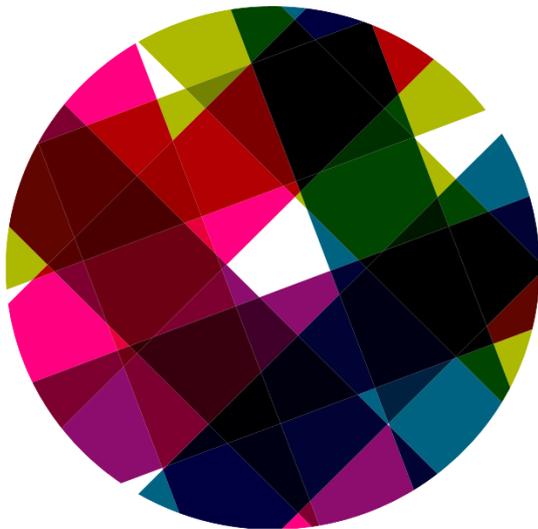


# Adjudicator's Office learning from complaints report April 2018:

## Delays

### Executive Summary



### Overview

One of the key reoccurring reasons for approaching the Adjudicator's Office is delays within HM Revenue and Customs (HMRC). This time our sample focused on those cases that we logged under our classification of 'Delay' on receipt from the customer. It is important to note that practically all cases will include a complaint about delays: we focused on those complaints where delay was the headline issue.

### Sampling

A sample of cases was taken from across HMRC business areas, where customers cited delays as their main reason for complaint. Each case was reviewed in full, including the complaint handling process.

We used our 6 complaint classifications to consider HMRC's handling of the complaints we reviewed:

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



## **Findings**

The majority of complaints sampled were matters that could have been dealt with simply within HMRC's processes. But delays, along with a perceived lack of empathy by HMRC, had fuelled customers to complain and to continue to escalate their complaint.

## **Customer service considerations**

Findings came under these classifications:

Customer Focus

Culture and Behaviours

1. The evidence showed that complaints about delays were mainly caused by perceived inefficiencies in HMRC's service delivery processes. The gap between customer expectations and experience was often caused by HMRC following a procedure, which the customer was not aware of, that did not require HMRC to send an acknowledgement or an update to the customer.

As a result the customer was left in the dark regarding new timescales that had been agreed internally, adding to their frustration and eliciting additional contact and complaint.



2. Acknowledgement of delay by HMRC was patchy, and many cases did not receive an acknowledgement that delay was a factor in the complaint before the Adjudicator became involved.

This shows an inconsistent level of customer service within the HMRC's complaints teams when considering their own effect on the customer. It is the cause of avoidable complaints about HMRC.

3. In some cases delays were caused by HMRC, but the blame was passed to the customer for not highlighting the issue sooner, often resulting in the customer feeling penalised.

4. With the introduction of I-forms and telephone complaints, and their published targeted deadlines, HMRC have raised customer expectations that complaints will be resolved within published timescales. However HMRC complaints statistics highlight the number of Tier 1\* complaint cases unresolved after 40 days significantly increased in 2017-2018 on a month by month basis.

*(\* HMRC and the Valuation Office Agency have a formal two tier complaints handling process, which must be completed before we can investigate a customer's complaint.)*

Overall the evidence showed that customer concern about delays can receive less emphasis from HMRC in their replies when compared to other issues. Often the initial complaint would not have escalated to us if suitable consideration and an empathetic approach had been expressed to the concerns about delay, whether those concerns were raised at the first instance by the customer or subsequently during HMRC's handling of the complaint.

## **Appeals and hardship cases**

The main findings were summarised into these classifications:

### **Policy and Process**

### **Communication**

1. The cases we reviewed included those centred on delays in appeals, meaning that customers missed their deadline to appeal. A significant factor was HMRC failing to identify the customer's letter within their process as an appeal in time for the deadline.

2. Another recurring issue identified from the sample was with HMRC's Tax Credit Office (TCO) overpayment cases, especially hardship cases. The customers were often informed of an overpayment following a number of years of thinking that their affairs were in order. HMRC staff followed their process and procedure to the letter in these cases, including



generic response letters and other scripted activities but scripted activities allow no discretion to adapt for an individual's personal circumstances.

3. Customers find the time their case waits in a queue for HMRC's consideration is more frustrating and inconvenient than delays made while HMRC is working on it. It is clear that well communicated reasons for a delay which occurs during processing is better received and understood by the customer. This is because they receive definite signs of progress, which is not as detailed (if given at all) during the waiting phase.

## Complaint Handling

This related specifically to the classification:

### Complaint Handling

1. HMRC internal measures of the age of complaints received from customers has 'over 40 days' as the category for the oldest complaints still not resolved. Analysis of evidence available to us showed that complaints from an MP on behalf of a constituent do not generally extend into the over 40 day measure. This shows customers receive a better level of customer service by complaining indirectly via an MP than directly to HMRC.



## Recommendations

- The importance customers place on having their frustrations about HMRC delay acknowledged and resolved is clear.
- HMRC do not address complaints about delays in replying to complaints as an issue to be resolved with the same rigor as dissatisfaction with process driven matters.
- Replies lack explanations or what steps will be taken to prevent a recurrence.
- There does not appear to be sufficient flexibility within systems to allow all first point of contact staff to resolve a customer's initial frustrations.



- The Adjudicator continues to press HMRC on seeing complaints as an opportunity to improve customer service, rather than narrowly focusing on technical outcomes.

