

Dealing with complaints

What is a complaint?

We define a complaint as any oral or written expression of dissatisfaction (whether justified or not) about the provision of, or failure to provide, a service. Generally the complaint must allege that the complainant has suffered (or may suffer) financial loss, material distress or material inconvenience.

How do I resolve a complaint?

- Investigate the complaint competently, diligently and impartially.
- Assess fairly, consistently and promptly:
 - what the complaint is about;
 - whether it should be upheld; and
 - what action/redress should be taken.
- Provide fairly and promptly:
 - a clear assessment of the complaint; and
 - an offer of redress or remedial action, if appropriate
- Ensure any offer of redress or remedial action that is accepted is settled promptly.

Resolving complaints by close of next business day

If you have resolved a complaint, as set out above, by close of business on the business day following receipt of that complaint, then, providing the customer has accepted your response, you do not need to take further action. A complaint can be regarded as having been resolved by close of next business day where the complainant has indicated that they accept your response, with neither the response nor the acceptance having to be in writing.

Keeping the complainant informed

When you receive a complaint you must send the complainant a prompt written acknowledgement that the complaint has been received and is being dealt with.

After this, you must ensure the complainant is kept up to date with progress in resolving their complaint.

Are there any time limits?

You must send a final response to a complainant within eight weeks of receiving the complaint. A final response is a written response that:

- states whether the complaint has been upheld;
- where appropriate offers redress or remedial action;
- informs the complainant that if they remain dissatisfied they may now refer their complaint to the ombudsman and must do so within six months.

If you are not able to provide a final response at this stage, you must write to the complainant explaining why and indicate when you expect to be able to provide a response. You must also inform the complainant of their right to refer the complaint to the ombudsman.

Complaints handling procedures

You need to have effective and transparent procedures in place for dealing with complaints reasonably and promptly. These procedures must be documented.

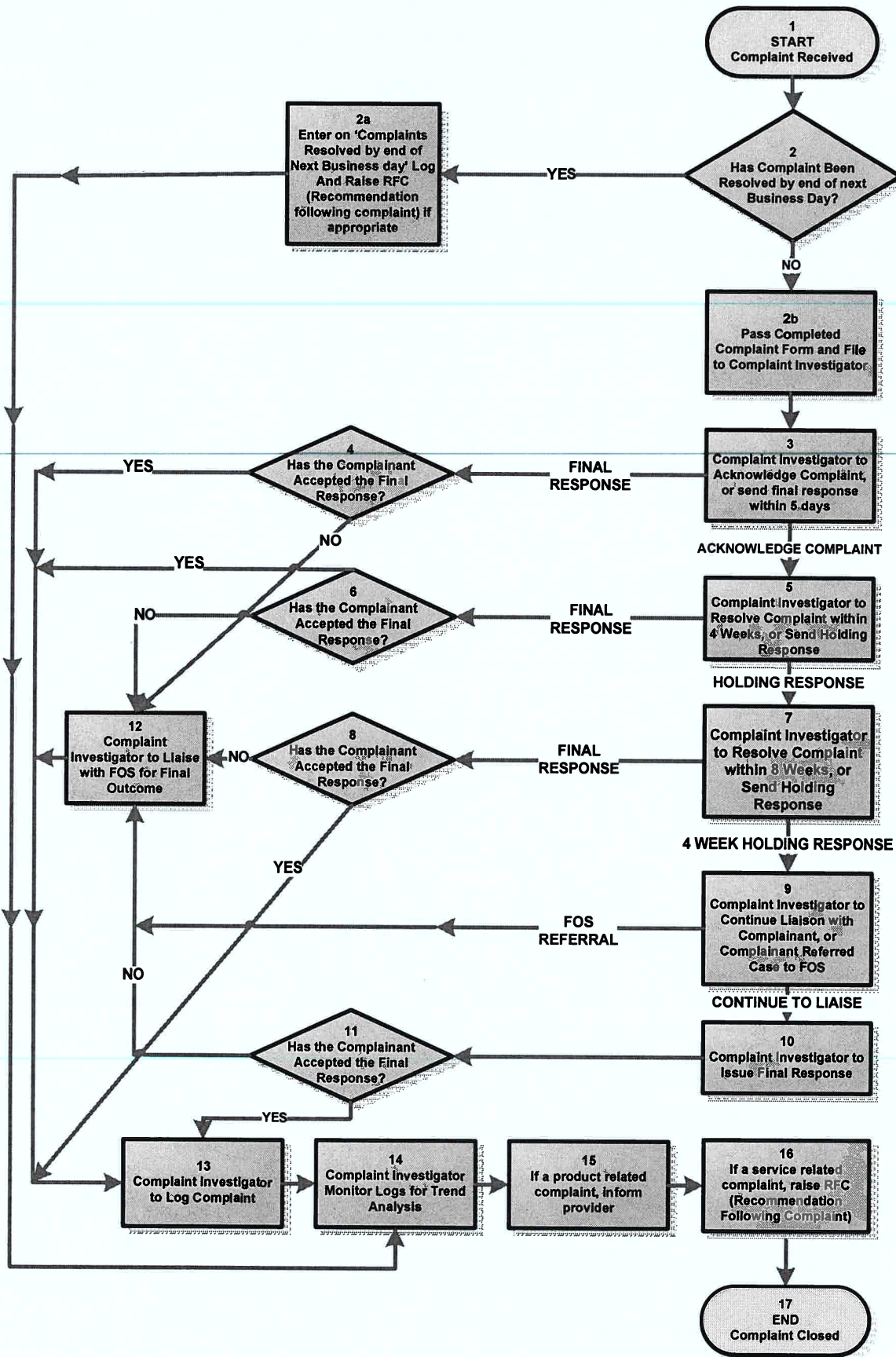
You must appoint an individual at your firm, to be responsible for overseeing your firm's compliance.

Learning from complaints

-
- collect management information on the causes of complaints and the products and services that complaints relate to;
- identify the root causes of complaints, prioritise dealing with any root causes identified, consider whether such root causes may affect other processes or products, whether root causes should be corrected and how this should be done;
- regularly report information through team meetings, about recurring or systemic problems where the information may be needed to take steps to identify, measure and control risks; and
- keep records of analysis and decisions taken by senior personnel in response to information on the root causes of complaints.

When you identify recurring or systemic problems you should consider whether to act for customers who may have suffered detriment from or been disadvantaged by such problems and who have not complained. If so, take appropriate and proportionate action to ensure these customers are given appropriate redress or a proper opportunity to obtain it.

Example Complaints Procedure for complaints received which fall under the Jurisdiction of the Financial Ombudsman Service



Complaints Procedure – key steps

Step 1 –START - Complaint Received

Complaint is received by the firm via telephone/e-mail/writing etc.

Go to step 2

Step 2 - Has the Complaint been resolved by end of next business day?

Following initial contact with the complainant, has the complaint been successfully resolved within one business day?

Yes - go to step 2a

No - go to step 2b

Step 2a – Enter complaint on the 'Complaint resolved by end of next business day' log and raise RFC (recommendation following complaint), if appropriate

If, from the initial contact with the complainant, the complaint has been resolved within one business day, ensure all fields on the 'Complaint resolved within one business day' log have been fully completed and the date of resolution entered. Raise RFC (recommendation following complaint), if appropriate to prevent this type of case re-occurring.

Go to step 14

Step 2b – Pass Completed Complaint Form and file to the Complaints Investigator

If, from the initial contact with the complainant, the complaint has not been resolved within one business day, pass the completed complaint form and file to the Complaints Investigator.

Go to step 3

Step 3 – Complaints Investigator to acknowledge the Complaint or send final response

Complaints Investigator will send the complainant a written acknowledgement of their complaint within 5 business days of its receipt, providing them with details of the individual handling the complaint (i.e. name, job title and contact details) and a copy of the firm's complaints handling procedure.

Go to step 5

If the Complaints Investigator is able to provide a final response within 5 business days of receipt of the complaint they may combine the acknowledgment of the complaint with the final response. This final response must provide the complainant with details of the individual handling the complaint (i.e. name, job title and contact details) and a copy of the firm's complaints handling procedure. The letter must also include notification to the customer of their right to refer the complaint to the FOS if they remain dissatisfied, which must be done within 6 months from the date on the final response letter, and a copy of the FOS explanatory leaflet: "Your complaint and the Ombudsman".

Go to step 4

Step 4 - Has the complainant accepted the final response?

Has the complainant accepted the final response?

No - go to step 12

Yes - go to step 13

Step 5 – Complaints Investigator to resolve complaint within 4 weeks or to provide a holding response

Complaints Investigator will resolve the majority of complaints within four weeks, providing the complainant with a final response which includes notification to the customer of their right to refer the complaint to the FOS if they remain dissatisfied, which must be done within 6 months from

the date on the final response letter, and a copy of the FOS explanatory leaflet: "Your complaint and the Ombudsman".

Final Response sent – go to step 6

If, however, the complaint is complex and taking longer to resolve, a holding response will be sent to the complainant explaining the situation and informing the customer when further contact will be made (which must be within 8 weeks of the receipt of the complaint).

Holding Response sent – go to step 7

Step 6 – Has the complainant accepted the final response?

Has the complainant accepted the final response?

No – go to step 12

Yes – go to step 13

Step 7 – Complaints Investigator to resolve complaint within 8 weeks or to provide a holding response

Complaints Investigator will endeavour to resolve the complaint within eight weeks of receiving the complaint, providing the complainant with a final response which includes notification to the customer of their right to refer the complaint to the FOS if they remain dissatisfied, which must be done within 6 months from the date on the final response letter, and a copy of the FOS explanatory leaflet: "Your complaint and the Ombudsman".

Final Response sent – go to step 8

If, however, the Complaints Investigator is unable to issue a final response, a holding letter will be issued explaining why the firm is not yet in a position to provide a final response, the reasons for the delay, and informing the customer when the firm expects to be able to provide a final response. This holding letter will also inform the complainant of their right to refer the complaint to the FOS if dissatisfied with the delay and enclose a copy of the FOS explanatory leaflet: "Your complaint and the Ombudsman".

Holding Response sent – go to step 9

Step 8 Has complainant accepted the response?

Has the complainant accepted the final response?

No – go to step 12

Yes – go to step 13

Step 9 – Complainant to continue liaison with Complaints Investigator or refers to FOS?

If the complaint has not been resolved within 8 weeks, the complainant may continue to liaise with Complaints Investigator or contact the FOS with the details of their complaint.

Continue to liaise with the Complaint Investigator – go to step 10

FOS referral – go to step 12

Step 10 – Complaints Investigator to issue final response

Following investigation, Complaints Investigator will issue their final response which includes notification to the customer of their right to refer the complaint to the FOS if they remain dissatisfied, which must be done within 6 months from the date the final response was sent. There is no need to include a copy of the FOS's explanatory leaflet as this would have already been provided with the holding response issued after 8 weeks (see step 7).

Go to step 11

Step 11 – Has complainant accepted the Final Response?

Is the complainant satisfied with Complaint Investigator's final response?

No – go to step 12

Yes – go to step 13

Step 12 – Complaints Investigator to liaise with FOS for final outcome

Complaints Investigator will liaise and fully cooperate with the FOS, including providing them with the complaint details in preparation for their decision on resolving the complaint.

Go to step 13

Step 13 – Complaints Investigator to log complaint

Complaints Investigator will log all complaint details on Complaints log, ensuring all fields are completed.

Go to step 14

Step 14 – Complaints Investigator to monitor logs for trend analysis

Monitor logs in order to identify any systemic issues/trends arising for complaints received.

Go to step 15

Step 15 – If a product related complaint, inform provider

If complaint is product-related inform provider of complaint; perhaps recommend changes

Go to step 16

Step 16 – If a service related complaint, raise RFC (Recommendation Following Complaint)

For service failures staff member raises a RFC to prevent this type of case re-occurring.

Go to step 17

Step 17 - END

END – complaint has been closed.

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| | |
|-------------------------|----------------------------------|
| Broker name/Logo | Customer Complaint Report |
|-------------------------|----------------------------------|

If a complaint has not been resolved by the end of the next business day, the member of staff must complete this report and immediately pass it to *[Compliance/Complaints manager/]*

| | | | |
|----------------|--|--|--|
| Customer name: | | Staff member who took complaint & is completing this form: | |
| Account No: | | Broker (may be same as above): | |

Reason for Complaint:

Provide details of complaint:

How the complaint was made *(phone/email/letter/in person etc):*

Actions already been taken to resolve the complaint

- *If the complaint was resolved by the end of the next business day you could record details here (optional), then complete the 'Complaints resolved by the end of the business day' log & file a copy of this report on the customer's file. (Alternatively you can complete the log direct.)*
- *If it hasn't been resolved, make a note of action taken so far then pass this sheet - together with relevant documents - to the Complaints Manager/Investigator.*

| | | | | | |
|--|--|-----------|--|-------------|--|
| Staff Signature: | | Date : | | Print Name: | |
| Complaints/ Compliance Manager Signature: | | Date : | | Print Name: | |

Complaints Manager/Compliance Use Only

Actions taken/Final Outcome: *(please give a summary of actions/correspondence, complete the General Complaints Log, then file this report both on the customer's file and with the General Complaints Log.)*

| | |
|-----------|------|
| Signature | Date |
|-----------|------|

Please provide all relevant documents to the complaints investigator with this report.