

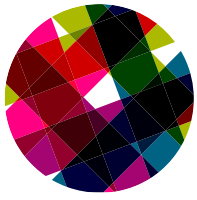


annual report 2018



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Our Role and Vision

 **25 years**
1993 - 2018
Adjudicators Office

Our Role

The Adjudicator's Office:

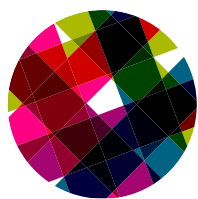
Independent complaint handling, providing customers with a high level of service. We give HM Revenue and Customs (HMRC) and the Valuation Office Agency (VOA) the opportunity to learn lessons and make improvements.

- 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 the departments to learn from complaints and 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, and is
- Responsive to customer needs.
- Insight from complaints improves services for customers



The Adjudicator's foreword

This annual report covers my second year as independent Adjudicator for HMRC and VOA. We are well into our own change programme, transforming the way we work to: improve customer service particularly in the investigation of individual complaints; and to support the department in providing effective complaint handling and learning from complaints to improve services for customers. I would like to thank my team for their hard work and commitment that helped us achieve our successes this year.

There were 967 complaints escalated to my office in 2017-18 (of which 24 are VOA cases). This is a 15% decrease on complaints received in the previous year and includes a significant reduction in the number of cases being referred to us about tax credits.

The percentage of HMRC cases upheld by the Office in 2017-18 was 39% versus 41% in 2016-17. This rate has been steadily reducing from a high of 85% in 2014-15.

We investigated 23 complaints against the VOA, none of which were upheld. We completed all of our investigations within our corporate performance objective of 10 months. As part of the transformation of our service we made changes in arrangements for handling these cases mid-year: this had an impact on normal levels of throughput which we will restore over the coming year.

During the year we developed a new Service Level Agreement, setting out the terms of reference between the



“I continue to raise the importance of organisational culture in both sustaining effective complaint handling and learning from customer feedback.”

Helen Megarry
The Adjudicator

Office and HMRC/VOA. This sets out the terms of our role and remit and the extent of the independence of myself and the Office. This provides transparency about our relationship with the department, and clearer explanation of what we can and cannot do. The new agreement should improve understanding of our role within the department, which should both enhance efficiency and enable collaboration where that will help us to achieve better outcomes for customers.

There are signs of continued focus on improving complaint handling in the department. However, in practice the benefits and principles of good complaint handling and learning are not fully understood throughout either organisation. This is apparent in the way in which individual complaints are handled. Although there are business areas demonstrating consistent improvement and evidence of good practice, more needs to be done to consolidate that across the board. Anyone accessing any part of the complaint process should be able to expect a similar level of service, focussed on putting things right when they have gone wrong. That is not currently always the case.

We have provided insight, from the perspective of future complaint handling, on a series of issues being addressed by HMRC. We continue to work with both HMRC and DWP in preparation for complaints arising from the mass migration of Tax Credit to Universal Credit. We have also provided insight into the handling of

Complaints resolved
in 2017-18

1,204

 **25 years**
1993 - 2018
Adjudicators Office

**Average time
to resolve a complaint**

10.4

months – 2015-16

9.7

months – 2016-17

7.5

months – 2017-18

emerging issues of complaint across the department's areas of responsibility. We welcome HMRC's proactive engagement in these issues as, if developed further such practice will help to ensure sustainable effective complaint handling.

We continue to feedback on learning from individual complaints. Although suggestions for learning, particularly in relation to process or policy issues through this channel are generally well received there is evidence that changes are not always fully implemented or embedded. On several occasions this has led to us revisiting issues and recommending follow up action that would not have been necessary had effective action been taken initially.

We are seeking other methods for identifying and feeding back on thematic issues. Although we are still building our capability in this respect we have reported to HMRC on the lessons to be learned from customer experience of Tax Credits and complaints about delays across HMRC as a whole.

I continue to raise the importance of organisational culture in both sustaining effective complaint handling and learning from customer feedback. We consistently see elements of HMRC's culture impacting on their initial interaction with customers, their complaint handling and the action taken on feedback. This manifests in attitudes to customers, communication style and decision making.

Following consultation with the department we have developed a system to provide feedback that extends the learning available from an individual complaint. This involves capturing the customer's experience of their interaction with the department and identifying the elements of that interaction that may drive dissatisfaction. The feedback goes beyond the strict terms of our remit and need not relate specifically to whether or not a complaint is upheld, and is designed to support the department in transforming its own relationship with its customers.

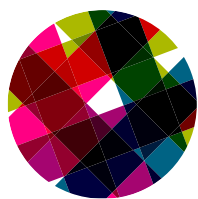
We have seen increased interest in and engagement with our feedback over the year. More is needed to develop mechanisms for feedback and ensure that effective action is taken. This is particularly the case where the solution to systemic issues cannot lie within a single business area. Although in many cases customer dissatisfaction stems from a particular policy or process, sometimes the problem lies with

quality of decision making, or cultural or communication issues, those are not easy to address and may require systems level responses. More needs to be done to give visibility to clear accountability for decision making and oversight of appropriate action in such cases.

Both HMRC and the VOA are in the process of significant transformation themselves. Complaint handling is conducted in the wider context of competing priorities and restricted resources. Regardless of that it is a part of my role to hold them to account in providing a service to customers that meets the standards that they set themselves. Although improvement has been made, there is further to go in building effective and sustainable complaint handling and the systems to properly listen to customers and learn from complaints. We will continue to support and work with the department to identify and make improvement. I encourage them to continue to invest in sustainable improvements to complaint handling to access the full benefit of listening to their customers' feedback to improve service.



Helen Megarry
The Adjudicator



Office update



“Our focus for the next two years will be to develop a greater role in supporting the department to improve complaint handling and broader customer service.”

Jane Brothwood
Head Office

In this 25th anniversary year the Adjudicator's Office successfully achieved all our 2017-18 corporate performance objectives:

- No cases over 12 months old;
- By March 2018, no cases over 10 months old
- Achieve a sustained average complaint resolution of less than seven months.

These are significant achievements as the above milestones have not been realised for at least a decade.

As a result we now have fewer than 400 cases on hand, which puts us in, possibly, the best overall position in the 25 year history of the Adjudicator's Office.

As Helen mentions, our focus for the first two years of our transformation has been individual complaints, implementing huge changes to significantly improve our customer service. Our focus for the next two years will be to develop a greater role in supporting the department to improve complaint handling and broader customer service, and deliver the next stages of our purpose and remit - learning from complaints to improve complaint handling and using our insight to improve services to customers.

Learning from complaints: As we reduce the backlog of complaints on hand, and as we committed to in our role and purpose (endorsed by HMRC's Board), we intend to focus more on learning from complaints. This will both improve complaint handling and customer service in the Adjudicator's Office and support

changes across the wider HMRC and VOA.

During quarter four of 2017-18, we began production of a new regular report to HMRC/VOA, which incorporated our classifications

The first two highlighted learning points from the complaints we have investigated:

- Our first report, published with January's update, focused on tax credits complaints. We chose this area based on the proportion of complaints received; however, the learning could and should be applied across all HMRC business areas.
- Our second report focused on complaints where delay was a key contributory factor in the complaint and was taken from customers of all areas of HMRC/VOA.

We also developed quality standards for our investigatory work. We shared these with colleagues across the wider department to help them improve complaint handling.

In consultation with our people, we developed and agreed our four core values:

- Dynamic
- Respect
- Integrity
- Professional

Work has been ongoing throughout the year to develop our understanding of these four values and to develop our organisational culture. This will continue on into 2018-19.

Our key objectives for 2018-19 are:

- Become a learning organisation, taking a flexible approach to the way we work, to provide service improvements to internal and external customers
- Develop our capability, capacity and tools
- Further embed our values through developing our people and our leadership.

As a result, we will:

- Continue to have no cases over 10 months*
- Aim to have no cases over nine months old by 31 March 2019*
- Resolve complaints, on average, within six months by 31 March 2019*

(*We will continue our approach of allowing the appropriate length of time to investigate each individual complaint, rather than be driven by targets.)

During the year we recruited 18 new people to the office, joining us from HMRC and across the Civil Service. We also successfully promoted seven of our own people. We ended the year with the equivalent of 59.3 full time employees compared with our forecast of 60.

I am proud of the team and how well they have responded to the challenges we set in 2017-18. Responses to the Civil Service People survey indicated the Adjudicator's Office is amongst the highest performing teams across the Civil Service.

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 13 complaints about the level of service we provide.

These were about a number of different issues particular to a customer's circumstances, but the majority were about the length of time taken to begin our investigations. While this number is lower than previous years, our aim is to provide a service that customers are satisfied with.

Over the coming months we will be looking critically at all of our processes and how we work in order to improve customer service. However, the fact remains that the Adjudicator's Office carries out detailed investigations.

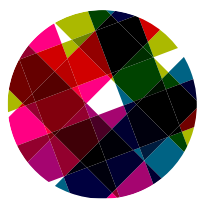
These usually require contact with the customer and the department, as well as independent research. They are not a 'quick fix' and our investigations can take time to conclude. Because each case is different and needs to be investigated on its own merits we cannot predict how long each investigation 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 recommendation

The Adjudicator does not want to delay the resolution process for those customers who do not agree with her. 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 of the Adjudicator's recommendation letters clearly explain the process for referring a case to the Parliamentary and Health Service Ombudsman if the customer remains dissatisfied.



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 HM Revenue and Customs (HMRC), the Valuation Office Agency (VOA) and, at that time, The Insolvency Service.

Over the past year, we have worked with HMRC and VOA to update the Service Level Agreement with the Adjudicator's Office.

The new agreement applies for all new complaints received by the Adjudicator's Office from 1st June 2018.

As highlighted earlier, the core purpose of the Adjudicator and AO is to:

- Resolve complaints by providing an accessible and flexible service and make fair and impartial decisions
- Support and encourage effective resolution throughout the complaints handling process
- Use insight and expertise to support HMRC to learn from complaints and improve services to customers.

The Adjudicator's vision, supported by HMRC, is to work closely together using the AO's independent insight and expertise to achieve the following positive outcomes for our customers:

- Complaints handling is trusted as fair and responsive to customer needs.
- Insight from complaints improves services for customers.

While there are some areas that the Adjudicator cannot consider, such as disputes about aspects of departmental policy and matters of law, she can look at complaints about:

- Mistakes;
- Unreasonable delays;
- Poor or misleading advice;
- Processes – including those surrounding an individual ADR;
- Whether a policy has been followed;
- Inappropriate staff behaviour (subject to paragraph 5.11);

and

- The use of discretion

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

During 2017-18, the Adjudicator was supported by staff in three locations: Derby, London, and Nottingham. As mentioned in last year's report, during 2017-18, we started to integrate our Derby colleagues into our Nottingham office and from April 2018 they permanently joined teams in Nottingham.

The majority of our staff are specialist investigators.

Learning from complaints

The Adjudicator's Office role is three-fold:

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

A vital part of the Adjudicator's role is to support the wider department to learn from complaints and for the next two years we will develop a greater role in supporting the department to improve complaint handling and broader customer service,

We are keen to consolidate the more productive ways of working we have developed over the past two years and to create a better environment and infrastructure for learning from complaints to improve services for customers more widely.

We will do this in a number of ways.

1. On a case-by-case basis, every time the Adjudicator's Office upholds any aspect of a complaint, we write to the Director responsible for that particular work area. We ask them to notify us in writing after they have taken the corrective action. This provides a clear audit trail for accountability and improvement as well as providing the departments with the opportunity to address any common trends.

2. We have developed a new six case classification which we have also shared with the wider department:

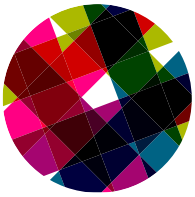
- Policy and Process (e.g. were processes followed correctly? Did process issues contribute to the complaint?)
- Decision making (e.g. was decision making fair, reasonable and consistent? Was the decision made at the rightpoint?)
- Customer Focus (e.g. did the complaint handler department show empathy and understanding? Was the impact on the customer acknowledged?)
- Culture & Behaviours (e.g. were departmental values demonstrated? Did the complaint handler take ownership of the complaint?)

- Communication (e.g. were communications clear? Was the tone of response appropriate?)
- Complaint Procedures (e.g. did the department demonstrate learning from mistakes? Was the complaint procedure followed?)

3. As Jane Brothwood highlights, we have also started to provide quarterly reports, identifying opportunities for learning through thematic reviews.

4. We also provide structured feedback on recurring themes in the complaints the Adjudicator and her office see.

Over the past year, The Adjudicator recognised HMRC has continued to apply some of the learning from previous years, though there is still much to do moving forward in 2018-19. We know HMRC have plans to improve further, for example by introducing a more systematic approach to feedback with us.



Discretion

In certain circumstances, the department has the discretion to depart from the strict application of legislation. The Adjudicator continues to encourage and challenge departments on the use of discretion, and this remains one of the most complex areas to understand for customers and, on occasion, for the departments.

This is because discretion (such as Extra Statutory Concessions) exists to ensure the impact of legislation is not disproportionate for particular individuals. It is critical that discretion is considered early, applied fairly and is proportionate in all cases.

Departments 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. If the Adjudicator finds that a department could have exercised discretion sooner in the complaint process, she will uphold part or all of the customer's complaint.

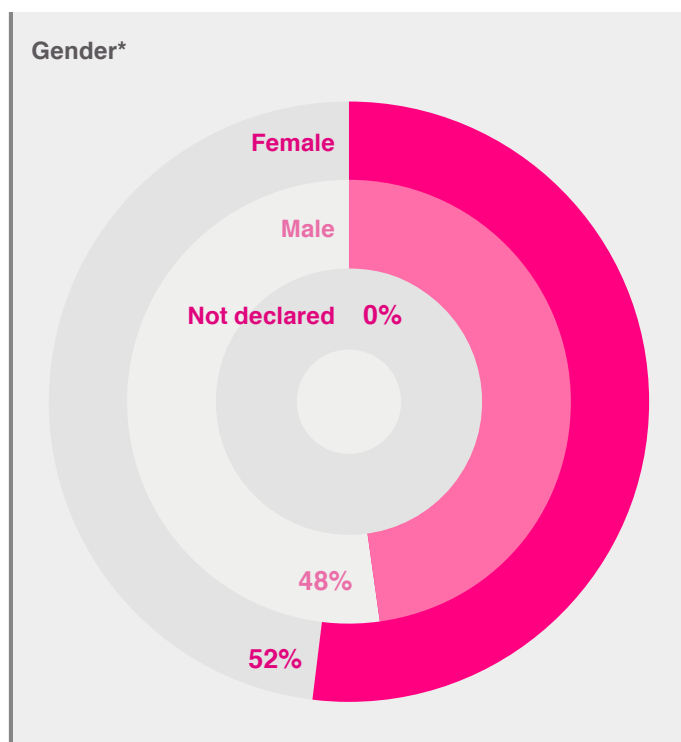
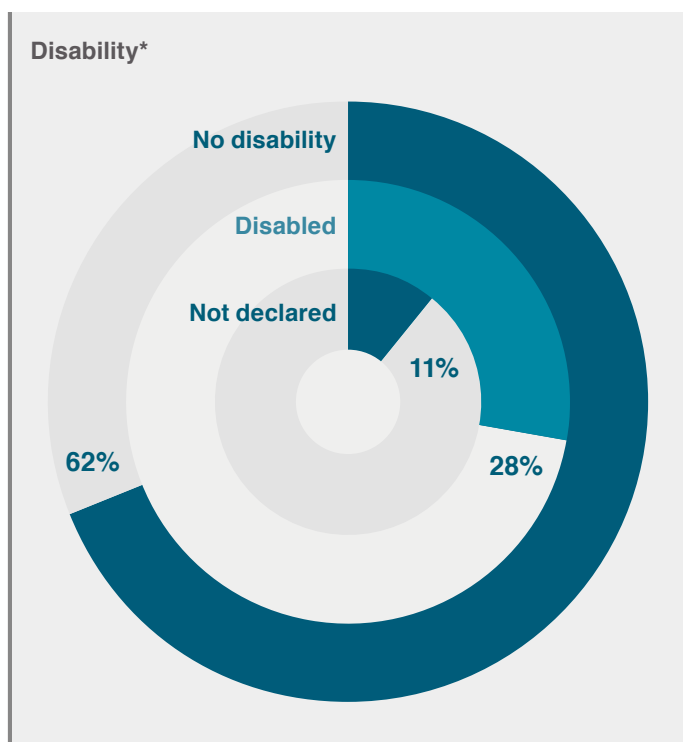
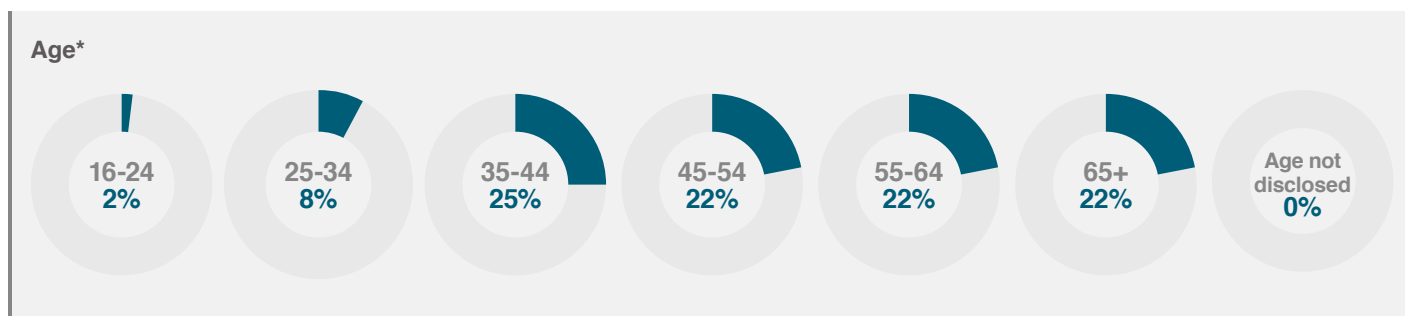
The department's customers should not have to go through a protracted complaints process to get their issues resolved. The Adjudicator will continue to push departments to improve quality in complaint handling, so that customers will only feel the need to escalate more sensitive and complex complaints to the Adjudicator's Office.





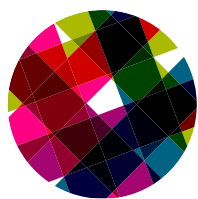
Equality monitoring survey

We continue to monitor our customer base following the introduction of the Equality Act in October 2010. From the responses received we can see:



The number of responses we receive is small. We continue to monitor the findings closely to ensure that no specific groups are disadvantaged.

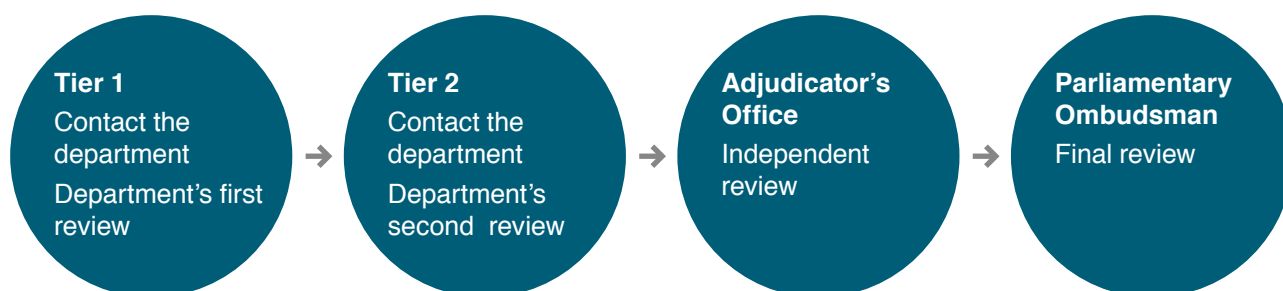
* Percentages have been rounded.



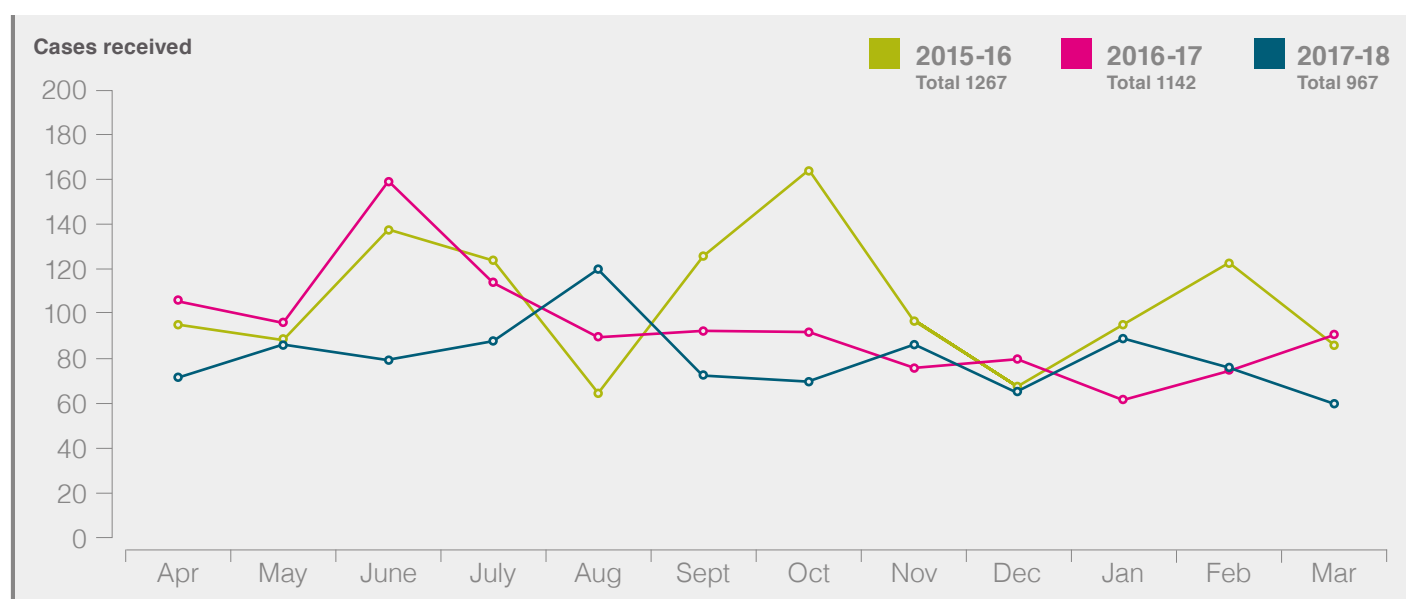
The complaints process

How to make a complaint

The Adjudicator can consider how HMRC or the VOA have handled a complaint, whether they have followed their policy and procedure and made reasonable decisions. Where the Adjudicator thinks they have fallen short, she will recommend what they need to do to put matters right. The Adjudicator will feedback lessons learnt to HMRC or the VOA where she thinks this could make their customer service better.



If customers are dissatisfied with any one stage of the complaint process they have the right to take the complaint to the next stage.



The process in the Adjudicator's Office

Can we investigate the complaint?

- If it has not completed both stages of the department's complaint process, we will let you know that we will not accept it now.
- If the complaint is something we cannot look at we will explain why we will not investigate.
- We do not usually accept cases that are received more than six months after the Tier 2 response from the department.

5,802

enquiries received
in 2017-18

967

new complaints for
investigation in 2017-18

85

of all complaints were
mediated in 2017-18

1,204

of all complaints were
resolved in 2017-18

Investigation

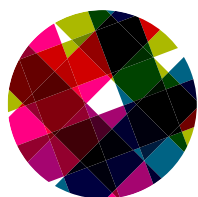
- We review what you sent us.
- We carry out any necessary enquires.
- We reach a decision on whether or not the department did anything wrong.

Resolution

- We will make a formal decision on your complaint.
- This will include recommendations if the Adjudicator decides the department needs to put things right.
- We will write to you 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 you believe your complaint has not been resolved you can ask an MP to put your complaint to the Parliamentary and Health Service Ombudsman.



Workload 2017-18

Number of cases handled

	2015-16	2016-17	2017-18
Cases awaiting investigation 1 April	731	1,028	630
New cases for investigation	1,267	1,142	967
Cases resolved	970	1,540	1,204
Cases awaiting investigation 31 March	1,028	630	393

New cases on hand by department

HM Revenue and Customs	Valuation Office Agency	Total
376	17	393

Outcomes

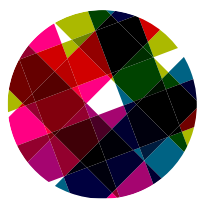
	Not upheld	Partially upheld	Substantially upheld	Withdrawn	Reconsidered	
HMRC	608	282	107	177	7	1181
VOA	23	0	0	0	0	23
Total	631	282	107	177	7	1204

Methods of settlement

	Reconsidered	Recommendation	Mediation	Withdrawn	
HMRC	7	912	85	177	1181
VOA	0	23	0	0	23
Total	7	935	85	177	1204

Redress (£)

	Worry and distress	Poor complaint handling	Liability given up	Financial loss	Costs	
HMRC	22,020	22,599	454,071	165	77,077	576,562
VOA	0	0	0	0	0	0
Total	22,020	22,599	454,071	165	77,707	576,562

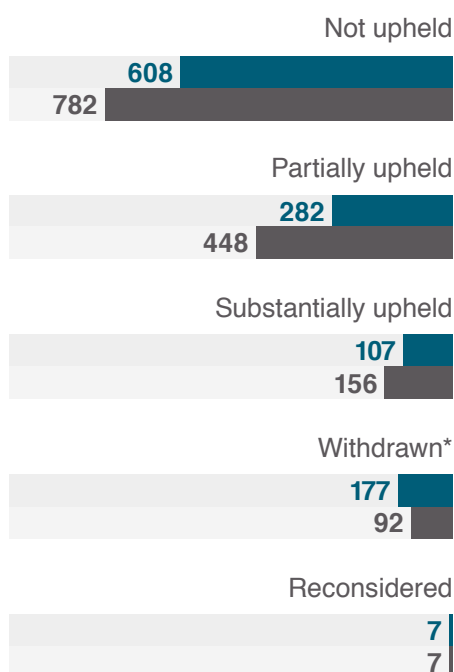


HM Revenue and Customs

HM Revenue and Customs (HMRC) make sure that money is available to fund the UK's public services and help families and individuals with targeted financial support.

There is evidence to suggest that for every customer who complains to an organisation, there are many more who have been treated similarly who do not. When we consider the outcome and learning from individual complaints we consider both the individual who complained to us, and what this says about HMRC's customer service for the silent majority.

Outcomes



2017-18 Total 1,181
2016-17 Total 1,485

*The methodology to calculate this figure changed in 2017-18. Cases not in our remit are now 'Withdrawn', and are not counted in the 'Upheld/Not Upheld etc.' criteria

During 2017-18 we received 943 new complaints, fewer than the 1,111 received in 2016-17. We resolved 1,181, upholding 39% either partially or substantially. Our investigators mediated 7% of cases directly between customers and the department.

The Adjudicator continues to be encouraged by the sustained level of senior management commitment to transforming complaint handling. Approximately 57% of the HMRC customer complaints referred to The Adjudicator are from tax credits customers about tax credits.

During the year the Adjudicator resolved 1,181 complaints from HMRC customers. Overall the number of complaints partially or wholly upheld decreased to 39%, and for Tax Credits the upheld rate was 46.6%*.

This is a positive indicator of one area of improvement: however, as the Adjudicator said in her introduction, concentrating solely on this indicator may prevent consideration of wider learning that will improve customer service.

The case studies highlight the variety of issues the Adjudicator reviewed in the complaints resolved. Use of concessions by HMRC has been a particular point of emphasis this year and continues to show that HMRC staff have difficulty in understanding the discretion available to them to consider on their customer's behalf. Case studies two and five are

examples of these type of issues. The other case studies reflect the wider breadth of areas the Adjudicator investigated, including cases where complaints were not upheld.

HMRC accepted the Adjudicator's recommendations.

Where appropriate we will 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.

Redress paid 2017-18 (£)



Total £576,562

Learning from complaints Notional Entitlement

When a customer claims tax credits in an incorrect capacity for all or part of an award period, for example as a single person instead of as a couple, the tax credits paid during the period were not legally due. However, in many cases some entitlement to tax credits would have been due if the customer had made a correct claim. Notional Entitlement is the process in which the Tax Credit Office (TCO) identifies the amount the customer would have received had they claimed in the correct capacity.

During the summer of 2016, we identified several cases where the TCO were not applying Notional Entitlement consistently. Following discussions about the matter, they amended their guidance to provide more clarity on Notional Entitlement. In our 2017 annual report we

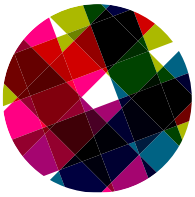
referred to those discussions and the outcome.

We recently had further discussions with the TCO on the subject of Notional Entitlement, they reaffirmed their approach from autumn 2016. Now, in all cases where they find out about a change in the adult composition of the household during the current year, they will look at whether they could use Notional Entitlement to offset the overpayment caused by that change. They will not wait for the customer to apply for Notional Entitlement but will be proactive in offering it.

Where they find out about a change in a previous year, they will still consider Notional Entitlement in the vast majority of cases. However, they will not apply Notional Entitlement in the previous year if the customer has acted fraudulently

(HMRC's published definition of fraud in respect of tax credit cases applies). They will also not apply Notional Entitlement if the customer has received it in the past.

HMRC appear to be applying Notional Entitlement as intended since we no longer see cases in which their application of it causes concern. This is a good result for HMRC and shows that the evidence we supply to them about the impact they have on their customers can bring about improved customer service.



Case study 1: Complaint resolution routes

Issues

Mr A wrote to us because he believed HMRC had not fairly considered his claim to Universal Credit (UC). Particularly that on leaving his employment the last payment he received from his employer was actually paid in August, and not on their September payroll. This difference meant he did not receive UC in September and had to wait until the end of October for his first payment, putting him in financial difficulty.

Mr A had a fundamental misunderstanding of UC. It is important to know that UC is wholly administered by the Department for Work and Pensions (DWP). But HMRC are responsible for ensuring employers operate the Pay As You Earn (PAYE) system correctly. In Mr A's case, HMRC had forwarded his complaint to DWP for some advice on UC and used this in their reply to him. Except for that, HMRC handled Mr A's continuing complaint through their two tier complaints process. At the end of this process, HMRC advised him to come to us for an independent review.

Outcome

This case was not in our remit to resolve.

It was clear to us that Mr A's complaint was about the decision made on when his UC claim came into effect, rather than the technicalities of the rules on PAYE. We can only consider complaints which relate to HMRC. This is because the role of the Adjudicator's Office is to consider whether, in

dealing with a person, HMRC have followed their instructions, codes of practice, internal and external guidance and applied them in a reasonable manner. All of these are the responsibility of DWP for UC cases, and their Independent Complaints Examiner was the correct person to independently consider Mr A's complaint.

The Adjudicator wrote to Mr A to tell him we could not investigate his complaint and explained that although HMRC holds information about pay and employment, which was relevant to his UC claim, this is separate from DWP's role as the department responsible for considering UC claims and making payments.

The Adjudicator referred Mr A to the Universal Credit helpline on 0345 600 0723 and the GOV.UK website which has some more information about UC and what a customer can do if they disagree with a decision:

www.gov.uk/universal-credit/how-to-claim.

Learning

Policy and Process – HMRC did not properly consider the remit of their own independent complaint reviewer. Pointing Mr A to us was wrong and unnecessarily confused the situation.

Culture and Behaviours

– HMRC have adopted the Parliamentary Ombudsman's Principles of Good Complaint Handling: this includes, "Ensure, where complaints raise issues about services provided by more than one public body, that the complaint is dealt with in a co-ordinated way with other providers. If a public body cannot respond, it should refer the complainant quickly to other sources of help."

HMRC failed to consider the limits of their own role in the administration of UC. The issue was proper to DWP and HMRC should not have attempted to resolve this complaint.

Complaints Process – During the transition to the new credit system, HMRC's complaints staff must be aware of the flexibility required to give good customer service, and offer the proper advice to customers on which route they can take to escalate matters.

“On a personal level, I would like to thank you and others very much for the impartial approach to the matter which as you will imagine has given considerable anxieties at a time of life where I should be considering a clearer and brighter future. This will now happen.”

Customer

Case study 2: ESC A19 Self Assessment

Issues

Miss B had contacted HMRC by telephone and received incorrect advice about what expenses to include in her Self Assessment Tax Return (SATR).

During a later review of Miss B's tax affairs, HMRC determined that the expenses could not be claimed as a legitimate business expense and asked Miss B to pay the tax due. She asked HMRC to give up the tax under ESC A19, because she thought that the wrong advice she received affected her tax codes for the following two years, leading to the arrears of tax. But HMRC refused because she was a Self Assessment customer, so the concession could not apply.

Miss A complained to the Adjudicator.

Outcome

The Adjudicator did not uphold the main aspect of the complaint.

HMRC's guidance shows that ESC A19 can apply to customers within Self Assessment. However, it is limited compared to non-Self Assessment customers.

ESC A19 can only be used to give up tax where all the criteria of the concession applies. During her investigation the Adjudicator established that HMRC had failed to use information provided by Miss B and had notified her of the tax due outside the timeframe of the concession. But we decided Miss B could not reasonably believe her tax affairs were in order at the end of each tax year, because she was

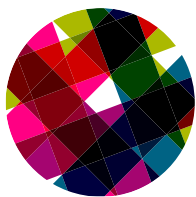
aware that her expenses fluctuated on an annual basis and her affairs could only be in order when her SATR had been submitted. Although Miss B sent her SATR in on time, this was well after the end of the tax years involved.

While HMRC had reached the conclusion that the tax could not be given up, they failed to consider the reasons identified above. Their case rested on the length of time between the end of the tax year and when Miss B sent in her SATRs. But this had no impact on the arrears as the mistake took place before the year commenced. The Adjudicator recognised that staff required additional training to identify how ESC A19 applies in case where customers are within Self Assessment.

Learning

Policy and Process – HMRC had not followed their guidance correctly, when considering whether ESC A19 applied. They had only made cursory reference to ESC A19 because Miss B was within the Self Assessment system. The Adjudicator recommended HMRC consider the training issues this case had highlighted, which would allow them to correctly use and explain their application of discretionary powers to customers in Miss B's circumstances.

Decision making – Not giving up the tax was ultimately correct, but this cannot be described as HMRC taking a correct decision. Because HMRC had not followed the process correctly, their position was not in itself sound and required us to bring the case to the correct resolution.



Case study 3: Tax Credit – failure to focus on the customer

Issues

The TCO paid Mr C nearly all his tax credit entitlement in the first six months of the year. He received weekly award notices and called the TCO every week from April to September to ask what was happening, but no adviser could explain what was going on. Eventually a helpline adviser explained that the TCO had been paying him parallel payments, meaning he was getting a full year's tax credit entitlement in only six months. The extra payments had been taken from his full year entitlement meaning there was little left to be paid for the rest of the year.

In their response to Mr C, the TCO explained the problem was due to a system error. They said that, because Mr C had a direct debit in place to repay a previous years' overpayment of tax credits, this had caused their systems to re-profile Mr C's award each week. They said he should cancel the direct debit and this would sort out his account, which it did.

But by this time Mr C's tax credits were very much reduced for the rest of the year, leading to significant financial hardship and causing him to rely on foodbanks. After attempting to resolve his complaint about this with the TCO, he wrote to us.

Outcome

The Adjudicator fully upheld the complaint.

In their report to us, the TCO did not comment on the lack of explanation from the helpline advisers during Mr C's weekly telephone calls before September. They concluded that it was not a system error that caused

the re-profiling, despite telling Mr C that it was.

In addition, the TCO said it was Mr C's responsibility to stop the direct debit that caused the weekly system re-profiling and consequent parallel payments. The TCO argued that it was reasonable to pay out entitlement to Mr C in this way, as he still received his full entitlement, but we saw little evidence they had considered the impact on him as a result.

We decided the TCO had not provided Mr C with a consistent or credible explanation for the way in which his award was managed, despite having dozens of phone calls from Mr C asking for an explanation.

Neither did the TCO demonstrate that they followed policy and procedure, and their reliance on legislation to defend their position on making parallel payments was wrong. There are limited times when this can be done but these clearly did not apply to Mr C.

We also decided the original error in the way that Mr C's tax credits account was managed was made worse because they failed to address his complaint properly during their complaints process.

Learning

Earlier resolution and learning from the complaint could have been achieved by acknowledging where things had gone wrong and seeking to put them right.

Customer Focus – Failure to consider the needs of vulnerable customers was highlighted in last year's Adjudicator's report. Dozens of phone calls about his payments should have been more than sufficient for TCO to take action before they did. Little empathy was shown for his situation and they should have acknowledged the impact of paying Mr C almost his entire annual entitlement of tax credit in the first six months of the year.

Culture and Values – The TCO hid behind (incorrect) policies and legislation in order to defend their position instead of taking responsibility to sort the matter out for their customer. They inappropriately implied Mr C was in some way responsible.

Complaints Procedures

– HMRC's own guidance on complaints says they will "invariably" include an explanation of what will be done to prevent the error happening again. This remains missing in Mr C's case. HMRC over relied on the financial aspects of redress, without considering the wider issues of concern to Mr C.

“We would like to say thank you so much for all your help and support. Please know that we are extremely grateful for all your hard work, you went above and beyond with all your assistance.”

Customer

Case study 4: Tax Credit – unclear explanations

Issues

Mrs D complained to our office because she was unable to understand how the TCO had calculated her tax credits. Her income this year was consistent with all previous years, except for the previous one, but this year her credits had reduced.

The replies Mrs D received from the TCO could not explain the change and she wrote to us to resolve the issue.

Outcome

The Adjudicator upheld this complaint in full.

The TCO sent us a report on their handling of Mrs D's complaint, and we shared it with her. In the report, the TCO explained they had applied the 'income disregard' to her income, which was the correct thing to do but had resulted in the reduction of tax credits for this year.

After she read the TCO's report on the complaint Mrs D said she now understood how the tax credits had been calculated. However, she said she should not have to come to our office before the TCO would provide an explanation she was able to understand.

Income disregard is not easy to understand. The TCO's initial letters had tried to explain the position using general examples; but they did not say how this applied to Mrs D's own case. When Mrs D asked further questions the TCO treated her letters as appeals and undertook a mandatory reconsideration of the award.

In reply to our questions, the TCO said their letters had met their set standards and if Mrs D decided to write to them asking further questions that was her decision. Because they had followed their processes, the TCO did not believe they had made any mistakes. However, our review saw that their tier 1 and tier 2 complaint reviews had not properly considered the issues in the case.

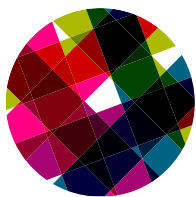
It was only as a result of Mrs D's approach to us that the TCO did a full consideration of the issues, so it was plainly the case that their previous reviews lacked sufficient depth and showed poor complaints handling.

Learning

Communication – if the TCO's replies to Mrs D had put income disregard in terms of her circumstances – as they did in the report – this complaint may not have escalated beyond the first tier of HMRC's complaint process.

Customer Focus – the TCO were not proactive in dealing with Mrs D's complaint. They relied on process instead of taking action, and we saw no evidence of an attempt to put themselves in the customer's shoes.

Complaints Procedures – HMRC's procedures are in place to resolve complaints at the earliest possible stage.



Case study 5: Self Assessment - use of guidance

Issues

Mr E had underpaid tax through his PAYE income over four consecutive years. He underpaid because he only paid tax at 20% but his earnings were substantially over the higher rate limit, meaning most of his income should have been taxed at 40%. Mr E is a customer within Self Assessment.

For two of the years, HMRC considered that they did not cause Mr E to be underpaid because they had made proper and timely use of information about Mr E's income ('proper and timely' is a criteria of ESC A19). But HMRC agreed that they had failed to make proper and timely use of information for the third year. This meant they had not issued correct tax codes to Mr E's employers and this had caused the underpaid tax. However, HMRC said they could not give up the tax for this year because the time test criteria of ESC A19 had not been met.

HMRC explained, because Mr E did not complete the tax return due in January until September, he was responsible for the delay in notifying the arrears.

Outcome

The Adjudicator upheld this complaint in part.

We put it to HMRC that there is no reference within the wording of ESC A19 that supports this stance and puts the blame on their customers for the time element of the concession.

Taking the facts on face value, the time test had been met and so it was proper to consider the reasonable belief test of the concession in Mr E's case. Here the important point is not whether the taxpayer 'believed' their tax affairs were in order as arrears accrued but whether it was reasonable for them to 'hold that belief'. We decided that, taking into account the level of income involved and the low amount of tax being deducted from it, and the responsibility expected of taxpayers in Self Assessment- it was not reasonable for Mr E to believe that his tax affairs were in order. As a result, the underpaid tax for the third year could not be given up under ESC A19.

Although the outcome was the same as the one reached by HMRC, their application of the concession was flawed.

Learning

Decision making – Not giving up the tax was ultimately correct, but this cannot be described as HMRC taking a correct decision. Because HMRC had not followed the process correctly, their position was not in itself sound and required us to bring the case to the correct resolution.

Culture and Values – HMRC had adopted an incorrect view of their own guidance and used this to defend their position instead of taking a wider view of what ESC A19 concession actually says. They then incorrectly stated Mr E's actions had prevented the use of the concession.

“Thanks to your diligence, thoroughness and neutrality you have cleared my name which means a great deal to me.”

Customer

Case study 6: Evidence of decisions

Issues

Mrs F sold a property, which led to capital gain. She thought that all or most of the gain was exempt from tax as she qualified for private residence relief. HMRC did not agree and the matter was decided by tribunal in HMRC's favour.

After the hearing Mrs F obtained a letter from her estate agent which she said confirmed her residency at the flat. HMRC's view was the letter did not alter the tribunal decision.

Mrs F came to us asking us to rule that the capital gain should be written off under ESC A19. She argued that HMRC's failure to accept his estate agent's letter amounted to a 'failure to make proper and timely use of information'. In addition she believed HMRC's actions in trying to collect the capital gains tax due and other outstanding debts amounted to harassment.

Outcome

The Adjudicator upheld this complaint in part.

The Adjudicator cannot consider matters that have been decided by a court or tribunal, which meant we could not consider whether ESC A19 applied in Mrs F's case. But we could consider HMRC's debt recovery actions.

We saw that HMRC had mostly acted reasonably, and within their guidance, in their actions to collect the debt. HMRC's guidance shows that set warning letters should be issued to advise customers of debts and warn them of the consequences if debts are not paid. We saw no

evidence that one of these letters had been sent to Mrs F. In reply to our questions about why HMRC had not followed their own guidance, they said guidance is just that – they do not have to follow it and it is not a mistake or error not to. They said that in this case they made a judgement call not to follow their guidance.

However, while we welcome HMRC's encouragement for innovation and empowering staff it can lead to a lack of consistency in the decision making process if guidance is not followed. In Mrs F's case there were no notes as evidence of why this approach was chosen. In addition during our investigation HMRC gave us three different explanations of what happened and we had doubts about the latest explanation, as it was given over a year after the event and was not based on demonstrable evidence.

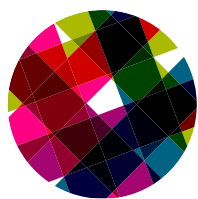
We decided this was to poor complaints handling by HMRC but did not amount to harassment of Mrs F.

Learning

Culture and Values – This case illustrates an ongoing problem within HMRC where more than one of their business areas are involved in one of our investigations. In 2017-18, the Service Level Agreement between HMRC and the Adjudicator set out that we ask questions of HMRC as part of our investigation and HMRC will provide the answers. We expect our point of contact with any part of HMRC to either deal with or coordinate their responses to all our questions, regardless of whether it is their area of business. Not doing so unnecessarily delays the resolution of a customer's complaint.

Decision Making/Culture and Values – Decisions made must be based on demonstrable evidence, including records of why a decision was made. To hold to a position that cannot be justified is defensive and does not allow for the necessary flexibility that will lead to improved customer service.

Policy and Process – If HMRC want to give their staff freedom to move away from guidance, the guidance itself should be clear that this is an option. Equally if guidance is nondiscretionary it should be implemented in that way. Lack of clarity on decision making prevents effective resolution of complaints.



Learning from complaints ESC A19

In some of the above case studies, we described the incorrect application of ESC A19 on the resolution of complaints for customers in Self Assessment. Throughout the 2017-18, we provided evidence to HMRC of the impact of this on their customers and the how their misinterpretation was undermining their reputation. Through our recommendations, we explained the correct interpretation of HMRC's own guidance.

Toward the end of 2017-18 and into 2018-19, we have worked with HMRC's Process Design team to redesign the guidance their staff use, in order to make the intent and application clearer and more consistent for their customers.

HMRC's engagement on this is a welcome change and is an illustration of an increasing appetite by them to take on feedback and make positive changes to improve customer service. We encourage them to continue to consider matters in this way, rather than using upheld/not upheld outcomes to determine levels of success.



Stakeholder feedback



Jim Harra

Tax Assurance Commissioner and
Second Permanent Secretary,
HMRC

We are grateful to Helen Megarry and her team at the Adjudicator's Office both for dealing efficiently with all complaints received, and providing HMRC with feedback and support as we transform relationships with our customers.

Our complaints handling performance continues to improve. This is reflected not just in the reduction in the number of complaints upheld by the Adjudicator, but also in the decrease in customers referring complaints to the Adjudicator's Office. We are not complacent, however, as it is vital we maintain investment in improving services to our customers, by bringing together insight from all sources of dissatisfaction across HMRC, not just formal complaints.

The new Service Level Agreement with the Adjudicator's Office reflects our drive to modernise and improve complaints handling, with the customer at the heart of everything we do. It mirrors our updated Complaints Ambition to become an organisation that listens to its customers and learns from the feedback it receives.

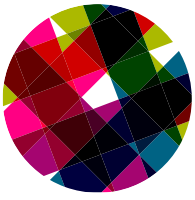


Melissa Tatton

Chief Executive,
Valuation Office Agency

I joined the VOA as Chief Executive on 4 September 2017. As an organisation we are grateful to those customers who take the time to tell us when they have not received the service they expect, with every complaint providing us with an opportunity to reflect, learn and improve. In handling complaints, our investigators seek to get to the root cause of the problem and put matters right where we have made mistakes. Should our customers want to seek independent scrutiny after our thorough investigations, Helen Megarry and her team provide this crucial service, which ensures our continuous learning from customer experiences.

We fully support the revised Service Level Agreement and transformational plans of the Adjudicator's Office which push for greater accountability and collaboration to improve public services.



Parliamentary and Health service Ombudsman (PHSO)

If a customer remains dissatisfied with the Adjudicator's recommendation, they can ask an MP to approach the PHSO. The PHSO feedback their findings to us:

"We have carefully considered (the customer's) concerns and decided to not uphold (their) complaint. This is because we are persuaded that the AO has followed its own procedure and has taken all appropriate steps to investigate (the customer's) complaint, and as such, there is no further action that we could request the AO to carry out.

"We have found no failings with the decision made by the AO or the areas it has treated as out of remit... In our view, after reading through the AO report... we find the AO has relied on the appropriate agreement and evidence in reaching its decision. we therefore do not consider there to be a failing by the AO.

"The AO report confirmed it did not uphold (the customer's) complaint. It said the redress offered by HMRC... in recognition of the worry and distress caused by its mistakes was reasonable. We found no failings in AO's consideration of (the customer's) case. It found, as we have done, that (the customer) does not meet the conditions set out in ESC A19. That being so, it did not recommend that HMRC should not collect the tax owed. It identified that the mistakes caused (the customer) worry and

distress. But we find nothing wrong in its decision that the (amount) HMRC had already offered was an appropriate remedy for that injustice. That is an amount in line with what we would expect based on similar cases.

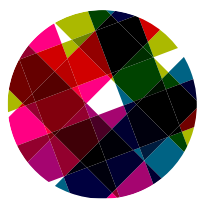
"There is nothing in the AOs complaint handling policy to suggest it should speak with the HMRC officers directly. We have seen the AO asked HMRC for its complaint handling report; reviewed (the customer's) complaint against the evidence as well as HMRC's relevant guidelines and procedures; and, obtained further information as was necessary. It is our view the AO complied with its own published complaints handling policy."

The Ombudsman's Principles of Good Complaint Handling says Public bodies should follow their own policy and procedural guidance on complaint handling, whether published or internal. We have seen evidence the AO complied with this standard. Therefore, we have seen no evidence of maladministration in the service the AO provided to (the customer).

"Whilst we appreciate the delay in the AO allocating (the customer's) complaint to a caseworker is not ideal and inevitably prolongs the complaints process, it is not always possible to investigate complaints immediately. In its letter dated 17 June 2016, the AO did explain (the customer's) complaint would be held in a queue and managed his expectations in this regard.

Furthermore, the AO do not have any formal guidelines or timescales on when they expect to conclude an investigation. We appreciate the six month timeframe would have been frustrating for (the customer) however we are not critical of the AO's length of time taken to complete its investigation."



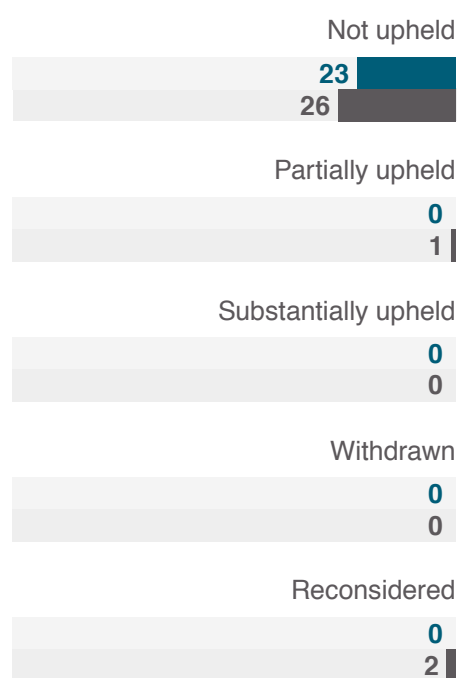


Valuation Office Agency

The Valuation Office Agency (VOA) is an executive agency of HMRC. The VOA provides the Government with the valuations and property advice required to support taxation and benefits.

During 2017-18 we received 24 new complaints. We resolved 23 cases in total, we did not uphold or mediate these.

Outcomes



2017-18 Total 23
2016-17 Total 29

As part of the transformation of our service we made changes in arrangements for handling these cases mid-year. This included recruitment of additional investigators and the necessary investment in time to develop their skills: this had an impact on the number of resolved cases 2017-18. As with our other transformation plans, we expect the change to improve the service for our VOA customers during 2018-19.

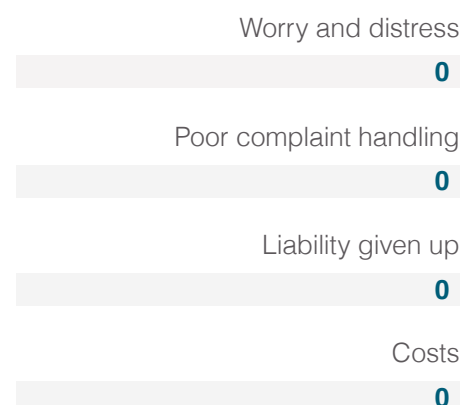
Our new case classification system will provide evidence to VOA about their customer service that goes beyond the upheld figures. This will enable them to learn how their processes could be improved. Case studies seven and eight illustrate this approach.

Of the cases we closed this year, most were again 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.

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 amounts are always considered by reference to the individual circumstances of each case. The Adjudicator decided not to recommend any monetary sums this year.

Outcomes



Total £0

“You are the only one who explained to us what happened in a fully understandable way and not in a technical, academic terminology.”

Customer

Case study 7: Consistent advice

Issues

Mr and Mrs G spend the summer months at sea in their yacht and they moor during the winter months, when moorings are less expensive. Due to a health issue, they needed to moor during one summer and had the expectation that Housing Benefit would cover the additional fees. Housing Benefit is administered by DWP through Local Authorities, but the amount a council will pay is based on VOA's decision on the Local Reference Rent (LRR). In Mr and Mrs G's case, VOA decided a figure that meant not all of the mooring fees would be covered by Housing Benefit.

The decisions on Housing Benefit and the LRR have a right of appeal, where matters of interpretation of legislation can be heard. During their correspondence with Mr and Mrs G, the VOA explained the legislation they had followed to come to their LRR decision but, correctly, did not give an opinion on the amount of Housing Benefit. VOA advised them that the legislation states rents on all residential moorings should be taken into account to calculate the LRR. Mr and Mrs G continued to believe that VOA's Rent Officers had not interpreted legislation properly and the LRR figure was wrong.

Outcome

The Adjudicator did not uphold this complaint.

Mr and Mrs G considered that the legislation intended a different interpretation to VOA's. But the Adjudicator cannot consider matters that can be decided by a court or tribunal, or are not part of the responsibilities of HMRC and VOA. As a result, the level of Housing Benefit could not be considered by us, nor could an interpretation of legislation relating to LRR.

Our investigation saw that VOA had given reasonable answers to Mr and Mrs G's questions about the way LRR was considered. We also found that the level of LRR had included all the relevant factors that VOA's guidance required and where they had used their judgement, this had also been reasonable. We did not uphold Mr and Mrs G's complaint that VOA's Rent Officers required further training.

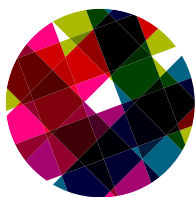
Learning

Complaints Procedures –

Housing Benefit can be appealed through the Local Authority, and the customer can ask for three redeterminations. At the time of making their complaint Mr and Mrs G had two redeterminations, and VOA correctly advised them that they could request a third. Passing on information in this way is good customer service and in keeping with the Ombudsman's Principles of Good Complaint Handling.

Communications –

VOA's written communications with Mr and Mrs G were very direct and brief, and did not take the opportunity to make them directly relatable to these customers' circumstances. Doing so may have prevented some of the additional correspondence from Mr and Mrs G. At the time we investigated this case, VOA had two separate versions of the relevant Rent Officer Handbook online. VOA should ensure that the guidance available to their customers is correct and consistent.



“I am most grateful for the obvious care, thoroughness and understanding which you have invested.”

Customer

Case study 8: Principles of Good Complaint Handling

Issues

Mrs H applied to buy her flat under Right to Buy. VOA provided an initial valuation, and did a redetermination at Mrs H's request. She still considered the valuation too high and gave a number of reasons for VOA to take into account. But the legislation on this matter meant VOA could not look at the valuation again.

Mrs H raised matters which the VOA could not take into account as part of the valuation process, regarding the behaviour of the leaseholder towards her. The VOA suggested she seek advice about resolving that through the Citizen's Advice Bureau, but that their valuation process had now concluded.

Outcome

The Adjudicator did not uphold this complaint.

Mrs H raised the same valuation concerns with us as with VOA. We explained to her that the limit of our remit meant we could only look at the part of her complaint that did not touch on the amount of the valuation.

We saw that during their handling of her complaint, VOAs complaints team had told Mrs H that all of her issues had been taken into account in the redetermination. In their correspondence with us they explained where there was a discrepancy between their evidence and Mrs H's, this would not have affected the outcome.

Following our investigation we were satisfied that VOA had given Mrs H reasonable explanations about how they had used evidence to come to their valuation and we could not add anything more.

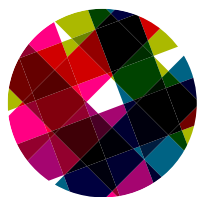
Mrs H wanted our help with other aspects of her life, including health and the relationship with her leaseholder. Although we empathised with her situation it would not be right or proper for this office to attempt to resolve them. Our investigator took the correct steps and advised her of help that might be available to her through other bodies, including those whose advice is free to use.

Learning

Complaints Procedures – VOA passing on information about the Citizen's Advice Bureau represents good customer service and is in keeping with the Ombudsman's Principles of Good Complaint Handling.

Communications – The differences between the VOAs evidence and Mrs H's were only explained in full in their report to us. It would have been better customer service to have investigated this at the time of her complaint to them. This could have been included in their reply to her and may have resolved that aspect of her complaint.





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 21 complaints about the level of service we provide. These were about a number of different issues particular to a customer's circumstances, but the majority were about the length of time taken to begin our investigations, and the unfairness of setting deadlines for our customers to reply to us.

Over the past year we critically reviewed our processes and how we work in order to improve customer service, and we will continue to do so. As our Head of Office reported, the results of our transformation efforts so far have put the office in one of the best positions in our history. We are confident that our customers will continue to see the benefits from this, including the continuing reduction in the time it takes us to resolve a complaint, which we saw in 2017-18. We also listened to our customers and decided to remove deadlines in our letters as we are open to receiving their evidence at any time prior to giving our final decision on their complaint.

However, the fact remains that the Adjudicator's Office carries out detailed investigations. These usually require contact with the customer and the department, as well as independent research. Because each case is different and needs to be investigated on its own merits we cannot predict how long this 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 recommendation

The Adjudicator does not reconsider cases because the customer does not agree with her decision.

However, in some cases the Adjudicator can decide to provide a further response when it appears the customer may not have fully understood her recommendation.

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

Adjudicator's Office digital presence

In 2017-18 our website www.adjudicatorsoffice.co.uk was visited 115,447 times, averaging over 9,600 visits per month.

In our 'Business Plan for 2016-18 and Vision up to 2021', published on 3 November 2016, we said we would seek out opportunities for our customers in how to contact us.

As part of a package of wider digital transformation proposals, we looked at ways in which we can open up digital channels of communication and bid for the necessary funding from HMRC.

Due to wider departmental pressures, HMRC have not yet been able to approve the funding we require so we cannot offer email as a channel of contact for our customers. We believe this acts as a barrier to customers who want to complain, which disadvantages our customers. We will continue to explore this as an option and make representation to HMRC for funds to bring us up to the level they offer their customers.

How we are organised

 **25 years**
1993 - 2018
Adjudicators Office

2018



Helen Megarry
The Adjudicator



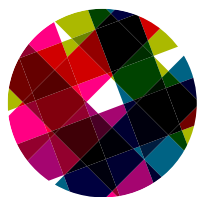
Jane Brothwood
Head of Office



Erika Carrol
Investigations Manager

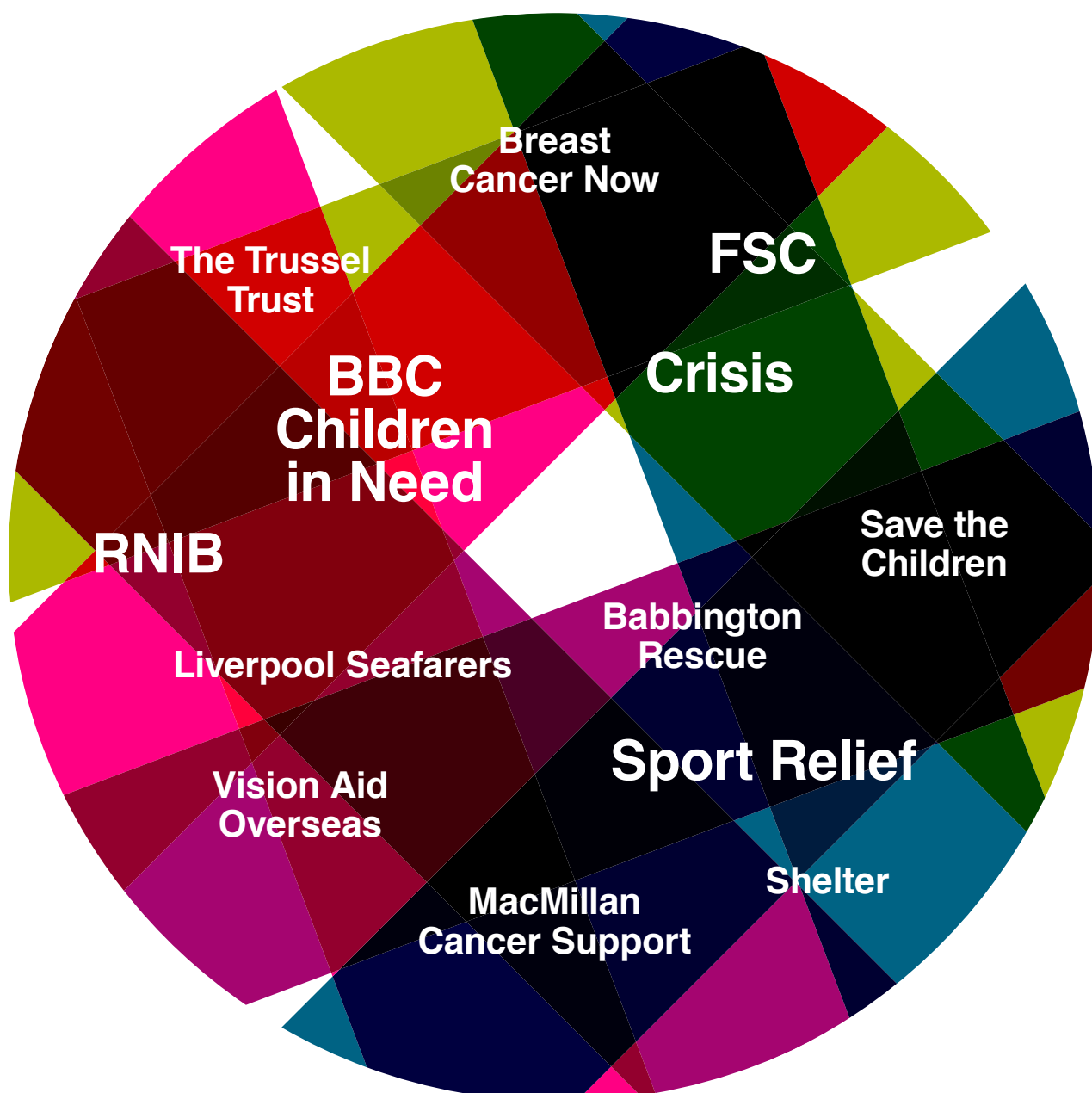


Brian Goldie
Transformation Manager



Community wellbeing

We support programmes and initiatives that can make a positive difference to people. This area illustrates what we did to positively impact our society.



Recognising our insight and expertise

 **25 years**
1993 - 2018
Adjudicators Office



Jon Thompson
CEO, HMRC

Over the past two years we have been transforming the way we work to provide an improved service for our customers: both individuals and HMRC and VOA. As a result we now have fewer than 400 cases on hand, which puts us in the best overall position in the 25 year history of the Adjudicator's Office. Our achievement in getting to this position was recognised in a cross Civil Service ceremony celebrating contributions made by the Operational Delivery Profession.

Including Jon Thompson of HMRC and Sir Jeremy Heywood – Head of the Civil Service – five Permanent Secretaries from across Whitehall spoke and handed out congratulatory 'certificates of excellence'. Along with these speakers, we saw videos from colleagues across the Civil Service on how they would help improve services for customers as diverse as helping Syrian refugees and tackling modern slavery at our borders.

A repeating message from all the Permanent Secretaries was how important the work we in Operational Delivery Profession ODP deliver to quite simply ensure the country keeps running no matter what. Sir Jeremy stressed ODP is the most important of all the professions in the Civil Service.

Our attendees were really impressed that all of these extremely busy people took time to ensure they could show their pride and support for what our profession means to the country.

Ombudsman Association:

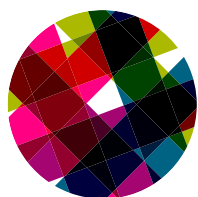
We have continued to play an active role in the Ombudsman Association, learning from colleagues in member organisations. Helen Megarry has been a member of the Executive Committee and Jane Brothwood chaired the Ombudsman Association Casework Interest group where we have focused on two key themes over the past year:

1. Decision making – proportionality
2. Quality Assurance – presenting a framework of best practice for member organisations

Colleagues from the Adjudicator's Office are also active members of the Ombudsman Association Service Standards, First Contact, HR and Communications working groups.



Sir Jeremy Heywood
Head of the Civil Service



Finance 2017-18



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

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

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

Budget	Actual	Underspend
£2,844,394	£2,829,222	£15,172

The Adjudicator's salary is set by reference to the Ministry of Justice pay scales. There was a 1% pay rise in 2016-17 for judicial salaries Group 6.2. The salary range remains £121,000-126,000



Managing our Risks

 25 years
1993 - 2018
Adjudicators Office



In our Business Plan for 2016-18 we highlighted some of the risks involved in realising our Vision up to 2021. The examples below illustrate some of the positive steps in these areas.

Risk: We fail to put methods in place that would reduce the time it takes to review a complaint.

2017-18:

- We reviewed our end to end process of resolving a complaint, from receipt in the office to sending our final decision.
- We made over a dozen systemic changes, resulting in the low level of on hand cases and the reducing time it takes, on average, to bring a case to resolution.

Risk: We don't act or pass on feedback to learn from complaints and seek service improvements.

2017-18:

- We have introduced a new six complaint classification strategy to help identify core issues. These will be used in feedback to HMRC/VOA on each case we resolve.
- We began production of a new regular report to HMRC VOA, which incorporated our classifications.
- We shared our new quality standards with colleagues across the wider department to help them improve complaint handling.

Risk: We don't develop strategies and practices to develop an engaged workforce who understand and are committed to our vision.

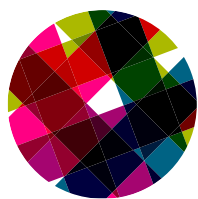
2017-18:

- We developed and took positive steps to embed our four core values.

Risk: The pace and scale of our transformation has a negative impact on efficiency, accountability and the service offered to our customers.

2017-18:

- While introducing our transformed processes we have achieved historically low on hand figures, an improving average resolution time and introduced new ways to effectively help HMRC/VOA learn lessons about how to improve their customer service.



How to contact us

 **25 years**
1993 - 2018
Adjudicators Office

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Website:

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Monday to Friday between 9am and
5pm (except Bank Holidays).
Typetalk facilities are available.

Please note that we are only able
to help with complaints about HM
Revenue and Customs and the
Valuation Office Agency



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