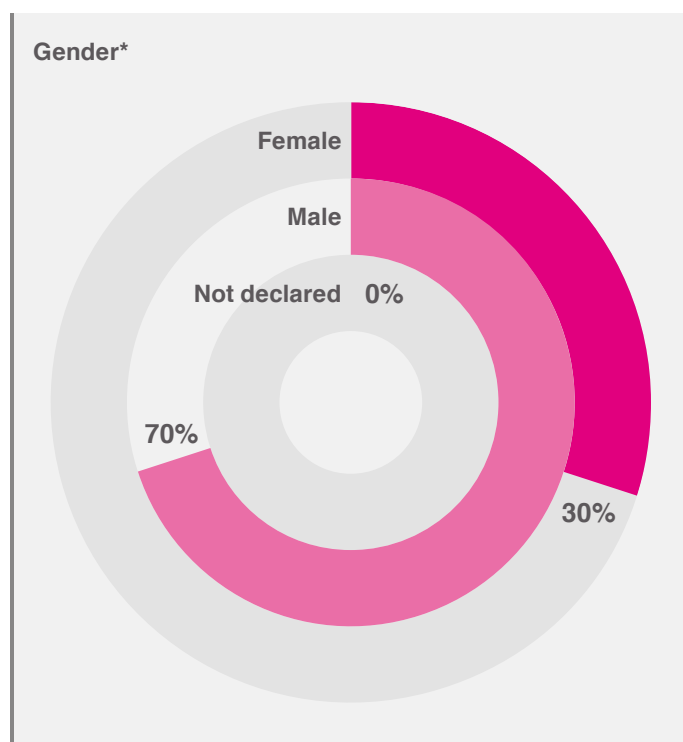
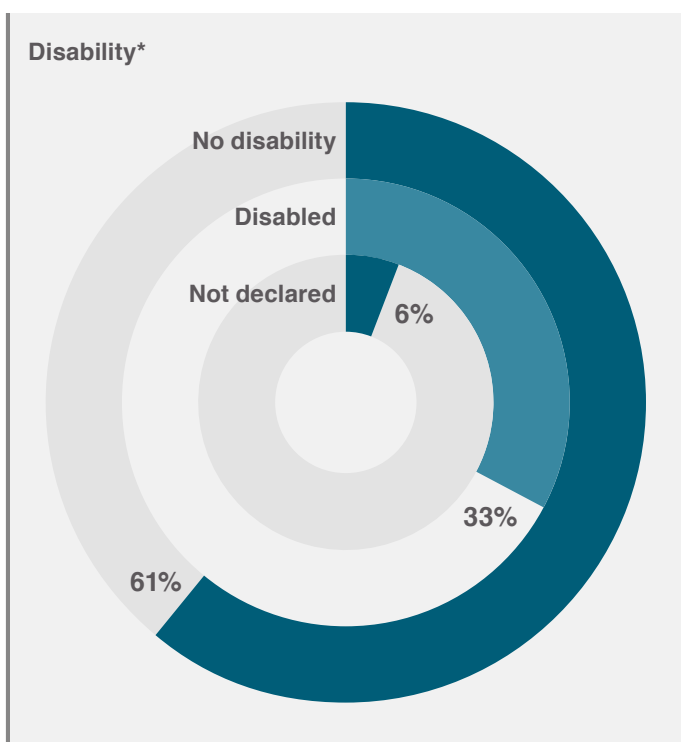
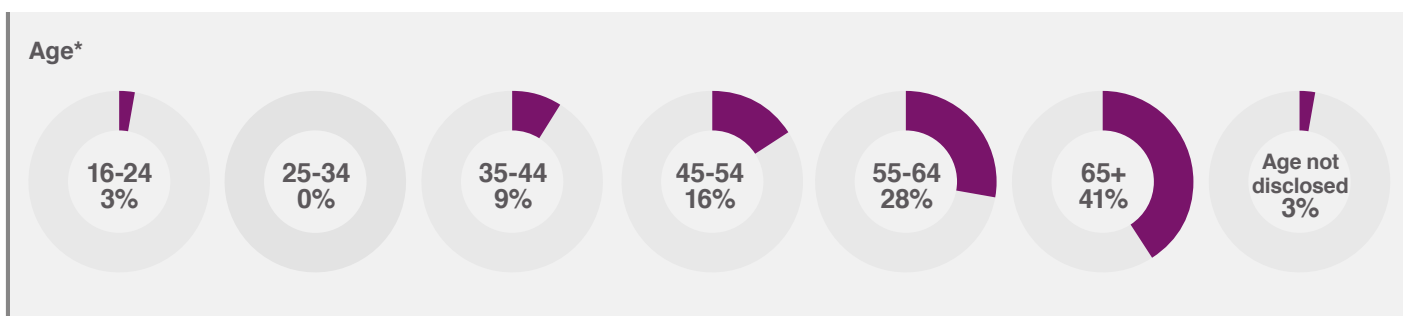
Our key findings show a pattern of HMRC addressing issues at a procedural level. There is still work to do in relation to the wider or potential systemic issues underlying the themes identified.



Equality monitoring survey



We continue to monitor our customer base following the introduction of the Equality Act in October 2010. The charts below show the percentage of people who chose to tell us about their age, if they identified as having a disability, and which gender they identified with. The majority of respondents are over 45 years old, with 41% over 65. A third told us they consider themselves to have a disability, and 70% of respondents identified their gender as male.



Our sample of responses is small. However, we continue to monitor the findings closely to ensure that no specific groups are disadvantaged.

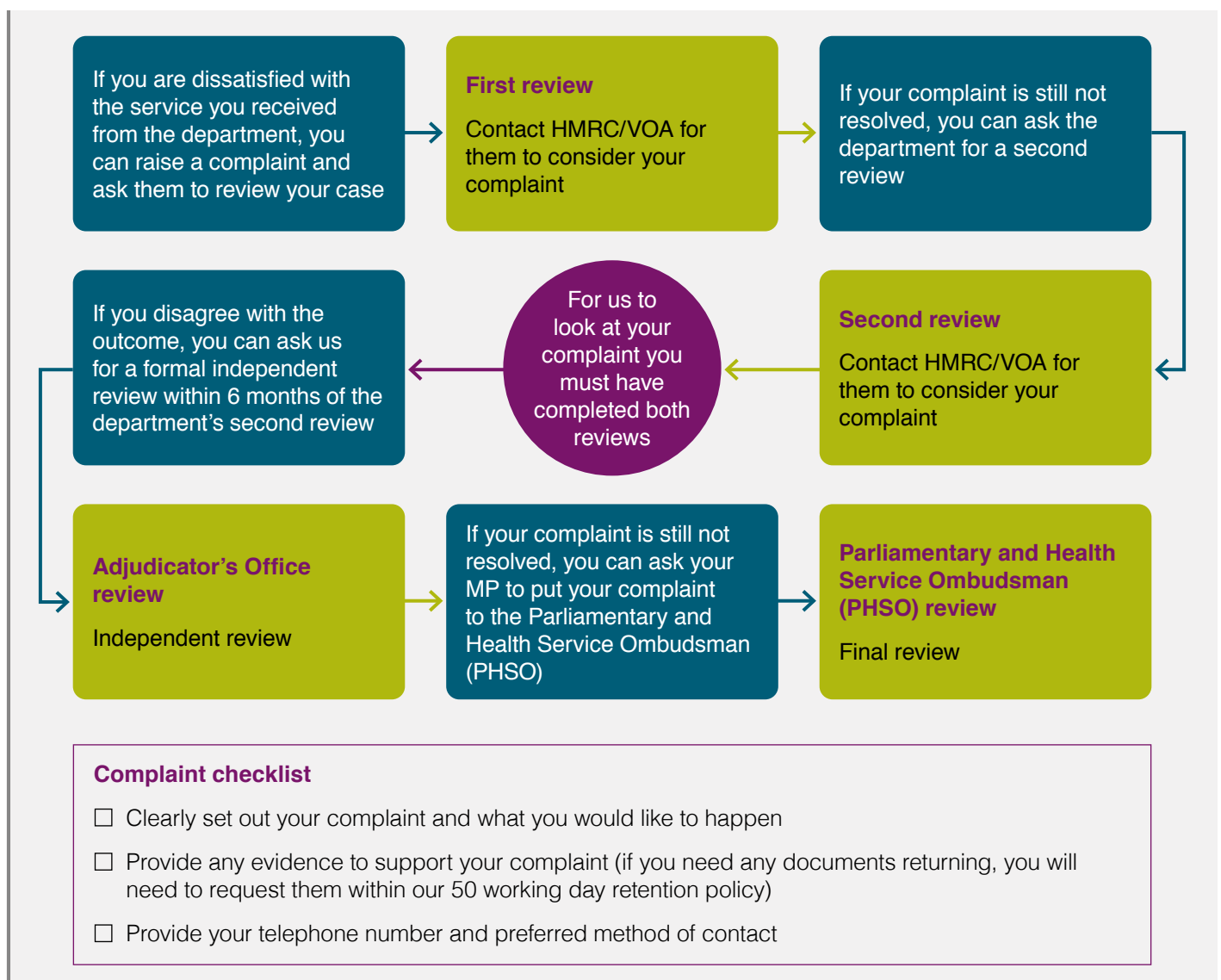
* Percentages have been rounded.



The complaint process

How to make a complaint

Information about the Adjudicator's Office service is on our GOV.UK pages. We can consider how HMRC, the VOA and the Home Office's Windrush Compensation Scheme have handled a complaint – whether they have followed their policy and procedure and made reasonable decisions. Where we think they have fallen short, the Adjudicator's Office will recommend what the departments need to do to put matters right. The Adjudicator's Office will feedback lessons learnt to HMRC, the VOA and the Home Office where we think this could improve their customer service. A similar process is in place for Adjudicator's Office reviews of Windrush Compensation Scheme decisions.



We do not usually accept cases that are received more than six months after the final response from the department.

If the complaint is something we cannot look at, we will explain why we will not investigate. If customers are dissatisfied with any one stage of the complaint process, they have the right to take the complaint to the next stage.

Investigation

- We review information customers send us.
- We carry out any necessary enquires.
- We reach a decision on whether or not the department did anything wrong.

Resolution

- We will make a formal decision on the complaint.
- This will include recommendations if the Adjudicator decided the department needs to put things right.
- We will write to our customer and the department explaining our decision.

The Parliamentary and Health Service Ombudsman

Once we have given our decision, our part in the complaint is over. If our customer believes their complaint has not been resolved, they can ask an MP to put their complaint to the Parliamentary Ombudsman.

3,606

enquiries received in 2019-20

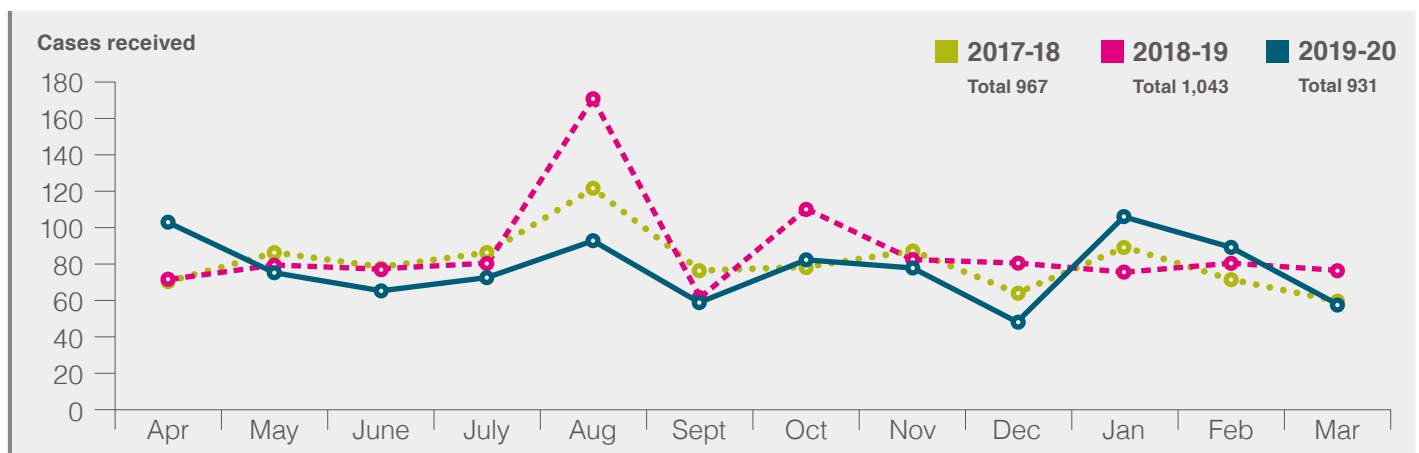
931*

new complaints for investigation or review in 2019-20

1,078

of all HMRC/VOA complaints, and Windrush Compensation Scheme complaints and reviews were resolved in 2019-20

*927 HMRC and the VOA, 4 Home Office Windrush Compensation Scheme from December 2019



The chart compares the number of complaints received by month for the years 2017-18, 2018-19 and 2019-20. It shows increases in receipts for the months of August, October, and January in each year. The increase in complaints received in January 2020 coincides with the introduction of our new online complaint system. The graph includes the totals for each year: 2017-18, 967; 2018-19, 1043; 2019-20, 931.



Workload 2019-20

Number of complaints handled

	2017-18	2018-19	2019-20
Cases on hand 1 April	630	393	322*
New cases for investigation	967	1,043	931
Cases resolved	1,204	1,120	1,078
Cases on hand 31 March	393	316	175

The chart above shows comparisons for 2017-18, 2018-19 and 2019-20 for cases on hand at the beginning of each year, new cases received, cases resolved and the number of cases on hand at the end of each year. It describes the year on year reductions in the majority of these over the past three years.

Complaints on hand by department

HM Revenue and Customs	Valuation Office Agency	Home Office	Total
163	10	2	175

The chart above shows the breakdown of work on hand at 1 April 2020 by department. It shows over 93% of our customers' complaints are about HM Revenue and Customs.

*In year reconciliation of reported 2019 figure

Outcomes

	Not upheld	Partially upheld	Substantially upheld	Out of remit	Total
HMRC	459	297	61	207	1,024
VOA	21	3	0	28	52
Home Office	1	0	0	1	2
Total	481	300	61	236*	1,078

The 'Outcomes' chart shows the breakdown of the outcomes of our investigation for HMRC, the VOA and the Home Office. For each department, most complaints were not upheld in 2019-20, but with a large number of partially and substantially upheld outcomes for HMRC.

Outcomes of investigations

	Recommendation	Out of remit	Total
HMRC	817	207	1,024
VOA	24	28	52
Home Office	1	1	2
Total	842	236*	1,078

The chart shows the split between decisions which are within our remit (recommendations) and complaints out of remit for HMRC, the VOA and the Home Office. For each department, most complaints were resolved by recommendation in 2019-20. Just over 50% of complaints about VOA were out of remit. A quarter of HMRC complaints were also out of remit. Of the two Home Office complaints, one was within remit and one not in remit.

*Out of remit includes 5 withdrawn



Redress (£)

	Worry and distress	Poor complaints handling	Liability given up	Financial loss	Costs	Total
HMRC	13,896	26,365	64,234	0	22,593	127,088
VOA	0	100	0	0	0	100
Total	13,896	26,465	64,234	0	22,593	127,188

The chart above shows the breakdown of the redress payments we recommended for HMRC, the VOA and the Home Office. This year redress payments were recommended under the headings 'Worry and distress', 'Poor complaints handling', 'Liability given up' and 'Costs'. We recommended the majority of the payments for HMRC.

Stakeholder feedback



Jim Harra
First Permanent Secretary and Chief Executive, HMRC

The valuable feedback and insight received from Helen Megarry and her team over the past year continues to support HMRC in improving our complaints service and customer experience. We are committed to learning from the feedback provided by the Adjudicator in her Annual Report and thematic reports, as well as other sources of customer insight. We are working to improve all elements of our service, including process, customer communications and internal culture.

The number of HMRC complaints received by the Adjudicator in 2019-20 reduced compared with the previous year. We have though seen an increase in recent months, and are looking at the reasons for that increase. The proportion of complaints upheld in part has also increased, and we will work with the Adjudicator and her office on further improvements to our complaints handling service.

Over the past year HMRC has taken a number of steps to respond to the Adjudicator's feedback. A Complaints Insight Board was established in July in recognition of the need to address strategic issues arising from complaints more effectively and embed learning from complaints, which is helping to raise the visibility and promote the importance of learning from complaints. Both the Adjudicator and Head of Office attend Board meetings. In addition, HMRC published a formal response to the Adjudicator's last Annual Report and will publish a response to this one.

We continue to focus on improving customer experience by taking forward the actions set out in our published response to the Adjudicator's 2018-19 report. This includes a new approach to complaints handling which is being piloted. There are also a number of programmes in place to support staff in being customer focussed, which will help us bring about the desired shift in organisational culture.

HMRC has also made progress in ensuring there is digital access to the Adjudicator. In the summer the Adjudicator's Office website went live on GOV.UK providing clear signposting to customers on when and how to escalate complaints. HMRC has developed a secure digital channel to allow customers to contact the Adjudicator's Office by email. This service launched in January 2020 and is proving popular.

We recognise that there is always more we can do, and are committed to continuing our close working with Helen and her team. More recently in response to COVID-19, HMRC is working closely with the Adjudicator's Office to ensure that customers continue to have access to an efficient and effective complaints process.



Melissa Tatton
Chief Executive,
Valuation Office Agency

The Valuation Office Agency greatly appreciates the insight provided by the Adjudicator's Office. Their feedback and recommendations enable us to continue to develop and improve our service to customers. Although only three investigated cases were upheld by the AO last year, we value the feedback on all cases allowing us to identify themes to inform our work going forward.

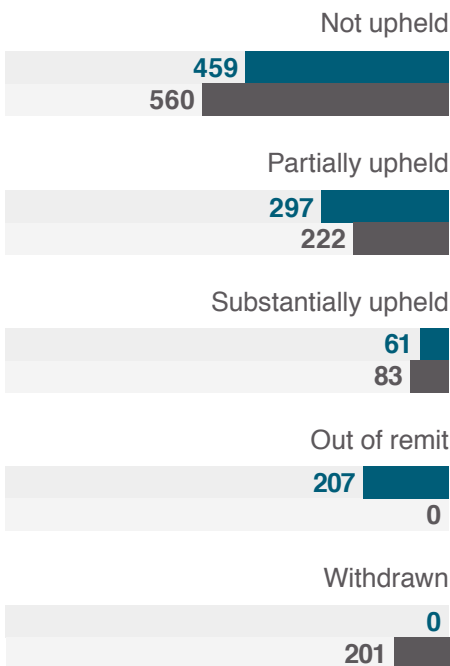


Shona Dunn
Second Permanent Secretary,
Home Office

I am extremely grateful to the Helen Megarry, Jane Brothwood and everyone in the Adjudicator's office for agreeing to take on the independent review of decisions and complaints under the Windrush Compensation Scheme. The independent review process is an essential part of the independent oversight of the Scheme and helps build confidence. I know how much work has gone into setting up the systems and processes that support the independent review process and I pay tribute to Helen and her team for their expertise and patience as we worked through the issues together. At the time of writing, there have been three requests for an independent review. The Home Office is committed to learning the lessons of Windrush and I hope the advice and recommendations from Helen and her team will help us to do that.

HM Revenue and Customs

When we determine the outcome and learning from individual complaints, we consider the individual who complained to us, and also the implication for HMRC's wider service for all customers.



2019-20 Total 1,024
2018-19 Total 1,066

During the year the Adjudicator resolved 1024 complaints from HMRC customers. Overall the number of complaints partially or wholly upheld increased to 44% (from 35%), and for tax credits the upheld rate increased to 46.4% (from 42.8%).

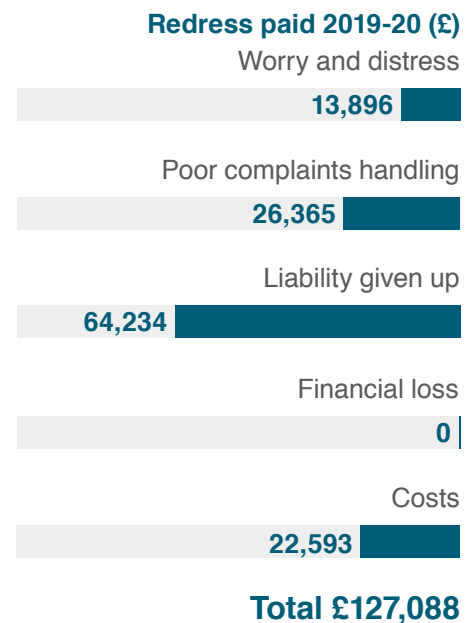
The Adjudicator continues to stress to HMRC that a focus on a target based numeric system will not encourage a forward-looking culture of learning from complaints. We welcome efforts to change HMRC's complaints resolution measures toward focussing more on customer experience as a necessary condition for putting the customer at the heart of their work.

The case studies highlight the variety of issues the Adjudicator reviewed and the complaints resolved. HMRC accepted the Adjudicator's recommendations.

The chart on the left shows the comparison of 'Not upheld', 'Partially upheld', 'Substantially upheld', 'Out of remit', 'Withdrawn', and 'Reconsidered' resolutions for 2018-19 and 2019-20. It shows an increase in the proportion of cases upheld in 2019-20.

The chart on the right shows the breakdown of redress payments we recommended HMRC pay to their customers. 'Liability given up' made up the largest figure in 2019-20 followed in order by 'Poor complaints handling', 'Financial loss', and 'Worry and distress'.

Where appropriate we recommend HMRC pay a monetary sum to customers in recognition of the poor level of service they received, and any relevant costs. The graph below shows the sums recommended this year.





Case study 1: Premature complaint

Issues

Ms A disputed an underpaid amount of Self Assessment income tax with HMRC on five occasions – December 2018, three times in January 2019, and February 2019. HMRC replied in January 2019, February 2019, and March 2019 respectively.

Ms A wrote to us in April 2019 because HMRC had not resolved the matter. In addition, HMRC had missed four opportunities to either resolve the matter or investigate it through their formal complaints process.

Investigation

By the time Ms A approached us, HMRC had registered a complaint at their first level of review and contacted Ms A. A formal decision on her complaint had not been made.

As HMRC had not given a formal decision on her complaint, it was not ready for us to investigate. However, her experience provided useful feedback for HMRC on the way Ms A's complaint had been handled and for customers in similar circumstances.

Decision and feedback

We informed HMRC that Ms A had contacted us and that we could not investigate her complaint. Because of the amount of correspondence in the case, we recommended HMRC review their response at a higher level. We also advised Ms A that she could escalate her complaint to the Adjudicator's Office if she remained dissatisfied when HMRC had responded.

We advised both Ms A and HMRC that if the matter returned to us, we would, at least, partially uphold her complaint because of HMRC's poor complaint handling.

HMRC's failure to focus on customer need and follow complaints handling guidance resulted in customer frustration and delays. This creates a loss of customer confidence in departmental complaints processes, which are intended to resolve the issue. The loss of trust and frustration, together with the resources required to put things right at a later date, outweigh the costs of following the complaint process and escalating the case at the first opportunity.

“I would like to thank you for dealing with our concerns in a highly professional way and treating us with dignity and respect.”

Customer

Case study 2: Premature complaints

Issues

Mr B disputed underpaid tax that HMRC started to collect through an amended tax code. The amendment meant that he paid more tax directly through his employment, each pay day.

He wrote to HMRC with evidence that he did not owe the underpaid amount because he had repaid his employer some of his income before the end of the previous tax year. This meant the data HMRC had used to calculate the tax was incorrect. Mr B's view was that he had paid the correct amount of tax and his tax code should be amended to stop collection through his monthly earnings.

HMRC accepted Mr B's evidence and sent him a letter to give to his employer. The department asked the employer to send a correction to their company's Pay as You Earn tax records to HMRC.

The employer did not change his tax code, and Mr B continued to pay the incorrect amount of tax each pay day. He wrote to HMRC twice more before the matter was treated as a complaint.

Investigation

Although his employer had not sent a corrected record, HMRC removed the underpayment from Mr B's tax code for the current year. This stopped additional collection of the debt but did not mean the amount was not due for payment. HMRC's first complaint response letter to Mr B said HMRC could do nothing further.

Mr B wrote to HMRC again the following month. HMRC treated this as 'subsequent correspondence' and did not escalate the complaint to the next stage of their process. HMRC wrote to Mr B to say it had spoken to the employer who had agreed to send a correction.

Six months later, Mr B wrote to HMRC again because the matter had still not been resolved. HMRC again treated this as subsequent correspondence. The following month HMRC wrote to Mr B, saying he should contact his employer to get them to send the correction required. HMRC also decided that recovery of the underpayment, which remained on Mr B's record, would be recovered through a restriction in his tax code for the next tax year.

Decision and feedback

Although HMRC had not given a second formal decision when Mr B wrote to us, we decided to investigate this complaint because HMRC had more than two opportunities to resolve Mr B's complaint. HMRC had treated his letters as subsequent correspondence instead of escalating the matter.

The decision to escalate a complaint belongs to the customer. HMRC's attempts to resolve the issue through their subsequent correspondence blocked the customer from escalating through the complaints process. Although the additional activity during the early part of the complaint process may have been well motivated, it demonstrated a lack of understanding of the purpose of a tiered complaint process. Where the customer does not get a satisfactory outcome at one stage of the process, the customer is entitled to escalate their complaint for review to the next stage. We partly upheld this complaint for poor complaint handling.



Case study 3: Policy formulation and application

Issues

Following an overpayment of tax credits, HMRC became aware Mrs C had mental health problems and obtained information about the impact this had on her to determine the appropriate way forward.

She subsequently had a further overpayment of tax credits, which became a debt for HMRC to collect. The mental health information held by HMRC did not automatically show on the records of this debt.

The debt was ultimately transferred to the Department for Work and Pensions (DWP) as part of the process of transferring historic debt for collection through Universal Credit.

Mrs C asked us to investigate her complaint about HMRC's handling of the matter, and in particular their lack of understanding of her mental health.

Investigation

In June 2018, because the customer was claiming Universal Credit, the debt was transferred to DWP. This was an automated process and DWP were not informed about the customer's mental health nor that they were considered to be a vulnerable customer.

When we queried this with HMRC they told us that there was no guidance that such information had to be shared with DWP.

HMRC referred Mrs C's debt to the DWP when her records were transferred to Universal Credit as part of a package of historical tax credit debt HMRC passed to DWP.

Decision and feedback

The Adjudicator upheld the customer's complaint and recommended that HMRC use this case to review how they identify and support vulnerable customers with debts, particularly those who are being referred to DWP under Universal Credit. HMRC agreed to contact DWP to withdraw the debt and write off the overpayment.

The requirement to transfer responsibility for collection of outstanding debts from HMRC's tax credits to DWP's Universal Credit has been a planned business activity for several years, which allowed time for HMRC to put policies and processes in place. However, we continue to see complaints because of gaps in guidance that should provide protection for vulnerable customers.

Customer experience of current processes shows a continuing lack of focus by HMRC on the needs of individuals caught up in the transition between the departments. Unless there is a balance between consideration of business and customer need there will be delays in creating and implementing policy and processes, to improve services for customers in difficulty. Such delays will inevitably increase complaints by customers who are impacted by the gaps in departmental policy.

“You have been brilliant and clearly outlined my issues and addressed them all in detail... I was very upset and emotional when I wrote my letter and had deep faith that there will be justice in the end. I feel finally this is the end of all stress I have been put through due to HMRC mistakes.”

Customer

Case study 4: Cross-departmental complaint

Issues

Mrs D left work due to ill health in November 2016 and contacted DWP on numerous occasions to ensure her pension forecast was correct. In March 2019, DWP told Mrs D that there was an error in forecasting her pension as the system had not recognised years when she had contracted out. This meant her forecast was showing incorrect figures and DWP contacted HMRC to investigate the issue.

HMRC gave a revised forecast in April 2019. This showed that Mrs D's pension forecast was lower, confirming that previous pension forecasts were incorrect.

Mrs D contacted HMRC in June 2019 concerned about the advice she had received from the DWP and HMRC since 2016. HMRC had told Mrs D that she did not need to make voluntary National Insurance contributions or claim National Insurance credits because she had enough National Insurance contributions to receive the full State Pension.

The DWP agreed to take the lead on her complaint and issued a response on behalf of the DWP and HMRC. HMRC did not notify Mrs D of this approach and apologised for this in September 2019.

Mrs D complained to the Adjudicator that HMRC did not address her concerns about the advice she received, and because neither they nor DWP took responsibility for resolving the issues raised in her complaint.

Investigation

HMRC's protocol for dealing with cross-departmental complaints with the DWP explains that where a complaint is about both departments, one department should take the lead and provide a coordinated response.

Mrs D's complaint involved both HMRC and the DWP. However, neither department took responsibility for the mistakes made in generating the pension forecast or advice she received from 2016 which left her with gaps in her National Insurance record.

HMRC could have taken responsibility for the complaint to ensure Mrs D received a timely, coordinated, and satisfactory resolution to her complaint.

Decision and feedback

The Adjudicator upheld this complaint.

HMRC failed to take responsibility for providing the customer with a coordinated and satisfactory resolution to her complaint.

HMRC and DWP are aware of a system error causing inaccurate pension forecasts. Neither department took responsibility for this and failed to provide a reason to the customer for the error. Nor did they take responsibility for addressing her concerns about the actions she took following advice she received from both departments which impacted her State Pension.

We also recommended HMRC review the complaint handling protocol between HMRC and DWP.



Ongoing/future losses

The department's redress guidance says HMRC will not pay redress for "hypothetical" losses. This has often been interpreted by HMRC so that they refuse to consider a customer's future or ongoing losses caused by departmental mistakes, where the amount of the loss cannot be determined until a later date.

In 2018, the Adjudicator raised the wider issue of ongoing losses with HMRC as the issue was raised in a number of complaints.

Although in June 2019 their Complaints Insight Board was unanimous in agreeing that it was unacceptable for customers to be left disadvantaged by departmental error in these circumstances. However, we continue to see more examples of unresolved future financial loss.



“I was very pleased with how things were handled. Thank you.”

Customer

Case study 5: Policy formulation and application/ongoing financial loss

Issues

Due to departmental error, HMRC failed to pay Mr E's National Insurance Contributions towards his pension. HMRC acknowledged the impact of their mistake, agreed to repay the lost contributions, and paid redress to compensate him for past loss of investment opportunity.

Mr E complained to us because HMRC refused to pay compensation for losses that would continue to accrue on the lost investment opportunity in future.

Investigation

Our investigation found that there had been departmental error which had resulted in Mr E having a shortfall in his pension contributions and subsequent retirement pension.

HMRC initially claimed that departmental Complaints Remedy Guidance excluded provision of redress for future, 'hypothetical' losses. HMRC failed to take ownership for losses incurred by the customer because of the department's actions.

Decision and feedback

We upheld Mr E's complaint because there was a clear ongoing financial loss to him due to a departmental error. HMRC continued to take the view that financial losses incurred in the future were hypothetical. Although true to an extent, as time passes such losses crystallise and actual, quantifiable losses accrue on a daily basis.

HMRC failed to make any provision for their customer to claim losses that would continue to arise in the future. As a result, they failed to put the customer back in the position he would have been in had they not made a mistake. We asked HMRC to arrange to make provision to pay redress in respect of losses that would continue to accrue and to inform the customer accordingly. In this case, the customer experienced ongoing delay in the department reimbursing him for financial loss incurred because of its error.

In Mr E's case the department did not contact him in the timeline we recommended, and we explained to him how to escalate his complaint to the Parliamentary and Health Service Ombudsman.



Case study 6: Ongoing financial loss

Issues

The Tax Credit Office (TCO) incorrectly advised Miss F to submit a claim for Universal Credit (UC) instead of paying her tax credits. By the time she found their advice was incorrect, she was then unable to make a new claim for TC because her postcode had been closed for new TC claims. As a result, she experienced significant, ongoing financial loss.

As a result of a complaint investigation, the TCO apologised for misadvising Miss F and paid £200 in redress to acknowledge her worry and distress, their poor customer service, and to cover any additional cost incurred. However, they failed to recognise the continuing financial loss she had incurred as a direct result of the TCO's mistake. Miss F experienced a lengthy delay and significant further loss while she sought resolution through our office.

Investigation

The TCO misinterpreted HMRC's redress guidance on future losses in their consideration of Miss F's complaint and the position the mistake had left her in. The Adjudicator upheld the customer's complaint and recommended the TCO pay an additional £250 in redress to acknowledge poor complaint handling.

We recommended the TCO compensate the customer for the financial loss already incurred and for losses that she would continue to incur because of moving to UC prematurely. However, HMRC has no policy or process in place to compensate customers who find themselves in a worse financial position from moving to UC because of a TCO error. We found that the failure to have a policy in place to cover customer loss in this situation was unacceptable and recommended the department take steps to resolve the issue for affected customers.

Decision and feedback

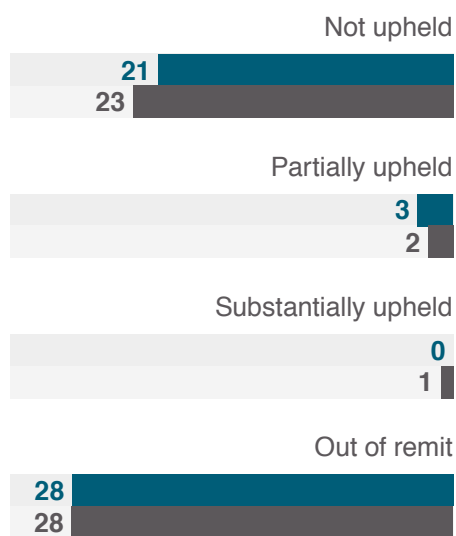
We recommended the TCO contact Miss F by an agreed date with a calculation of any loss already incurred. We asked them to inform us and Miss F when and how it would pay this to her. Despite general consensus that the current position is untenable, delays in deciding how to address this issue have, to date left Miss F, and other customers without redress.

HMRC need to put in place a process to compensate customers in the same situation as Miss F for any losses already incurred and any losses incurred on an ongoing basis because of a departmental error. We asked the department to keep customers informed on progress in reaching a resolution.

Valuation Office Agency

During 2019-20 we received 54 new complaints. We resolved 52 cases in total, we upheld 13% of these partially or wholly.

Outcomes



2019-20 Total 52
2018-19 Total 54

Of the cases we closed this year, most were about council tax and included concerns about the correct council tax banding of properties. The Adjudicator is unable to consider complaints about valuation judgements as these are outside of her remit. A large proportion were issues connected to business rates. Many of these were about the operation of the business rates system which, again, falls outside of the Adjudicator's remit.

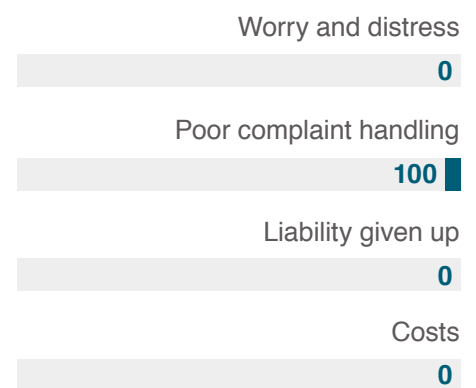
The VOA accepted all the Adjudicator's recommendations.

On occasion, the Adjudicator may recommend that the VOA pay a monetary sum to customers in recognition of the poor level of service they received, and other relevant costs.

The chart on the left shows the comparison of 'Not upheld', 'Partially upheld', 'Substantially upheld', 'Out of remit', 'Withdrawn', and 'Reconsidered' resolutions for 2018-19 and 2019-20. It shows 'Out of remit' customers make up the majority of cases that come to us.

The graph on the right shows that all redress paid was due to poor complaint handling.

Redress paid (£)



2019-20 Total £100



Case study 7: Policy and process/customer focus

Issues

Mr G complained to the VOA about the Council Tax band of his Mother-in-Law's house. Although he provided the VOA with evidence that he felt showed that the house should be in a lower band, the banding was not changed.

When Mr G wrote to the VOA the matter should have been treated as an informal band review. VOA made a mistake and treated it as a valid appeal to be heard by a tribunal. The informal route allows for a review of the evidence by the VOA, when the customer no longer has appeal rights.

At the subsequent tribunal hearing, the VOA successfully argued that Mr G's 'appeal' was invalid as it was outside of the legal time limits.

Mr G complained to the Adjudicator about the VOA's handling of his request to change the Council Tax band, the handling of the informal review and the subsequent tribunal appeal.

Investigation

As Council Tax bandings are appealable, within legal time limits, the Adjudicator was unable to investigate the issue relating to the Council Tax band.

Decisions made by a Statutory Officer of the VOA are also out of our remit, so we could not review the Listing Officer's assessment of the evidence provided by Mr G.

We investigated the VOA's handling of Mr G's complaint about the handling of the evidence, and the request for informal review and subsequent appeal.

Decision and feedback

The Adjudicator partially upheld the complaint. The VOA should not have accepted Mr G's document about the Council Tax banding as a valid appeal and allow this to proceed to tribunal. Furthermore, the VOA failed to recognise the agency's mistake – at tiers one and two of the complaints process – that is was wrong to accept Mr G's document as an appeal that could be heard by the tribunal. It was only as a result of our enquiry that this was identified.

We also shared learning from this case with the VOA. As the VOA accepted Mr G's document as an appeal, he attended the tribunal hearing expecting to have his concerns that the property was in the wrong Council Tax band heard. Instead, he found the VOA had put forward the argument that the appeal was invalid. Had the VOA treated Mr G's document correctly as an informal review, rather than an appeal, there would not have been a tribunal hearing for him to attend, and his expectations about appealing the band would have been managed and would have avoided the inconvenience and irritation for Mr G of attending the tribunal hearing for no good reason.

“In terms of lessons learnt, we really hope that the VOA will learn something from your report and reflect on its findings. Due to our total satisfaction with the service provided we will not be taking the matter further.”

Customer

Case study 8: Policy and process/customer focus

Issues

Mr and Mrs H were refunded overpaid Council Tax by their local council following a band reduction. They maintained that the original band had been in place due to a mistake by the VOA.

Because of this, Mr and Mrs H considered that they suffered a loss of compound interest on the overpayments since 1993.

In their replies to Mr and Mrs H, the VOA said it would not pay interest because the customer had not taken reasonable steps to mitigate the effect of the VOA's mistake.

Dissatisfied with the VOA's responses, Mr and Mrs H asked us to investigate.

Investigation

The VOA's valuation decisions are not in our remit to investigate. However, we can investigate the quality of explanations to customers about their decisions.

The VOA's Code of Practice (COP) for Complaints allows the VOA to reimburse a loss, provided there is a direct link to a mistake by the VOA. The VOA's original complaint decision letter to Mr and Mrs H considered financial compensation but told them no interest would be paid because the COP says: "We expect you to take all reasonable steps to minimise or mitigate the effect of any errors".

The VOA repeated this when Mr and Mrs H escalated their complaint for a second review by the VOA's complaints team.

Despite the link the VOA made between compensation and errors, we found that at no point did the VOA agree or tell Mr and Mrs H that the VOA had made an error. The COP is clear that where there is no error, the VOA cannot consider payment of customer costs (including interest). As a result, the VOA misled Mr and Mrs H into thinking payment of mitigated costs was possible in their circumstances.

The VOA missed this point in the COP when Mr and Mrs H's complaint was reviewed. Instead a standard response was given to customers who ask for compensation.

Decision and feedback

In our feedback to the VOA we explained that the starting point for considering mitigation of costs must be whether there is evidence of a mistake on the part of the VOA. We reminded the VOA that this is an issue that we have raised with them previously. We have explained it is inappropriate to refer to mitigation when there is no evidence of a mistake on the part of the VOA, and so no chance of payment of costs.

Once the VOA decide they have not made an error, it is good management of customer expectations not to introduce the possibility of resolution through another route. Doing so can cause an unnecessary escalation of the original complaint as both sides argue over a dead-end issue.



Our transformation programme 2016-2020

In our Business Plans 2016-18 and 2018-20 we set out our transformation plans for improving the service we deliver to our customers and the departments we adjudicate for.

Our business plans focused on four key areas:

- 1. Our customers:** we will improve the service we give to our customers
- 2. Learning from complaints:** we will use our insight and expertise to learn from complaints to improve services to customers (both the department and within the Adjudicator's Office)
- 3. Our people:** we will develop and engage our own people in order to benefit from their experience and potential; and
- 4. Our organisation:** we will transform the way we work, responding to the needs of our customers in order to become a more efficient and accountable organisation.

While we continue to look for ways to improve the service we deliver, we have now completed our transformation.

Our business plans linked directly to delivery of Our Role and Our Vision. Over the past four years, we have addressed the following:

Our customers

- Improved the service we provide to our customers, both in terms of quicker resolution time and the quality of the decisions we make.
- Enhanced our independence by taking full ownership of the

definition of a customer's complaint and improved our ability to self-serve evidence from departmental systems.

- Transformed our ways of working to one that is a digitally lead. This has helped us to improve our efficiency, enhance security of customer data and allow for more flexibility in the way we work.
- Improved accessibility for customers, working with departmental colleagues, introduced an online complaints' form and implemented secure email. The systems we have developed allow customers to both send us their initial complaints, and then have ongoing communication with us about it. Our online address is: www.gov.uk/government/organisations/the-adjudicator-s-office

Learning from complaints

- We are proactive in providing feedback and learning from complaints.
- Placed equal value on the resolution of an individual customer's complaint as we do on identifying learning to improve services for customers.
- We also improved the understanding of our role at all levels of the department – this has allowed us to have open discussions on our findings and improved understanding of the learning we provide on customer experience.
- Our focussed reports provide insight and potential learning points for the department on the value of welcoming complaints as a resource to improve customer services.

Our people

- Continued to develop our people as leaders.
- We engaged with our people throughout our transformation, recognising the positive inputs and unique insights they offered as key to our future success.
- Our people understand and are committed to our primary purpose (trust, fairness & improving customer service).

Our organisation

- Reduced our impact on the environment and our costs through reduction of our dependence on traditional paper resources, and of our need for business travel.
- Shifted away from process led activities, introducing broad standards that support the quality of our investigations and the independence of our investigators.
- We are an efficient and accountable organisation, we developed robust governance mechanisms to ensure effective and transparent use and management of all our resources.
- We are a strategic focused organisation with an external focus, forward looking to anticipate change and the impact of change.
- With our people, we agreed our organisational values and culture, adopting a culture of continuous improvement and development.
- Built our reputation as experts in the field of complaints resolution. The Adjudicator's insight is now sought both across Government and non-governmental organisations.

The role of the Adjudicator



The Adjudicator provides a free, impartial and independent service and investigates all complaints within her remit.

The role of the Adjudicator was created in 1993 to introduce an independent tier of complaint handling for HMRC and the VOA. Since December 2019 we have an independent role in the Home Office's Windrush Compensation Scheme.

The Adjudicator provides a free, impartial, and independent service. The Adjudicator's Office investigates all complaints within remit.

The Adjudicator continues to encourage improvements to the

quality of departmental complaint handling so that, only the most complex or more sensitive complaints are escalated to the Adjudicator's Office. The department can resolve complaints by using their discretion appropriately, but also by clearly articulating their rationale for decisions (with reference to the relevant legislation, policy, or guidance), so customers can verify the facts and better understand the process.

Our GOV.UK pages set out the issues that the Adjudicator can look at, and the boundaries to our scope of enquiry for both HMRC including the VOA, and the Home Office Windrush Compensation Scheme.

The Service Level Agreements underpin the role of our office in providing an impartial, proportionate, consideration of complaints without allowing either the customer or the departments to exercise undue influence over our investigations or the decisions we make.

There are no targets for the number of cases upheld and all final decisions on cases are made with the authority of the Adjudicator.

During 2019-2020, the Adjudicator was supported by staff in two locations: London and Nottingham. Most of our staff are specialist investigators.





Customer feedback

Feedback about the Adjudicator's Office

We always welcome feedback from customers as it helps us to review our service and seek improvement. In addition to compliments, we also consider:

Complaints about our service

During the year we received 16 complaints about the level of service we provide. A recurring theme related to decisions about complaints out of remit and our explanation of these decisions. We have shared this with our complaint handling process and provided workshops focused on remit decisions.

We apply the same approach investigating complaints about our office as for complaints about HMRC/the VOA and the Home Office.

Our GOV.UK website tells our customers how to raise concerns about our service – and this can be done through our new electronic complaints form. Our leaflet 'Complaints about our service' is also available on request.

Queries about Adjudicator's Office recommendations

The Adjudicator's Office does not reconsider cases because the customer does not agree with our decisions.

However, in some cases we can decide to provide a further response to clarify the recommendation.

In all cases, it is for the customer to decide their next course of action, including an approach to the Parliamentary and Health Service Ombudsman.

How we are organised

2020



Helen Megarry
The Adjudicator



Jane Brothwood
Head of Office



Clare Kirby
Investigations Manager



Sarah Doherty
Business Manager



Finance 2019-20



The Adjudicator is an independent appointment agreed by the organisations for which she adjudicates.

HMRC customers form the largest group of users of the Adjudicator's services. The Service Level Agreement between HMRC and the Adjudicator ensures staff, accommodation, equipment, and materials are supplied to enable her to provide an independent review of unresolved complaints.

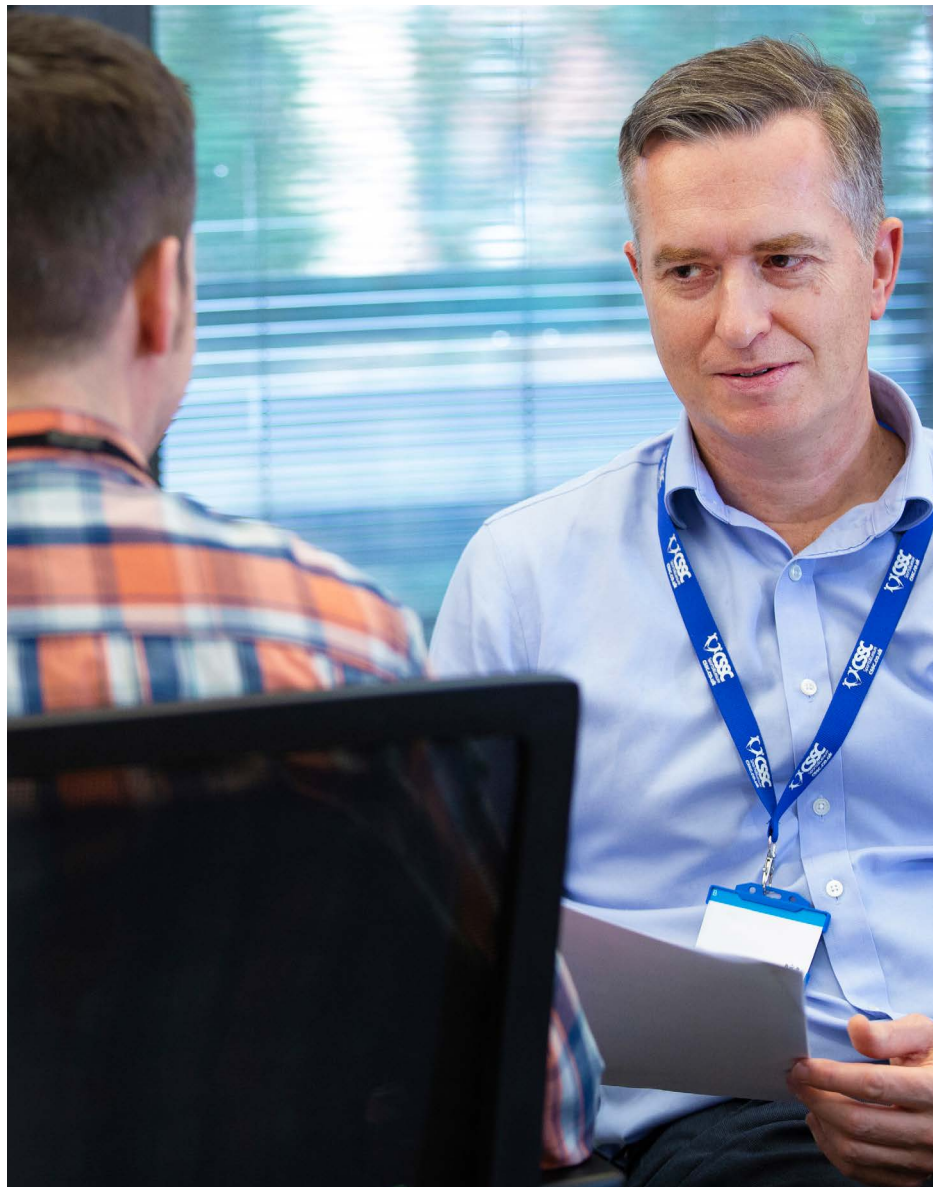
A funding agreement is in place between the Adjudicator's Office and the Home Office to provide resources for the Windrush Compensation Scheme.

The Adjudicator is an independent appointment agreed by the organisations for which she adjudicates.

A significant proportion of the underspend relates to staffing costs, as recruitment activity in late 2019-20 affected start dates of new colleagues. This has not had a major impact on office performance during 2019-20. We now have resources in place and are in a good position to manage the expected workloads for 2020-21.

The Adjudicator's salary is set by reference to the Ministry of Justice pay scales for judicial salaries Group 6.2.

Budget	Actual	Underspend
£2,555,882	£2,401,388	£154,494



How to contact us

Online

www.gov.uk/government/organisations/the-adjudicator-s-office

Post

The Adjudicator's Office
PO Box 10280
Nottingham
NG2 9PF

Telephone

0300 057 1111 between 9am and 5pm, Monday to Friday (except bank Holidays).

Please note that we are only able to help with complaints about HMRC and the VOA, and complaints and reviews for the Home Office's Windrush Compensation Scheme



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