

SRA BOARD

9 July 2024

CLASSIFICATION – CONFIDENTIAL BEFORE PUBLICATION*This paper will be published***SRA Corporate Complaints November 2022- October 2023**

Reason for paper	This paper updates the Board on corporate complaints for the year 2022/23 including the Independent Reviewer's annual report.
Recommendations	The Board is asked to note: <ul style="list-style-type: none"> a) the Independent Reviewer's annual report 2022/23 (annex 1) and b) the key trends in complaints in 2022/23 and the areas of focus to improve our service.
Previous Board and committee consideration	We provide a report to the Board every year about the corporate complaints we receive and the Independent Reviewer's annual report. The last report came to the Board in April 2023.
Next steps	We continue to carefully consider the corporate complaints we receive, and to implement learning we identify to improve our service to customers.

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SRA Corporate Complaints November 2022- October 2023

Summary

- 1 This paper reports on corporate complaints for the year 2022/23 including the report of our Independent Reviewer (IR). It considers key trends seen throughout the period and areas of focus for our teams to improve our service to customers.

Background

- 2 We have a comprehensive three stage procedure for handling complaints made about our service. We are often able to resolve issues that arise quickly and informally when raised with us. Where this is not possible, Stage 1 complaints are dealt with by staff in the operational area in which the complaint arose. If the complainant remains dissatisfied, the concerns are escalated to Stage 2 and are dealt with by our central Corporate Complaints Team (CCT). This provides a fresh perspective on a complaint because our CCT is not attached to any operational department. Our complaints process is flexible and, in some circumstances, our CCT will proactively step in early and work with operational units to help ensure things get back on track quickly.
- 3 If a complainant remains unhappy, they can ask for an independent review at Stage 3. The Centre for Effective Dispute Resolution (CEDR) was appointed as our IR in 2018. The IR also undertakes an annual audit of our complaints handling function.
- 4 We would like to thank the IR for its annual report. It provides valuable feedback to us throughout the year which helps us to improve and develop our services. We are very grateful for all the work it does for our complainants in reviewing individual concerns, auditing our complaints work, and for its annual reports.
- 5 Our complaints process provides us with both insight into areas where we need to do more, and an invaluable opportunity to address areas of concern with people directly. How we respond individually really matters to us. We know from the feedback we receive that even when we are not able to give somebody what they have asked for, complainants value being heard and the opportunity to raise concerns although complainants may still remain dissatisfied with a regulatory decision the organisation has made.

Discussion

Number of corporate complaints November 2022-October 2023

- 6 We responded to 1,044 complaints about our service (781 Stage 1 complaints and 263 Stage 2 complaints). Our IR considered 83 complaints at Stage 3. Stage 1 and Stage 2 complaints have increased by 29% from 2021-22 or by

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16% from an average over the last three preceding years. The reasons for that are explained later in this paper.

Year	Stages 1 and 2	Stage 3
Nov 2018 - Oct 2019	815	57
Nov 2019 - Oct 2020	927	105
Nov 2021 - Oct 2021	972	74
Nov 2021 - Oct 2022	808	77
Nov 2022 - Oct 2023	1044	83

- 7 The table below is a breakdown of complaint volumes at Stages 1 and 2, broken down by business area.

Year	Investigations	Client Protection	Contact Centre
Nov 19-Oct 20	672	69	139
Nov 20-Oct 21	545	172	175
Nov 21-Oct 22	567	115	68
Nov 22- Oct 23	636	186	119

- 8 The table below shows the top three categories of complaint across the business (*a complaint can have several categories).

Year	Dissatisfaction with Outcome	Dissatisfaction with Process	Delay
Nov 2022-Oct 2023	604	247	234

- 9 For the preceding three years, the top categories have been the same: Dissatisfaction with the Outcome, Delay, and Unclear Communication. Dissatisfaction with the Outcome and Delay both remain in the top three again this year. However, Dissatisfaction with our Process was the second main reason for complaining. We received fewer complaints about Unclear Communication (including concerns about not keeping people updated, not replying to correspondence, and not explaining matters clearly). 134 complaints compared to 157 last year suggesting an improvement in that area.
- 10 During 2022/23, 95% of Stage 1 complaints were dealt with within our published service levels and 97% of complaints were responded to within our published service levels at Stage 2.

Key themes**Rise in Investigations team complaints**

- 11 We saw a 12% increase in investigation complaints from last year. Of the 636 complaints about our investigations work, 542 of those related to our initial

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assessment decision not to investigate issues reported to us. This represented 85% of complaints about our Investigations teams.

- 12 From 1 Nov 2022 to 31 October 2023 the assessment team made a significant improvement to reduce its waiting times for customers and reducing its work in progress. This was achieved using overtime, additional resource, and improved ways of working. This meant the assessment team completed 11% more matters during the year compared to the previous year. The rise in complaints is therefore broadly proportionate to the additional work completed.

Assessment and Early Resolution Team cases dealt with 2018-2023

	2018/19	2019/20	2020/21	2021/22	2022/23
Total concerns received	10,576	9,642	10,358	10,121	10,963
Total concerns dealt with	9,649	9,375	9,329	9,972	11,137

- 13 We also know from our work, and the IR's report, that decisions not to take regulatory action when a report is made is a key area of dissatisfaction for the general public. Further, it is the area where complainants are most likely to go through all three stages of our complaints process because, as a regulator, we cannot simply resolve these complaints by providing complainants with the resolution they personally want. It is therefore not unexpected that we should receive a higher number of service complaints in this area when we have made more than 1,000 additional assessment decisions in the year 2022/23.

Improvement work in our Investigations teams

- 14 Recognising we needed to do more to assist complainants to understand the types of matters we will investigate, we updated our website in November 2023 to give further details of how we assess reports made to us and to provide further information of the types of matters we are likely to investigate. In May 2024, we supplemented this new information by also providing a suite of case studies. We are also currently exploring other ways of communicating these messages.
- 15 In January 2023, the investigation teams moved into the development and delivery phase of a continuous improvement programme with the aim of improving consistency, streamlining processes, reducing delay, and delivering improvements in the quality of our decision making and our levels of customer service. We have seen a downward trend in the number of upheld complaints of delay in our investigations teams over the last few years. In 2020-21, there were 62 justified delay complaints, 56 last year and 44 this year. The Board has been separately updated on the improvement programme which includes a new protocol providing guidelines for staff to provide consistent, timely and meaningful updates to all parties in an investigation. The team is also working

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on a new protocol which will include additional guidance and templates for closure letters. This will further improve our approach to supporting complainants to understand the issues we have and have not investigated, the reasons why, and the conclusions we have reached.

Increase in Client Protection workload

- 16 There has been a significant increase in the volume of work undertaken by the Client Protection teams during 2022/23. The number of interventions increased from 25 in 2021/22 to 65 (260% increase) which included the substantial intervention into the Metamorph Group (Metamorph) in December 2022.
- 17 When we intervene into a firm, we take into our safe custody all the files that were held by the firm on the day of closure. In January-December 2022 the team collected 353,735 files for safe keeping. In January-December 2023, the team collected 1,480,768 files; more than a 400% increase.
- 18 As a result of the increase in interventions and the large scale of the Metamorph intervention, the volume of compensation fund claims increased from 1,242 in 2021/22 to 2,552 in 2022/23 (up 205%).
- 19 While recognising the increase in complaints, the volume increase is proportionately lower when considered against the increased volume of work.
- 20 Of the 168 Client Protection complaints, 110 related to Intervention Archives, 41 related to Compensation Fund applications and 17 related to the Intervention & Statutory trust teams.
- 21 For the Intervention Archives team, most of the upheld complaints related to customer dissatisfaction concerning a delay in locating a file and a smaller number where the client had been told we did not hold the file that they were looking for.
- 22 For the Compensation Fund complaints, upheld complaints related to the outcome, a delay in processing the claim or not being kept informed on the progress of the application.
- 23 Our Intervention Archives work is contracted to Capita and we have been working with them to increase the staff numbers and the facilities that they have to index, process and store files received.
- 24 Within the Client Protection Compensation Fund teams. additional staff have been recruited to increase capacity in the team and help improve the progression of applications, and the customer service we offer. This should help reduce the number of complaints we receive going forward.

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CLASSIFICATION – CONFIDENTIAL BEFORE PUBLICATION**Rise in Contact Centre complaints**

- 25 The monthly average of Stage 1 and Stage 2 complaints relating to our Contact Centre in November 22- March 23 was 6.8 a month. However, during the period April-October 23 this rose to 12.14 (a 79% rise). This was because of two key activities that took place: the return of the Keeping of the Roll exercise and the new implementation of an extra security measure on MySRA accounts using Multi-Factor Authentication. Some customers expressed dissatisfaction about having to go through the processes and the payment of an administration fee in relation to the Keeping of the Roll. Both activities are important for the integrity of our data and learnings from these complaints were reported to the project groups to consider improvements going forward.
- 26 The team continues to actively monitor themes from service complaints, alongside other customer feedback, to make improvements. All new and existing staff receive frequent training on complaints to make sure they are effectively capturing customer's concerns.

Accessibility and fairness

- 27 We received 27 Stage 1 complaints about bias and 20 Stage 2 complaints (4.5% of total Stage 1 and Stage 2 complaints). We upheld one complaint of perceived bias. We were satisfied the decision we made was fair and we had not discriminated against the complainant. However, we understand why the complainant perceived we had been unfair because we repeated the solicitor's explanation in the closure letter without being clear it was the solicitor's explanation. Feedback was provided for learning.
- 28 We considered 55 complaints of discrimination in the year (5.3% of total Stage 1 and 2 complaints). Across Stages 1 and 2 we considered 2 age, 22 disability, 1 pregnancy and maternity, 22 race, 3 religion and belief, 3 sex and 2 sexual orientation discrimination complaints.
- 29 Again, we found no evidence of discrimination but we partially upheld 4 complaints (2 at Stage 1, and 2 at Stage 2) on the basis that we made errors in our processes, either by not offering Reasonable Adjustments at the earliest opportunity, or making errors when trying to supply Reasonable Adjustments such as providing inaccessible links and not calling back a customer when they were promised a call. Otherwise, neither we nor the IR upheld any of the other discrimination concerns.
- 30 We have identified learning from these complaints and over the year we have updated our policy on Reasonable Adjustments and provided new guidance and training for our staff. We have also rolled out training to operational staff to emphasise the importance of rigorous evidence-based decision-making and good customer service to minimise perceptions of discrimination.

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Supporting information

Links to the Corporate Strategy and/or Business Plan and impact on strategic and mid-tier risks

- 31 Our corporate complaints process supports strategic priority four: We will be an authoritative and inclusive organisation, meeting the needs of the public, consumers, those we regulate and our staff

How the issues support the regulatory objectives and best regulatory practice

- 32 The issues discussed in this paper support the regulatory objective to protect and promote the public interest and the Better Regulation Principles of transparency, accountability, and proportionality.

Public/Consumer impact

- 33 Our corporate complaints reporting at all stages helps us to better understand the experience of the public and businesses that use our services and learn where we can make improvements.

What engagement approach has been used to inform the work and what further communication and engagement is needed?

- 34 The IR's Annual Reports are published each year by us and the IR and we use its feedback to improve our service.

What equality and diversity considerations relate to this issue?

- 35 This paper covers complaints about bias and discrimination within our services, setting out what we are doing to address any issues.

How the work will be evaluated

- 36 Areas to focus on to improve our service are considered in this annual report to the Board.

Annexes

- Annex 1 The IR's annual report 2022/23**