

Tips for local councils: Building a best practice complaint management system

About this fact sheet

One role of the NSW Ombudsman is to help agencies strengthen their complaint management systems so that they are better equipped to respond to complaints. This improves the standard of customer service provided by agencies and reduces the chance of escalation to our office.

A complaint handling system is an organised way of responding to, recording, reporting and using complaints to improve service to customers. It includes procedures for customers to make complaints and guidelines for staff to resolve complaints, and provides information to managers and staff that can assist them to prevent customer dissatisfaction in the future.¹

To help us identify examples of good practice and areas where improvements are needed, we periodically audit the complaint management systems of agencies within our jurisdiction. In early 2015, following the release of the new joint Australian and New Zealand Standard – *Guidelines for complaint management in organizations* (AS/NZS 10002:2014), we conducted a survey-based audit of local councils' complaint management systems. Councils were asked to complete an online survey and provide copies of their complaint handling policies, procedures and related documentation. Of the 152 councils across NSW, 130 responded.

This fact sheet is based on the results of the survey. It highlights the main areas where there is scope for councils to improve their complaint management systems and provides practical tips for doing so.

Recognising the value of complaints

Organisations that promote and encourage complaints and respond to them fairly and promptly are more likely to strengthen relationships; identify problems; improve service delivery and systems; and improve customer service.²

Complaints are one of the most important resources available to councils to support effective service delivery and drive continuous improvement. Responsibility for developing a culture that values complaints starts with the General Manager and management team and flows down to staff at all levels.

Findings from our audit

A clear policy – current practice is good, but there is room for improvement

- 91% of councils have a documented complaint handling policy – an increase of only 1% since our last survey in 2007. However, the quality of the policy documents that we reviewed varied significantly.
- Only around 60% of the complaint handling policies we reviewed included a clear organisational commitment to effective complaint handling.
- 89% of councils that have a policy report that it is publicly available on their website.

A clear and broad definition of a 'complaint' – current practice is mixed

- 70% of councils report that their complaint handling policy includes a clear definition of a 'complaint'.
- Most of the definitions in the policies we reviewed appear to be partially based on the sample definition provided in the *Complaints Management in Councils Practice Note* jointly published by this office and the Office of Local Government in 2009 – however, in the majority of cases (90%) the sample definition has been amended to make the definition more narrow.

Adequately trained and resourced staff – current practice is mixed

- Only 69% of councils report that they provide training to staff about complaint handling or dispute resolution.
- 30% of councils indicated that they needed more training in one or more aspects of complaint handling.

Tips for developing a culture that values complaints:

- To ensure that complaints are handled in a consistent, fair and effective way, develop a clear policy that explains how complaints can be made and how they will be managed. In June 2015, we released a Complaint Management Framework and Complaint Handling Model Policy that can be adapted for use by local councils and other agencies.

¹ NSW Ombudsman, *Effective complaint handling guidelines*, December 2010, p.1.

² NSW Ombudsman, *Complaint management framework*, June 2015, p.4.

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- Make your complaint handling policy publicly available to demonstrate your commitment to managing complaints effectively and increasing people's understanding of what they can expect when they complain. Your complaint handling policy should be easy to find on your website.
- Include in your complaint handling policy a clear organisational commitment to resolving complaints fairly and quickly – our Complaint Handling Model Policy provides an example.
- Provide a **clear and broad** definition of a 'complaint' in your complaint handling policy. If your definition is too narrow, it will limit your ability to use complaints as a way of obtaining information about customer satisfaction and areas of service delivery where improvements are needed – our Complaint Handling Model Policy provides a suggested definition.
- Provide guidance to staff about differentiating between a 'complaint', a 'request for information' and a 'request for service'; and when a 'request for service' should be treated as a complaint (e.g. if someone is making a second request for a service because it was not provided the first time).
- Ensure that staff with responsibility for handling complaints are adequately trained, supervised and supported by management – well equipped and empowered staff are essential to ensuring that complaints are effectively handled.

Facilitating complaints

Being committed to good complaint handling will not, by itself, facilitate complaints or result in their effective management. Organisations need to make it easy for people to voice their concerns. In order to do this, organisations need to develop systems that are readily accessible, simple to use and in Plain English.³

Finding it difficult to make a complaint can add to customers' existing dissatisfaction. Failing to effectively facilitate complaints from all parts of the community can also limit a council's access to information about areas where there is scope to change or improve service delivery.

Findings from our audit

Facilitating complaints – current practice is inadequate

- Less than half of the councils that responded to our survey provide information about making a complaint on the homepage of their website.
- Less than one third of councils allow advocates to make a complaint on behalf of somebody else.
- Only 25% of councils provide a telephone interpreter service.
- Only 18% of councils have a TTY (teletypewriter) or use the NRS (National Relay Service).
- Only 8% of councils have information about making a complaint available in multiple languages.
- Only 6% of councils have information about making a complaint available in alternate formats (e.g. large print, simple English, or Braille).
- 75% of councils reported that they offer assistance to facilitate complaints if required – a significant drop from 94% in 2007 – and only 21% reported that they provide training to staff about identifying complainants who may require assistance.

Tips for facilitating complaints

- Provide information (or a prominent link) on your website's homepage about how to make a complaint – this helps make your complaint handling system accessible and sends a message that you value complaints.
- Provide all members of your community – including people with disability, people from culturally and linguistically diverse backgrounds, and people with low literacy – with accessible information about how to make a complaint and take reasonable steps to provide the assistance they may need to do so. Depending on the demographic characteristics of your community, you may need to translate information into languages other than English; provide it in alternate formats such as Braille or Simple English; and consider registering with and advertising the availability of the Telephone Interpreter Service and National Relay Service.
- Provide staff with guidance and training to help them proactively identify individuals who may require help to make a complaint.
- Accept complaints by multiple methods (e.g. phone, letter, online/email or in person) to further increase access. About 25% of councils report that they also now accept complaints via social media (e.g. Facebook, Twitter, 'Snap Send Solve' app). Feedback from some councils indicates that using social media to facilitate complaints assists them to respond more quickly and efficiently, increasing customer satisfaction.

³ NSW Ombudsman, *Complaint management framework*, June 2015, p.6.

⁴ NSW Ombudsman, *Effective complaint handling guidelines*, December 2010, p.1.

Responding to complaints

Customers who have problems which are quickly resolved tend to be at least as loyal and supportive as those who have never experienced a problem, usually more so. Complaints which are not swiftly resolved can generate significant additional workload for an agency.⁴

To respond to complaints effectively, a clear complaint-handling procedure needs to be in place, understood by staff, and explained to people when they make a complaint. A complaint handling procedure describes the steps that need to be taken by staff to implement the aims of an agency's complaint handling policy and to respond to complaints. It provides a standard against which the organisation and its stakeholders can measure the organisation's complaint handling performance.

Findings from our audit

Responding to complaints – current practice is mixed

- 84% of councils told us that they have documented complaint handling procedures. However, only 72% reported having a clearly understood procedure for staff about how customers can make a complaint – down from 83% of councils in 2007 and 74% of councils in 1999.
- Only 63% of councils reported that they have procedures for conciliating and investigating complaints, depending on their seriousness or complexity – down from 78% in 2007, and 71% in 1999.
- 68% of councils reported having a timeframe within which they aim to resolve complaints, and 73% have a system for keeping complainants informed of progress.
- 83% of councils reported that they have an internal review mechanism in place if a person is dissatisfied with the outcome of their complaint (down from 88% in 2007) and 82% refer individuals to an appropriate external review mechanism if they remain dissatisfied (down from 84% in 2007).

Tips for responding to complaints

- Document a clear procedure for responding to complaints. At a minimum, the procedure should provide guidance to staff about recording complaints; acknowledging receipt (if the complaint is not resolved on the spot); assessing and addressing each of the complaint issues and deciding how to manage the complaint; and explaining the outcome and the reasons for this at the conclusion of the complaint-handling process.
- Seek early clarification, where necessary, about the outcome being sought by the complainant. If the outcome is not realistic, take appropriate steps to manage their expectations.
- Respond to complaints in a way that is proportionate to the seriousness or complexity of the issue(s) raised. Your complaint handling procedure should provide guidance to staff about accurately assessing complaints at the outset so that appropriate decisions about their handling can be facilitated.
- Specify a timeframe within which you will aim to respond to complaints, while also allowing for flexibility. You should have a system for communicating to complainants about the progress of their complaint, and actively manage expectations about the length of time needed to properly respond to the issues raised.
- Provide an internal review mechanism for individuals who are not satisfied with the outcome of their complaint and information about available external avenues of review. Internal and external avenues of review should be clearly communicated to people when receipt of their complaint is acknowledged.

Learning from complaints

Complaints are a valuable resource for organisations. Through the analysis of complaints organisations can monitor the quality of their services and systems; identify recurring issues or trends; make improvements to systems and customer service where appropriate; and improve their reputation.⁵

A good complaint management system should emphasise to staff and the public that the focus of complaint handling is to address problems and improve systems rather than apportion blame. To facilitate this approach in practice, agencies need to have processes in place that enable them to learn from complaints in a systematic way.

⁵ NSW Ombudsman, *Complaint management framework*, June 2015, p.10.

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Findings from our audit

Learning from complaints – current practice is inadequate

- 61% of councils told us they record data about the number of complaints they receive (up from 58% in 2007); however, only 50% were able to specify the number of complaints they received in the last financial year.
- Only 44% of councils reported routinely analysing complaints in a systematic way. Practice by councils in this area has not improved over time – our 1999 survey of councils returned the same result.
- Only 54% of councils have a process for identifying and addressing systemic issues arising from either individual complaints or the analysis of complaints overall.

Tips to enable learning from complaints

- Have a clear system for recording information about complaints. Depending on the size of your council, this could be as simple as a spreadsheet or require a more sophisticated database.
- Ensure the details of all complaints are clearly recorded – at a minimum these should include: the name and address of the complainant; the dates the complaint was made and finalised; the issues raised; the steps taken to address the complaint and the outcome reached; and any commitments made to the complainant.
- Conduct regular and systematic analysis of complaint data. At a minimum, you should periodically examine: the number of complaints received and trends in complaint numbers over time; the types of complaint issues raised; whether the issues are likely to impact on other customers; the outcomes of complaints; and the demographic characteristics of complainants. You should also consider any internal or external factors that may have impacted on complaint trends in any given period.
- Explicitly delegate responsibility for analysing complaint trends and addressing any systemic issues identified from complaints. You should have good governance processes in place to ensure these responsibilities are met.

Available resources and training

If you would like more information about building a best practice complaint management system, the following resources are available at www.ombo.nsw.gov.au:

- Complaint management framework and model policy
- Managing unreasonable complainant conduct – model policy and procedure
- Managing Unreasonable Complainant Conduct Manual
- Apologies – A practical guide

Training

The NSW Ombudsman offers a range of quality training workshops based on our experience in assisting agencies and the public. Our highly interactive workshops provide participants with clear guidance and practical strategies to improve their skills and knowledge.

Available workshops include:

- Complaint handling for frontline staff
- Effective complaint management
- Managing unreasonable complainant conduct
- The art of negotiation
- Revised Australian/New Zealand Standard: Guidelines for complaint management in organizations (AS/NZS ISO 10002:2014)
- Aboriginal cultural appreciation
- Disability awareness training

To inquire about our training, visit our website, or email us on training@ombo.nsw.gov.au.

Contact us for more information

Our business hours are: Monday to Friday, 9am–5pm (*Inquiries section closes at 4pm*)

If you wish to visit us, we prefer you make an appointment. Please call us first to ensure your complaint is within our jurisdiction and our staff are available to see you.

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Sydney NSW 2000

Email nswombo@ombo.nsw.gov.au

Web www.ombo.nsw.gov.au

General inquiries 02 9286 1000

Facsimile 02 9283 2911

Toll free (outside Sydney metro) 1800 451 524

Tel. typewriter (TTY) 02 9264 8050

Telephone Interpreter Service (TIS): 131 450
We can arrange an interpreter through TIS or you can contact TIS yourself before speaking to us.