

## **SECTION 5**

### **CUSTOMER FOCUS**

5.1 The Insolvency Service customers fall into several categories: These are principally:

- Bankrupts and directors of failed companies – who are required to provide information for the OR's enquiries into the causes of failure and financial affairs of the individuals or companies.
- Creditors (and contributories in failed companies) – who receive a report on the insolvency, are called upon to provide information for the OR's enquiries and have the opportunity to appoint an insolvency practitioner in appropriate cases.
- Banks, solicitors, accountants and other parties – who have dealings with the bankrupt or failed company and who are also called on to provide information, or look to The Service to resolve issues arising out of the failure.
- Insolvency Practitioners – who may be appointed by the creditors or the Secretary of State as trustee or liquidator and take over the administration of an insolvency arising from the failure.
- Courts - where insolvency petitions are presented, orders made and enforcement proceeding instituted.

5.2 There is a wide range of other users of The Service, specifically Ministers and the DTI and agencies that deal with prosecutions, enforcement and regulation, as well as other government departments and the European Union institutions, and wider international countries, while enforcement benefits the general public.

5.3 In addition to the published "Service Charter" initiatives put in place have included:

- A formal complaints procedure.
- A Central Public Enquiry line.
- A wide range of information leaflets.
- An Insolvency Service Web site.
- User satisfaction surveys.
- A Disqualification Hotline.
- The launch of an Individual Insolvency Register.
- The application of the EFQM excellence model across the organisation.
- Telephone interview pilots in summary bankruptcy cases.
- The introduction of an enforcement concordat for Insolvency Practitioners licensed by the Secretary of State.

5.4 This customer focused approach is recognised by:

- The Charter Mark Award.
- The application of the European Foundation for Quality Management Excellence Model across The Service.
- IIP Accreditation.
- The Service's Payment Management Systems gaining ISO 9002.

- The “Positive About Disabled People” (two ticks) symbol of The Service’s commitment to encouraging job applications from the disabled.
- Plain Language Commission accreditation for The Service’s leaflets.
- “Bobby” accreditation for The Service’s Website.

The Service continues to develop its customer service strategy both in the light of The Government’s Service First (Charter Mark) initiative and in response to the Modernising Government Agenda. Details of the activities are at Annex 5.1.

**In Stage 2 we shall review the strategy including:**

- **Plans to establish the demand for an enquiry service extending beyond normal office hours in the context of the Modernising Government Agenda.**
- **How The Service proposes to benchmark complaint assessment methodology, patterns and processes for improving service following evaluation of complaints received.**
- **Arrangements for ensuring information is available in all appropriate languages.**
- **Proposals to develop the website as an integral customer surveying tool.**

## **CUSTOMER SERVICE STRATEGY**

### **Public Enquiry Line**

This is currently available between 9.00am and 5.00pm Monday to Friday.

The line is run centrally and deals with calls of a general nature and provides initial information on insolvency legislation and procedures and the work of the Official Receiver. Enquiry line staff handled 1,754 calls in 1999-2000.

### **Complaints Procedure.**

The Insolvency Service introduced a formal system for handling and analysing complaints in 1995/96. This system has been developed to provide input to service development and to clearly record the nature, volume and justification of complaints within each operational area. The table below records the overall number of complaints received across the across 1997/98-99/00 and sets out the number considered justified against The Service. Many of the latter relate to technical handling of cases.

Justifiable complaints have been upheld in about a quarter of cases each year. A number not justified related to matters which were not the responsibility of The Service – for example about the making of the bankruptcy order or an act of division of an IP trustee/liquidator).

In relation to new caseload these represent a rate running at less than 1%.

<b>COMPLAINTS TO THE INSOLVENCY SERVICE <u>1996/97 - 1999/00</u></b>	<b>97/98</b>	<b>98/99</b>	<b>99/00</b>
TOTAL NUMBER OF COMPLAINTS	927	859	688
NUMBER UPHELD	234	202	195
	25%	24%	28%
NUMBER NOT UPHELD	679	646	493
	73%	75%	72%
NUMBER OUTSTANDING	14	11	

<b>PERCENTAGE OF JUSTIFIABLE COMPLAINTS IN RELATION TO CASELOAD</b>	<b>97/98</b>	<b>98/99</b>	<b>99/00</b>
NUMBER OF NEW CASES	24,549	25,770	26,520
NUMBER OF UPHELD COMPLAINTS	234	202	195
%	0.95%	0.78%	0.74%

By its nature, The Service's business will generate a steady pattern of complaints. Complex procedures and reluctance by users to accept their circumstances will contribute to this. The extremely low levels of justifiable cases in relation to work load reflects the Review Team findings that general levels of performance are delivered to a high standard.

### **Information leaflets and publications.**

A broad range of information leaflets are produced by The Service covering all aspects of service operations and explaining the implications of bankruptcy and liquidation proceedings.

Leaflets are available at all Official Receiver offices, Citizens Advice Bureaux, other advisory centres and from the Insolvency Service Website.

The Service has received the Plain Language Commission's Clear English Standard accreditation for all its publications.

Some leaflets are printed in Urdu, other translations are being researched.

### **The Insolvency Service Web site**

The Service re-launched its website in December 1999. The site carries all The Service's available publications for viewing and downloading, all OR office addresses and links to other sites such as Companies House services. It also contains information on all on-going initiatives and activities and a questionnaire to obtain feedback on the site. The site is "Bobby" accredited meaning that it is easy to use by disabled persons. The site includes a helpful opportunity to register to be notified of updates of information.

Details explaining how to make a complaint can also be found at all OR offices and on The Service's Website.

### **User Surveys**

In 1997/98 some 3000 members of the public (bankrupts, directors of failed companies, insolvency practitioners and creditors) were given the opportunity to comment on the service provided by official receivers and their staff by completing a customer service questionnaire.

The survey highlighted a number of areas where The Service could make improvements to its public service. Examples included improvements to information materials, standard letters, the introduction of answering machines for silent hours calls, a review of the adequacy of telephone lines in each office and a review of maps of office locations. All recommendations have been actioned.

### **Current methods of consultation**

#### **Official Receiver functions**

Following on from the 1997/98 survey, the assessor's report in response to The Service's Charter Mark application in 1998 informed the decision of how current user satisfaction and user priorities should be tested. In particular the assessors commented that they felt that further consultation with individual bankrupts could provide insights on the way service impacts on users. The assessors therefore recommended that The Service devise an exit questionnaire/comments pro-forma for bankrupts and directors of failed companies inviting their views on the quality of service they have received. The assessors also commented that The Service should consider conducting interim surveys, perhaps by random telephone surveys between major consultations.

The Service has responded to these suggestions and its current approach also recognises the need for satisfaction surveys to also be carried out in relation to the services provided by HQ.

## **Official Receiver survey activity**

### User comment card trial

The Service implemented a user comment card trial in 1999 the purpose of which was to establish from users their views on the standard of service delivered by OR offices. Users (bankrupts and directors of failed companies) were asked to complete an exit questionnaire on leaving the ORs office. An initial trial was carried out in a sample office (OR Leicester) between March and June 1999. The pilot was extended to cover the Midlands region, covering 5 OR offices between November 1999 and January 2000. The method of consultation involved users completing an A5 card that set out a few questions about their visit to the office.

The initial trial only yielded a return of 8 replies to 300 cards distributed. The extended pilot yielded a better response rate in that of the 800 cards distributed 118 were returned. 99% of users who replied were satisfied with the service they received and 84% felt that nothing could be done better. 81% found staff to be helpful, polite and informative. 96% had seen or read leaflets/guides of which 88% found them easy to understand.

Whilst the response rate to the trial was low at 14.75% using such a method does provide immediate feedback from users giving an early indication of what their views on service and most of all what their needs are. In view of this The Service have decided to extend the trial nationwide in two stages, each stage to last 3 months. The trial will therefore conclude in December 2000 and will be evaluated in January 2001.

### User Survey 1999/2000

The need for wider user surveys is also recognised by The Service.

In an attempt to move away from large surveys every 2/3 years, a pilot of a rolling survey was undertaken in 1999/2000. This involved obtaining the views of bankrupts directors, creditors and insolvency practitioners on the standard of service delivered by the agency. The four-month pilot involved surveying by way of questionnaire the users of one office per region. 595 questionnaires were dispatched of which 81 were returned - a low response rate of 14%. The majority of respondents were satisfied with the standard of service they had received. Whilst work analysing the responses has not yet been fully completed further areas for improving services have been identified. For example, over 50% of respondents said that they would find it useful to correspond with The Service via e-mail.

A plan detailing the necessary actions, together with a target date, is currently being drafted and the detailed action plan will be put to The Service's Directing Board in September 2000.

### Report to Creditors readership survey

To survey creditors' views on the quality and timing of reports from the Official Receiver The Service is carrying out a pilot of a report to creditors readership survey. The pilot involves surveying the creditors of one OR's office (Cardiff) over a period of two months, with an estimated 2000 creditors surveyed during that period. This will take place during August and September 2000.

## **HQ Services**

### **Central Accounting Unit (CAU) User Group**

Central Accounting Unit have set up a consultative user group in order to obtain the views of IPs on the work carried out by CAU and any forthcoming system changes and also to consider and take forward recommendations made by IPs for improvements to processes. The user group meets every six months. The group is made up of 5/6 IPs, representatives from the IP monitors (The Law Society) and 4 members of staff from CAU. Examples of outcomes achieved as a result of the user group are - changes to the accounts sent to IPs to include more detail and consideration of changes suggested to CAU cheque stationery.

### **Central Accounting Unit (CAU) User Survey**

In order to extend the spectrum of users consulted beyond the CAU consultative group, The Service carried out a survey of 400 IPs in May 2000. The responses are currently being analysed.

### **Disqualified Directors Hotline**

In 1999/2000 following comments made by the NAO in its follow up report on The Service's Disqualification Unit, The Service undertook a small consultation with 50 complainants to the disqualified directors hotline. These complaints had been sent a questionnaire to establish further details in relation to their complaint but had not returned the questionnaires completed. The response to the consultation was limited and did not add anything to what had already been assumed in that once the complainant realised that they would need to provide detailed written information and possibly become a witness to criminal proceedings, they decided not to get involved.

### **The Insolvency Service Website feedback form**

As part of the continued development of the website a feedback form is now provided on the site for comments to be e-mailed to The Service. Feedback received so far has been positive.

### **Public Consultations on Policy**

In 1999/00 The Insolvency Service carried out consultations with users in relation to the Insolvency Bill, the Review of Company Rescue and Company Rescue Business Reconstruction mechanisms and the Bankruptcy review, 'A Fresh Start'. The reviews of Company Rescue and Bankruptcy are continuing.

### **The introduction of an Enforcement Concordat for Insolvency Practitioners licensed by the Secretary of State**

The Service has adopted the central and local government Concordat on Good Enforcement. Included in the term "enforcement" are advisory and monitoring visits as well as

authorisation and formal enforcement action. By adopting the concordat The Service commit themselves to follow policies and procedures which contribute to improving standards, and will provide information to show that it is observing them.

This document sets out what IPs authorised by the Secretary of State can expect from the officials with whom they have contact in Insolvency Practitioner Compliance Unit, Birmingham/London and Insolvency Practitioner Control Unit, Birmingham. It commits The Service to good enforcement policies and procedures. It is not intended as a complete statement of enforcement policy. It may be supplemented by additional statements of enforcement policy.

## **Staff**

The Insolvency Service achieved IIP in 1999, with continuing recognition confirmed in August 2000.

Although The Service has not undertaken regular Staff Surveys, a number of other initiatives have enabled management to respond to staff views on processes and operational policies.

An equal opportunities survey of staff was carried out in 1998.

EFQM principles are being applied across The Service to examine customer focus.

A specific survey by The Service's HR Directorate provided an opportunity for staff to comment on the work of HR Directorate generally.

## **Further developments**

The Service is considering how to best to take forward user consultation and will be considering how to:

- Further measure The Service's performance against the service standards set out in The Insolvency Service Charter.
- Identify user priorities.
- Examine user satisfaction.
- Publish the outcomes from surveys to show that changes are made.

In doing so The Service plans to review the means of measuring performance against service standards to ensure cost effective techniques are applied by all offices. The use of telephone surveying techniques are being researched to address the cost issues associated with installing expensive monitoring equipment.

The Service is also reviewing how best to identify user priorities in the light of the e-government agenda. Emphasis is to be placed on the overriding consideration of how to achieve delivery of electronic services that users want.

The Service also plans to continue examining user satisfaction to ensure that areas for improvement are identified.

In order to encourage greater participation by users in surveys The Service will look to publish results of, and changes resulting from, user surveys in The Insolvency Service Charter leaflet. Additionally, performance data against the service standards will also be published in the leaflet that will be re-printed annually.

Another key objective will be to review how surveys should be carried out.

Although Service-led user surveys have merit, response rates are low. Whilst the publication of results from surveys may encourage greater participation, the majority of individuals in one of the main user groups (bankrupts and directors of companies in compulsory liquidation) will only ever have dealings with the organisation once. The Service recognises that it will be difficult to motivate people to help bring about improvements when they themselves are unlikely to reap any benefit. Consequently, subject to the necessary funding being available, The Service is considering outsourcing mystery shopping and user satisfaction/priorities exercises to market research companies that specialise in conducting those exercises. In particular mystery shopping could be used to test telephone response rates and also the qualitative aspects of The Service's central enquiry line. Mystery shopping could also be used to test the target of visitors seen without an appointment within 10 minutes.

In addition to increasing response rates, outsourcing mystery shopping/telephone surveys should add greater credibility to the process as opposed to solely relying on in-house surveys.

The Secretariat is targeted to make recommendations to The Service's Directing Board in September 2000 on how the user strategy should be taken forward.

### Consumer Champion

The Service has also established a Consumer Champion with responsibility for driving through change and ensuring that user's views are translated into practical improvements to the services provided.

### The application of the EFQM Excellence Model across the organisation

The Service has adopted the EFQM model as a key quality assessment vehicle. A top management EFQM assessment was undertaken by senior management. The overall score was submitted to the Civil Service College database. A first round of assessments focusing on users has been carried out in The Service's offices. The results of these assessments have been incorporated into local business plans. Two major initiatives to come out of the use of the model are:

- A comprehensive process review of OR's work.
- Telephone interviewing in non-complex cases to bring efficiencies to users and The Service.