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Auckland Council: How it deals with complaints



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Office of the Auditor-General

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Auditor-General's overview

Complaints can be a valuable source of information for improving services and systems. How well an organisation deals with complaints can show how committed it is to providing a high-quality service to people.

When Auckland Council (the Council) was set up in November 2010, it brought together eight councils that each had their own approach to handling complaints. The Council set up a single organisation-wide system to manage complaints at that time.

In 2013, the Council began a project to build on this complaints system, taking into account best practice guidelines published by the Office of the Ombudsman.

As part of my periodic reviews of the Council's service performance, I audited the results of the work the Council has carried out to improve its complaints-handling process since 2013. At the time of our audit, the Council still had to finish implementing some aspects of its project, including introducing a new customer relationship management system that would better handle complaints information (the new system).

The Council makes it easy for people to complain in various ways, including to any Council staff member or elected member. Staff will try to deal with the issue straight away. If that is not possible, the complaint will be logged and dealt with according to the Council's complaints process.

The Council has designed a process that is flexible enough to record all complaints, regardless of how they come into the Council and which department manages them, while trying to handle all complaints to a consistent standard.

The Council has a focus on resolving complaints, and most are dealt with in a timely manner.

The Council has used complaints information to identify patterns and persistent or systemic issues so that it can investigate and fix them. My staff found many examples of the Council changing its practices to improve services as a result of complaints and other comments.

The Council could do better in some aspects – in particular, collecting information from the complainant's perspective.

Recently, the Council carried out research that consisted of 12 in-depth interviews with people who had made a complaint in December 2015 or January 2016. This provided some valuable insights from the complainant's perspective about how the Council handled their complaint. To handle complaints more effectively, the Council could do more of this type of work.

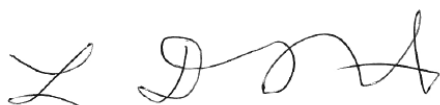
Also, the Council acknowledged that its current complaints system has limitations. For example, the system does not allow the Council to easily track and report on complaints that have been passed between departments or escalated to a higher level.

With the introduction of the new system, the Council expects to be able to carry out more sophisticated tracking and analysis of complaints, including any that are transferred between multiple departments and that take too long to resolve. I encourage the Council to take advantage of this new opportunity.

In my view, the Council should systematically collect and review enhanced performance information, including information from a complainant's perspective and information that will be more readily available with the new system. It should use this information to assess how effectively it deals with complaints and identify potential improvements to its complaint-handling process.

The Council could also do more to inform the public and staff about improvements it makes to its services as a result of complaints and other information. This would increase confidence that the Council takes complaints seriously and acts on them.

I thank the Council and its staff for their time and co-operation.

A handwritten signature in black ink, appearing to read 'Lyn Provost', written in a cursive style.

Lyn Provost
Auditor-General

16 August 2016

Our recommendations

1. We recommend that Auckland Council collect and review information that is more comprehensive, including information from a complainant's perspective, and use it to assess how effectively and efficiently the Council handles complaints and identify potential actions to improve the complaints process.
2. We recommend that Auckland Council report publicly about the effectiveness of the Council's complaints-handling performance and how it has used complaints information to improve its services.

1

Introduction

- 1.1 In this Part, we discuss:
- the purpose of our audit;
 - the role of Auckland Council;
 - what we audited;
 - what we did not audit;
 - how we carried out our audit; and
 - the structure of this report.

The purpose of our audit

- 1.2 Section 104 of the Local Government (Auckland Council) Act 2009 requires the Auditor-General to review the service performance of Auckland Council (the Council) and its council-controlled organisations. In recent years, we have completed three reviews. For our fourth review, we decided to look at the Council's complaints-handling process.
- 1.3 How well an organisation deals with complaints can show how committed it is to providing a high-quality service to people. Dealt with correctly, complaints can be an opportunity for entities to improve their services.
- 1.4 Since 2013, the Council has carried out work to improve its complaints-management system. The Council was keen to find out where further improvements might be made.
- 1.5 We have reviewed how two other large service delivery entities deal with complaints.¹ Assessing how effectively the Council manages complaints builds on this work.

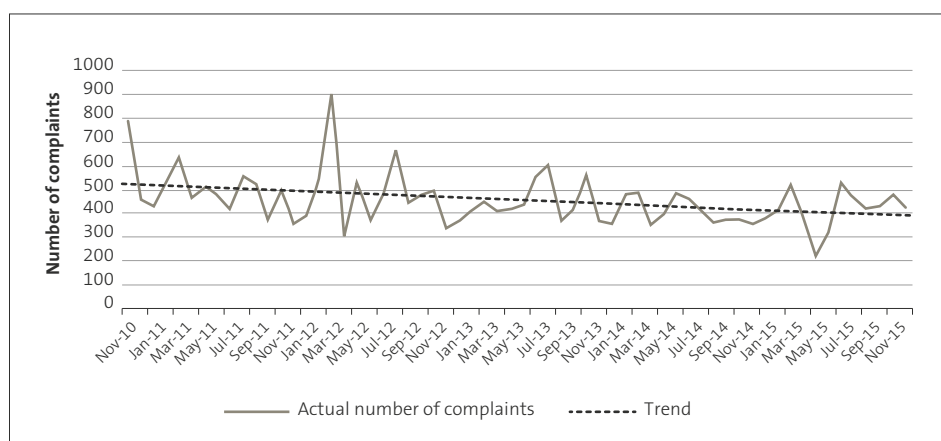
The role of Auckland Council

- 1.6 The Council was set up in November 2010 by bringing together eight councils. The Council is made up of the mayor, 20 councillors (the governing body), and 149 local board members in 21 local boards.
- 1.7 Council employees support the governing body and members of local boards by providing specialist advice, implementing decisions, and delivering services through several departments. The services include drafting bylaws, issuing resource and building consents, collecting kerbside rubbish and recycling, managing community and recreation centres and parks, and supporting and funding local events.

¹ Controller and Auditor-General (2014), *Accident Compensation Corporation: How it deals with complaints* and *Ministry of Social Development: How it deals with complaints*, Wellington.

- 1.8 The Council delivers several services through council-controlled organisations. The Council sets up and owns council-controlled organisations, but they carry out their activities independently. The Council is responsible for setting council-controlled organisations' objectives and strategies and for monitoring their performance.
- 1.9 The six main council-controlled organisations are:
- Auckland Council Investments Limited;
 - Auckland Tourism, Events and Economic Development Limited;
 - Auckland Transport;
 - Development Auckland Limited;
 - Regional Facilities Auckland; and
 - Watercare Services Limited (Watercare).
- 1.10 The Council serves a culturally diverse population of about 1.5 million people, living from Rodney in the north to Franklin in the south.
- 1.11 Each of the eight councils that were amalgamated to form the Council had their own approach to handling complaints. The Council set up a single organisation-wide system to log and manage complaints in 2010. However, there were no Council-wide complaints policies at that time, and the system did not record all the information the Council wanted, such as compliments and suggestions.
- 1.12 In 2013, the Council began a project to redesign this complaints system, taking into account best practice guidelines published by the Office of the Ombudsman. Part of this work has been creating an organisational culture that values complaints and uses them as an opportunity to learn and improve services.
- 1.13 At the time of our audit, the Council still had some aspects to finish implementing, including introducing a new customer relationship management system (the new system). We looked at the results of the work the Council has carried out to date to improve its complaints-handling process.
- 1.14 The Council receives more than 4500 complaints (excluding Watercare and Auckland Transport) each year. As Figure 1 shows, overall complaint numbers have fluctuated but have been trending downward in the last five years.

Figure 1
Monthly complaints from November 2010 to December 2015



Source: Auckland Council.

1.15 The complaints are spread over the many services that the Council delivers through a range of departments. The main types of complaints the Council receives are about:

- rates;
- resource and building consents;
- animal management – dogs;
- parks; and
- rubbish (solid waste and inorganic collection).

What we audited

1.16 We looked at how well the Council manages complaints about its services. We wanted to understand:

- the Council's approach to managing complaints;
- how easy it is for people to complain to the Council;
- how well the Council responds to complaints; and
- how the Council uses information about complaints and other comments to improve services.

1.17 Our focus was the complaints that the Council manages, as defined by its complaints policy (which we discuss in more detail in Part 2). The policy document explains that a complaint is an:

... expression of dissatisfaction by one or more members of our customers, citizens, ratepayers and visitors about the council's:

- *action or lack of action;*
- *decision; or*
- *the standard of service provided by or on behalf of the council.*

What we did not audit

1.18 We did not look at:

- the process for managing complaints about services provided by Auckland Transport or Watercare Services Limited, which have their own processes for managing complaints;
- the Council's "request a service" process (such as requesting the Council to investigate a noise disturbance);
- the process for managing requests under the Local Government Official Information and Meetings Act 1987;
- complaints under the Privacy Act 1993; or
- complaints about a decision governed by any other legislation or regulatory process.

How we carried out our audit

1.19 To carry out our audit, we:

- reviewed the Council's policy, training, and accountability documents, process manuals, and internal performance reports;
- reviewed the Council's customer relationship management tool, intranet pages, and business reporting tools; and
- interviewed 77 people throughout the organisation.

1.20 We also reviewed research commissioned by the Council that involved 12 in-depth interviews with people who had made a complaint in December 2015 or January 2016.²

Structure of this report

1.21 In Part 2, we discuss the Council's approach to managing complaints and look at the Council's policies and processes.

1.22 In Part 3, we discuss how easy it is for people to complain and how the Council deals with complaints.

1.23 In Part 4, we discuss how the Council reviews performance information on complaints handling and how it has used complaints and other information to support service improvements.

² Auckland Council (2016), *Complainants Research: Understanding our complaints process from the customer's perspective*, Auckland.

2

Auckland Council's approach to managing complaints

- 2.1 In this Part, we discuss:
- the Council's policies, systems, and resources for managing complaints;
 - how the Council tries to ensure that its process for handling complaints is followed consistently; and
 - staff understanding of the complaints process.

Summary of our findings

- 2.2 The Council has formal policies and processes for managing complaints, which take into account good practice guidelines. The policies and processes are supported by training resources and other systems that help staff to manage complaints. This includes a complaints-recording system (the complaints system) that the Council was updating to support a more comprehensive complaints-management system.
- 2.3 The Council has designed a process that is flexible enough to record all complaints regardless of how they come into the Council and which department manages them, while ensuring that all complaints are handled to a consistent standard.
- 2.4 Staff understanding varied about the importance of complaints to providing excellent customer service. The Council was intending to use the introduction of the new system³ to generate greater awareness and understanding throughout the Council.

The policies and process for managing complaints

- 2.5 The Office of the Ombudsman has published guidelines about preparing and operating an effective complaints process.⁴ We expected the Council to have formal policies and processes for managing complaints that take these guidelines into account. We expected the policies and processes to provide clear guidance to staff and provide for a consistent process to manage complaints throughout the Council.
- 2.6 Three main components underpin the Council's complaints-handling process:
- the complaints policy;
 - a business rules document; and
 - the complaints system (for recording complaints).

³ The new customer relationship management system does not include Watercare or Auckland Transport, which have their own systems.

⁴ Office of the Ombudsman (2012), *Effective complaint handling and Managing unreasonable complainant conduct: A manual for frontline staff, supervisors and senior managers*, Wellington.

- 2.7 These three components are supported by:
- a social media policy that includes guidelines for responding to complaints that might come in through social media, such as Facebook and Twitter;
 - training manuals that describe how to use the complaints system and what to do at each stage of the process (see paragraphs 2.23-2.28);
 - an unreasonable complainant conduct policy that was prepared to help staff manage difficult complainants in a way that reduces the effect on staff and other people; and
 - a business intelligence document to help staff create reports for analysing complaints information (see Part 4).

- 2.8 These policies and other material generally cover all the main elements we expect to see in an effective complaints process that takes the Ombudsman's guidelines into account. In particular, we expect to see a process that makes it easy to complain, responds promptly and effectively, and uses information from complaints to help identify opportunities to improve services. We also expect the policies and other material to create an environment that values complaints, ensures that staff are well trained to handle complaints, and achieves consistency throughout the Council.

Complaints policy

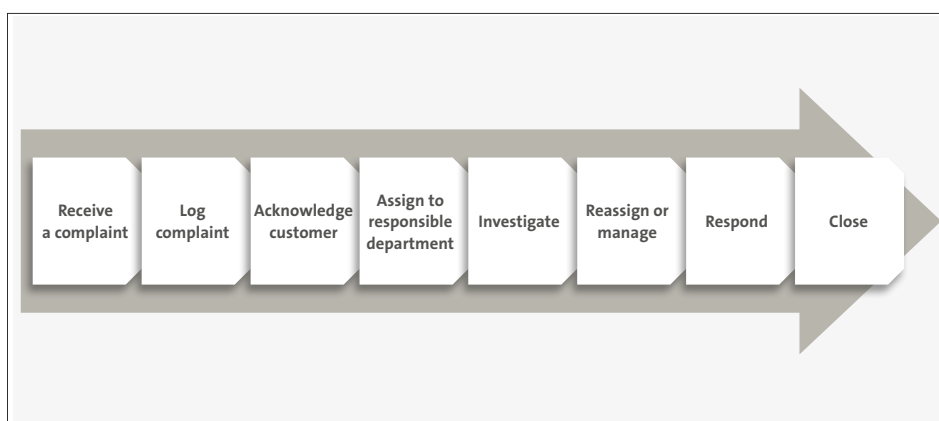
- 2.9 The purpose of the complaints policy is to:
- provide the Council's definition of a complaint;
 - identify the principles that the Council will apply when dealing with complaints; and
 - explain roles and responsibilities.
- 2.10 The policy sets an expectation that the Council takes complaints seriously, will work with complainants to resolve the issue, and will use their comments as an opportunity to learn and improve Council services.
- 2.11 The complaints policy also sets out a multi-tiered model for managing complaints. In the first instance, frontline staff are expected to try to deal with an issue at the first point of contact. If immediate resolution is not possible, people can make a formal complaint that is assigned to the appropriate department to resolve (a level 1 complaint).
- 2.12 If the complainant is still dissatisfied or if the complaint is particularly complex or sensitive, the complaint can be escalated to a level 2 complaint. If a resolution cannot be obtained, the complainant can appeal to the Ombudsman (level 3). We discuss how the Council handles different levels of complaints in Part 3.

- 2.13 The complaints policy applies to all staff and contractors at the Council and council-controlled organisations (except Auckland Transport and Watercare, which have their own complaints processes).
- 2.14 The complaints policy provides a basic foundation for the Council's complaints-handling framework. It is an overarching document that, when read together with other Council documents (such as the business rules document), guides Council staff in handling complaints.

Business rules document

- 2.15 The purpose of the business rules document is to act as a guide for staff when handling level 1 complaints. It applies to any staff who come into contact with a complaint, ranging from a member of the Complaints and Issues Resolution Team to a park ranger. It builds on the foundation established in the complaints policy by setting out the practical steps staff must take when handling complaints.
- 2.16 The document explains each step (as set out in Figure 2), what is required at each step, and what to record at each step. The document also contains links and references to training resources that provide more detailed guidance to assist decision-making.

Figure 2
Auckland Council's complaints-handling process



Source: Office of the Auditor-General.

- 2.17 The document also sets out the roles and responsibilities of those involved in the complaints-handling process. The Complaints and Issues Resolution Team, within Customer Services, has oversight of the complaints-handling process. The team is responsible for problem-solving, system updates, quality checking, and reporting.

- 2.18 Operational departments have a department liaison person who is responsible for taking care of the complaints that come into their department. Staff from the Mayor's office, the Chief Executive's office, local boards, and Democracy Services (councillor support advisors) are described as Hub members. The role of the Hub member is to manage complaints that come to them directly from the public.
- 2.19 In our view, the business rules document clearly sets out each step from receiving to closing a complaint. It clearly explains the steps in the process and aligns them to the relevant recording procedure for each step.

The system for recording complaints data

- 2.20 A well-designed recording system for complaints data helps entities to record, store, track, manage, and report on all complaints. We expected the Council to have a recording tool to help it manage complaints consistently.
- 2.21 The Council had a tool for recording customer interactions, including complaints information. For simplicity, we have called it the complaints system. The complaints system was rolled out when the Council was set up in 2010. The complaints system was intended to provide a single Council-wide system for logging and managing complaints but it had limitations. It did not provide a complete reporting tool and it did not record comprehensive customer interaction information, such as compliments received about Council staff or services.
- 2.22 At the time of our audit, the Council had a project under way to, among other changes, improve its customer relationship management system. This included improving how complaints would be logged, monitored, and tracked. According to the Council, the new system would allow the Council to report on more information than it could currently report on, such as the volume of reassigned complaints. The new system went live after we had completed our audit.

Training and ongoing support

- 2.23 The business rules document explains what staff need to do at each step of the complaints process. The skills that staff need for decision-making are gained through experience, training, and ongoing support.
- 2.24 To supplement the formal policies and guidance, the Complaints and Issues Resolution Team provides induction and continuous training and support to staff involved in the complaints-handling process. In particular, it trains customer service representatives, department liaisons, and Hub members. Specific and tailored training material is available for department liaisons, local board staff, and other Hub members to take account of their particular needs and the

circumstances that they might encounter when dealing with complaints that are unique to their roles.

- 2.25 Any member of staff can access the training resources through the business rules document and the staff intranet.
- 2.26 Staff can contact the Complaints and Issues Resolution Team for support at any time they need it. This might be in response to a specific complaint or for more general support and advice on the complaints process.
- 2.27 Some staff we spoke to confirmed that they had received complaints training at induction, and most thought that the training was good. However, they gained their experience through doing their job. They appreciated the support that they received from managers and the Complaints and Issues Resolution Team while handling complaints.
- 2.28 The Council makes a range of training resources available to staff. Tailoring materials to address the needs of particular users of the complaints-handling process is appropriate. Based on what we were told, the training is considered useful. In our view, access to the Complaints and Issues Resolution Team for help with specific issues as they arise is a valuable resource for staff.

Ensuring consistency throughout Auckland Council

- 2.29 Because of the range of complaints about the Council's departments and services, the Council needs a process that is flexible enough to ensure that all complaints are handled to a consistent standard, regardless of where or how the complaints are received or which department is responsible for managing them.
- 2.30 Flexibility is provided through the business rules document. This defines different requirements for some process steps that take account of the circumstances of people in different roles in the organisation. For example, a section in the document has different requirements for referring or managing complaints depending on whether staff are Hub members or department liaisons.
- 2.31 Similarly, the Building Control department is required under the Building (Accreditation of Building Consent Authorities) Regulations 2006 to have a process for receiving and managing complaints about building control functions. Building Control has designed its process to be as consistent as possible with the wider Council process.
- 2.32 Training material is also tailored for the same reason. For example, there are different training manuals for department liaisons and local boards.

- 2.33 Although the requirements of some process steps differ, the Council tries to maintain consistency by ensuring that all complaints go through the same process steps and by requiring that all information about complaints is recorded in a single recording system.
- 2.34 In our view, the Council has designed a consistent process for managing complaints that takes into account the needs of the different business groups.

Staff understanding of the importance of complaints

- 2.35 The Office of the Ombudsman states that complaints are a legitimate and necessary part of the relationship between entities and the public. How well an entity deals with complaints can show how committed it is to providing a high-quality service to people. We wanted to know how well staff understood the importance of complaints.
- 2.36 The Complaints and Issues Resolution Team told us that it has worked hard in the last two years to change the Council's culture. It said that it is noticing that departments are beginning to see and understand the benefits of having a robust and consistent complaints-handling process.
- 2.37 However, we found that the level of understanding about how complaints are an essential part of providing excellent customer service varied. Comments we heard from staff ranged from those who saw complaints as "a gift" to those who felt that handling complaints was not part of their job.
- 2.38 Given the amount of change the Council has gone through since 2010 – in particular, designing and implementing a comprehensive complaints process to replace eight different complaints-handling processes – we did not expect that everyone would clearly understand everything.
- 2.39 In our view, the Council needs to do more work to increase understanding about the importance of complaints. We encourage the Council to use the introduction of the new system to increase understanding and awareness of the complaints process throughout the Council.

3

Making and dealing with complaints

3.1 In this Part, we discuss how easy it is for people to complain to the Council and how the Council deals with complaints. We discuss:

- the ease of making a complaint;
- allocating responsibility for managing complaints;
- handling complaints;
- escalating complaints;
- managing expectations; and
- communicating decisions.

Summary of our findings

3.2 Frontline staff try to resolve an issue then and there. If they cannot, people can make a formal complaint. The Council provides good information in English about how to complain. The Council should consider how to make information more available to people who are not fluent in English. People can complain in various ways, including to any staff member, elected member, or their local member of Parliament. This makes it reasonably easy for people to complain.

3.3 The Council monitors and reports on complaints to ensure that they are assigned to a department for investigation. The Council did not monitor and report on how often complaints had been reassigned or referred to another department but expected to be able to do so when the new system was operating. We encourage the Council to monitor and report on reassigned complaints now that the new system has been implemented. In our view, this should enable the Council to identify whether some complaints are being passed between departments without being resolved.

3.4 The Council meets the 10-working-day time frame for closing most complaints. Most departments have processes for monitoring the progress of complaints and check to make sure that they met the due date. Complainants interviewed by the Council support our view that the Council deals with most complaints in a timely way.

3.5 The Council has good practices for dealing with some of the more difficult complainants or complaints that need to be escalated. We consider that the Council needs to analyse complaints that have been escalated to give it better information about why they are being escalated – whether it is because of the Council’s handling of the complaint or reasons outside of its control.

3.6 The Council sets expectations about time frames clearly by publishing them on its website. However, if the time frames need to change – for example, if a complaint

needs more time to be fully investigated – the Council does not monitor whether the complainant is kept informed about those changes.

- 3.7 The Council's responses to complainants about the outcome of their complaints are clear and easy to understand. However, we consider that the Council should regularly collect and analyse information from complainants about whether they are satisfied with the resolution of their complaint.

Ease of making a complaint

Frontline resolution

- 3.8 The Council aims to resolve matters raised as close to the point of service delivery as possible. Frontline staff try to fix the issue then and there so that the person does not need to make a formal complaint.
- 3.9 If frontline staff fix an issue and prevent a formal complaint being made, the Council's process requires them to retrospectively log the issue into the Council's complaints system. The purpose of this is to ensure that information about the issue is available when the Council analyses complaints.
- 3.10 The Council has a resolution field in the complaints system to record those issues resolved at first contact and then logged retrospectively. However, we heard that staff who fix an issue on the spot sometimes do not log the issue in the system. Because of this, the Council could be losing trend information by not recording all issues. The Council intended to use the roll-out of the new system to increase customer service representatives' understanding of the need to log issues retrospectively.
- 3.11 If an issue cannot be resolved then and there, the person can make a formal complaint.

Providing information

- 3.12 People cannot complain to the Council if they do not know how. We expected the Council to provide information about making complaints in different formats and languages to meet the needs of its diverse population. Information should be clear and communicated in a way that people can understand.
- 3.13 Information about complaints is available and clearly visible on the Council's website under the "Contact us" tab. This includes details of the Council's telephone number, the Council's postal address, links to the online web-form, and details of Council service centres. Some complainants interviewed by the Council confirmed our view that information on the website is "easy to find and navigate".

- 3.14 People who do not have internet access can use the free computers at public libraries.
- 3.15 The Council used to produce brochures about complaints in all service centres, libraries, and local board offices. These had a tear-off pre-paid form so that there were fewer barriers to their return. We were told that people did not readily use the brochures, so they were discontinued. However, the Council continues to provide an alternative paper form that people can fill in or take away.
- 3.16 The Council does not provide information about complaints in languages other than English. Call centre staff we spoke to were aware of, and used, language line and other resources to help them when dealing with people who do not speak English fluently.
- 3.17 In our view, the Council needs to consider how to make its information about complaints more accessible to people who do not speak English fluently. As an example, the Health and Disability Commissioner provides links on its website to copies of people's rights when using a health and disability service and how to complain in 42 languages other than English.⁵
- 3.18 The Council is aware that it needs to provide information, both about complaints and more generally, that meets the needs of its diverse population. A group called the Diversity Council has been set up and has a programme of work under way to address diversity both within the Council and with the citizens, community, and ratepayers of the Council.

Channels for making complaints

- 3.19 Customers should be able to choose the channel to complain that best suits them, and we expected the Council to offer a range of different complaints channels. These channels should be easy to access and use, and cover different forms of communication (for example, online, written, in person).
- 3.20 The Council has several channels people can use to complain. These include:
- a web-form on the Council's website that people can complete with the details of their complaint;
 - a local telephone number for the Council's call centre;
 - sending a letter or emailing;
 - making a complaint in person at a Council office, including customer service centres, leisure centres, and local board offices;
 - approaching Council staff, councillors, local board members, or local members of Parliament; and
 - the Council's social media accounts.

- 3.21 We consider that the Council offers a range of different channels people can use to make a formal complaint. The telephone and email are the most-used channels. The Council encourages people to use the telephone or the web-form on its website. Complainants the Council interviewed who used the web-form found it easy to use.
- 3.22 The 09 301 0101 Council telephone number is free to use for residential landlines within the Council's boundaries but is not free for cell phones or toll calls. Complainants the Council interviewed who used the telephone reported that they thought the customer service representatives did a good job and helped the person to complain.
- 3.23 Some Council staff we spoke to told us that, sometimes, people want more assurance that their complaint will be listened to. These people tend to complain in person at Council service centres or directly to councillors, local board members, or a member of Parliament. Council interviews with complainants confirmed that view.
- 3.24 People can complain to the Council through its social media accounts. When we spoke to staff, they could not recall any complaints that had been made through social media.
- 3.25 We consider that, generally, the Council makes it easy for most people to complain by providing information about how to complain and offering a variety of channels to complain through. However, this could be improved by providing information in languages other than English.

Acknowledging complaints promptly

- 3.26 When a person has complained, we expected the Council to promptly acknowledge that it has received the complaint. Complainants interviewed by the Council who complained through the Council's website said that they received an automated or initial response. They appreciated this because it showed them that their complaint was in the system and reassured them that it would be dealt with.
- 3.27 Complainants who complain by telephone receive an acknowledgement immediately and can be given their customer reference number at that time. Complainants interviewed by the Council confirmed that most made a note of the reference number for their complaint, which made it easy to refer to their complaint in their interactions with the Council while their complaint was being handled.
- 3.28 The Council's interviews with complainants indicated to us that the Council acknowledges complaints made by telephone or website in a timely way. However,

because of inadequate information, we could not assess whether this was the same for complaints made through other channels. Because email is one of the most commonly used channels for making complaints, the Council should ensure that it also acknowledges complaints made by email in a timely way.

Allocating responsibility for managing complaints

- 3.29 The Council receives more than 4500 complaints a year about a variety of different services that the Council delivers through different departments. All complaints have to be assigned to a department or person to make sure that someone picks up the complaint in the complaints system and resolves it.
- 3.30 We looked at data measuring complaints received by departments. The data showed that, from July 2015 to December 2015, 99.8% of complaints were assigned to a department rather than being left sitting in the complaints system. The Complaints and Issues Resolution Team monitors and picks up any complaints sitting in the system and ensures that they are assigned to the appropriate place.
- 3.31 Where the complaint is initially assigned to depends on where the complaint was received. For example, complaints received by the Chief Executive are assigned to the Chief Executive's office. Complaints received by a department (for example, through a field officer) are assigned to the relevant department.
- 3.32 The person who picks up the complaint then needs to decide whether they are the most appropriate person to manage the complaint or whether they should reassign it to another person or department. The Council has guidelines for this. For example, a complaint about park maintenance received by, and assigned to, the Chief Executive's office will be referred to the relevant Parks department.
- 3.33 We heard from staff that, generally, they understood the process for assigning complaints to the appropriate department or person. If staff are not sure which department or person is the most appropriate to investigate the complaint, they can contact the Complaints and Issues Resolution Team for advice.
- 3.34 However, some staff acknowledged that reassigning a complaint to the appropriate department or person could sometimes be difficult. This risks the complaint being reassigned numerous times, resulting in delays in investigating the complaint.
- 3.35 We were told that this seems to be an issue with complaints referred to Auckland Transport.

Auckland Transport

- 3.36 It seems that some queries and complaints are incorrectly referred to Auckland Transport. We were told that this is because there can be confusion about which organisation is responsible for an issue. For example, Auckland Transport maintains berms but the Council's contractors maintain trees on berms. This can cause queries and complaints to be referred back and forth between the organisations, causing delays in service and frustration for the complainant.
- 3.37 In our 2016 report, *Public sector accountability through raising concerns*, we noted that, when a complaint or concern involves different entities, it can be difficult for the entities to work out which aspects of the complaint they are responsible for. We encourage the Council and Auckland Transport to continue looking for new ways to improve their connections with each other to make it easier for people to get the help they need.

Watercare Services Limited

- 3.38 The Council also refers relevant complaints to Watercare. There are established channels for referring complaints to Watercare. For example, there is a specific priority telephone number and an email address. The Council does not refer a large number of complaints to Watercare. In the year to 31 March 2016, the Council referred 246 complaints to Auckland Transport. During the same 12 months, it referred 10 complaints to Watercare.

Monitoring and reporting on reassigned complaints

- 3.39 Other than the complaints referred to Auckland Transport or Watercare, the Council does not report on the number of complaints that have been reassigned within the Council. Because of this, the Council cannot fully monitor, report on, or assess how effectively it manages complaints.
- 3.40 The Council told us that the new system would have a reassignment counter that would enable it to monitor and report on reassigned complaints, including how many times a complaint had been reassigned. This should give the Council better information to identify how well it is managing, and where it might need to make improvements to, this part of the complaints process. We encourage the Council to monitor and report on reassigned complaints.

Handling complaints

- 3.41 The person the complaint has been assigned to is responsible for investigating it and determining what might have caused the complainant to raise their concerns. They are also responsible for providing a resolution and communicating this to the complainant. Investigating complaints can range from questioning a manager to understand the nature of a complaint about an individual staff member to subject-matter experts investigating a technical issue.
- 3.42 The Council gets more than 4500 complaints each year, so we did not assess the adequacy of individual investigations.

Timeliness

- 3.43 Investigating and responding to complaints in a timely way can be an indicator of the effectiveness of an organisation's complaints-handling process. The Council operates under a service level agreement of resolving level 1 complaints within 10 working days. We expected the Council to investigate and resolve most complaints within its 10-working-day time frame. We also expected the Council to monitor the progress of complaints against the service level agreement.
- 3.44 We looked at data measuring the Council's performance against the service level agreement. From July 2015 to December 2015, performance varied between departments and some met the service level agreement more consistently than others. This could be for a range of reasons. For example, the complexity of complaints received by departments might significantly vary from month to month, which might mean that some take longer to resolve than others.
- 3.45 This is consistent with what we reported in *Public sector accountability through raising concerns*. In that report, we noted that, even if the number of total complaints decreases over time, it remains possible for the resources required to resolve individual complaints to increase because they are more complex to deal with.
- 3.46 Also, some departments deal with low volumes of complaints. Failing to meet the service level agreement standard for a single complaint can have a more significant effect on the department's performance against the service level agreement than a similar failure by a department that handles high volumes.
- 3.47 The Council's data told us that the Council's overall performance against the service level agreement ranged from 70% to 88%. Complainants interviewed by the Council confirmed that they received a response to their complaint within the service level agreement time frame. In our view, the Council's overall performance against the service level agreement is reasonable for an organisation as large as the Council that is responsible for delivering such a wide range of services.

Closed and resolved complaints

- 3.48 When a complaint has been investigated, the Council expects staff to send a response to the complainant about the outcome of the investigation. The Council then expects staff to close the complaint as soon as the response has been sent to ensure that they meet the service level agreement time frame. However, staff are also advised to close off the complaint only when the complainant's issue has been resolved.
- 3.49 The Council does not regularly collect information from complainants about whether they are satisfied with the resolution of their complaint.
- 3.50 We were told that, if complainants do not call back about a complaint they have made, some staff take this as an indication that the complainant is satisfied. If a complainant does call back to thank the Council for dealing with their issue, staff take that as an indication that "this shows the system is working".
- 3.51 We did see some examples of staff following up with complainants to make sure that they were satisfied with the resolution offered. We were told complainants appreciated this. However, it was not common practice.
- 3.52 Some complainants interviewed by the Council reported that, although they received a response and their complaint was closed, they were not satisfied that it had been adequately explored or resolved. The Council's research summarised their feedback as feeling that the response was "a little like a tick-box exercise" where the Council "made the right noises" but did not truly understand the complainant's perspective.
- 3.53 Comments from the interviews with complainants showed that complainants want the response to reflect that they have been listened to and heard. Also, as well as an initial response or apology, they wanted some follow-up detailing what the Council had done to improve services for them and for others.
- 3.54 Some frontline staff also said they wanted to know what the Council had done about complaints they received. These staff felt that knowing that complaints had been responded to and resolved would give them more trust and confidence in the complaints-handling process. We agree that this would be useful.
- 3.55 In our reports on how the Accident Compensation Corporation and Ministry of Social Development dealt with complaints, we said that both could inform complainants of the resolution of their complaints better – in particular, by closing the loop by linking complaints to service delivery improvements.
- 3.56 We consider that the Council needs to ensure that the complaints it closes have been adequately resolved from the complainant's perspective. The Council should

also make more information available to the public about what it has done in response to complaints. This would assure the public that the Council listens to them and takes their complaints seriously. We discuss the need to collect, analyse, and report information about the complaints process from a complainant's perspective in Part 4.

Escalating complaints

- 3.57 The nature of a complaint or complainant can vary significantly – some are easy to deal with, and others are more complex. We expected the Council's complaints-handling process to have clear levels of escalation for complaints. We also expected the management process for escalated complaints to recognise the need for flexibility in managing these complaints.
- 3.58 Complaints that cannot be handled within the standard service level time frame are categorised as open time frame (level 2) complaints. These can be triggered by a complainant appealing the Council's response to their complaint, significant complexity, or significant risk involved in the complaint.
- 3.59 The Council manages level 2 complaints on a case-by-case basis. This might involve assembling a team of experts from a department or departments liaising with one another. For example, a tier 2 manager might manage highly complex complaints, while the legal team might manage ones with a high reputational risk. We consider that it is appropriate for the Council to involve experts and higher-level management in managing level 2 complaints, and we were told that this approach generally works well.
- 3.60 Our report *Public sector accountability through raising concerns* said that it is becoming more common for people to sometimes be forceful in presenting their complaint. To help staff with difficult complainants and protracted or escalated issues, the Council has customer relationship managers who act as a single point of contact for these complainants. This is a good practice because it provides certainty for these complainants and consistency of contact.
- 3.61 Customer relationship managers often meet with the complainant in person to manage the complaint. We were told that this helps them to get a better understanding of the complaint, because there is often a deeper issue underlying the complaint. The customer relationship managers said that this also helps to rebuild the complainant's trust in the Council.
- 3.62 In our view, the Council has good practices for dealing with more difficult complainants or complaints that need to be escalated. However, we consider that the Council needs to analyse complaints that have been escalated to better

understand the reasons complaints are escalated – whether it is because of the Council’s handling of the complaint or reasons outside of its control.

- 3.63 The Council told us that the new system will enable it to see where a level 1 complaint has been escalated to level 2 more clearly. This was not easily done under the old system. We encourage the Council to monitor and report on escalated complaints as part of implementing the new system.

Other remedies

- 3.64 Complainants can appeal the Council’s decision and have their complaint escalated to a level 2 complaint. If complainants are still not satisfied with the resolution offered by the Council, they can ask for an external review by the Office of the Ombudsman (level 3). This is stated on the Council’s website.
- 3.65 We saw that the Council’s standard written response template gives the complainant the option to contact the Council with further queries either by the supplied telephone number or through its website. Examples of responses sent by some departments sometimes offered the complainant the option to meet in person, as well as a telephone number to call.
- 3.66 We also looked at examples where the Council had advised the complainant of their right to raise their concerns with the Office of the Ombudsman following the level 2 process. This was after the Council had explained the steps it had taken to try to resolve the complaint. We consider that the Council follows an appropriate process.

Managing expectations

- 3.67 The Office of the Ombudsman states that an important step in managing complaints effectively is managing complainants’ expectations at the earliest opportunity to minimise the likelihood for disappointment, anger, or frustration.⁶ We expected the Council to set clear expectations about how it will handle complaints. If those expectations need to change – for example, if more time is required to investigate a complaint – we expected the Council to communicate any changes to the complainant.
- 3.68 As Figure 3 shows, the Council’s website clearly identifies when complainants can expect an acknowledgement of, and response to, their complaint.

6 Office of the Ombudsman (2012), *Managing unreasonable complainant conduct: A manual for frontline staff, supervisors and senior managers*, Wellington.

Figure 3
Setting complainants' expectations

How we manage complaints

Our complaints policy sets out guiding principles for our staff to follow when handling complaints. If you would like further information on this policy, please feel free to contact us.

Depending on your issue, we will either manage this through one of our central teams or work alongside the particular business area involved to seek a resolution.

Our standard response timeframe is an acknowledgement within three working days and a response in 10 working days. However, if the issue needs more time we will let you know and keep you updated.

Source: Auckland Council's website.

- 3.69 Some complaints cannot be handled within the service level agreement time frame and might require an extension. For example, the issue might be particularly complex or require more technical expertise.
- 3.70 The Council has clear guidelines for requesting and approving extensions. We were told that extensions are not granted lightly and must be for a valid reason outside of the Council's control. If an extension is approved, the time frame will be updated to reflect the new end date.
- 3.71 The Council has a "sending interim response" template for staff to use when advising complainants of delays or extensions to time frames for responding to their complaint. We were also told that staff should update the complaint file in the complaints system with a note stating that the complainant has been informed. The department liaison or relevant Council staff member can use this to check what is being communicated with the complainant and make sure that they are being informed.
- 3.72 We observed that staff are aware of the importance of communicating with the complainant when an extension has been granted. However, the Council does not systematically monitor whether staff are keeping complainants informed.
- 3.73 Collecting information about the complainant's perspective of complaints could let the Council know how well it is keeping the complainant informed. We discuss collecting the complainant's perspective of complaints more in Part 4.

Communicating the decision

- 3.74 When a complaint has been investigated and resolved, we expected the Council to communicate the decision on the complaint to the complainant in an appropriate way. The Council's policy documents state that the person managing the complaint is responsible for informing the complainant about the decision.

- 3.75 Responses sent to complainants should be clear and informative, and the decision should be communicated to the complainant using the complainant's preferred communication method. The Council asks complainants what their preferred communication method is when they complain. This is recorded in the complaint file. If a method is not specified, the Council considers a telephone call the best method because it is more informal and allows for discussion.
- 3.76 We saw examples of responses sent by letter, email, and telephone. Letters sent as email attachments were generally used when a formal response was required or where the response was complex and lengthy. In other instances, a telephone call from a subject-matter expert helped to clarify matters. The responses appeared appropriate to us, based on how the complaint had been received and the level of explanation required to answer the complainant's issue.

Clear and informative communication

- 3.77 The Council expects staff to use plain English and to explain to the complainant the outcome of the investigation of the complaint. This applies to written responses and responses communicated by telephone or in person. We saw evidence that the Council provides staff with tools to do this, including a plain English writing guide, pre-populated templates, and peer reviews.
- 3.78 We saw evidence of responses written in plain English, and most of these clearly explained how the Council reached its decision. The content and format of responses we saw were largely consistent. Deviations were made only to meet the specific needs of certain complaints.
- 3.79 Some departments have tailored the response templates to suit the types of complaints they receive and technical advice they need to communicate to the complainant. We saw that these were largely consistent with the Council-wide template.
- 3.80 We consider that the Council's responses to complaints are clear and easy to understand.

4

Improving processes and services

- 4.1 In this Part, we discuss:
- reporting on performance information about complaints handling to senior management;
 - how the Council has used complaints and other comments to inform efforts to continuously improve services, including identifying and acting on systemic issues; and
 - sharing information about complaints with the public and staff.

Summary of our findings

- 4.2 Information about the Council's complaints handling is available to senior managers. The executive leadership team also receives a monthly report that describes complaints activity.
- 4.3 The Council needs to collect, analyse, and report information that is more comprehensive about how it handles complaints – in particular, information from the complainant's perspective and information that will be available when the new system is fully implemented. The current lack of information means that the Council cannot fully assess the effectiveness of its complaints handling. The Council needs to systematically review enhanced performance information to assess how effectively it deals with complaints and identify potential improvements to its complaints-handling process.
- 4.4 The Council has used complaints and other comments to identify and inform improvements to its services. There are some good examples of this, including analysing and using information to improve services at a systems level.
- 4.5 The Council could do more to inform the public and staff about improvements it makes as a result of complaints and other information. This would increase confidence that the Council takes complaints seriously and acts on them.

Reporting complaints information to senior management

- 4.6 The Australian National Audit Office states that reporting to senior management helps give complaints management a relatively high profile in the organisation and underlines the expectation that appropriate corrective action will be taken when necessary.⁷ We expected Council staff to report complaints information to senior management so that they can monitor performance and identify potential actions to improve the Council's complaints-handling process.
- 4.7 The Complaints and Issues Resolution Team offers business intelligence reports to departments about all complaints received. Departments can use these reports to generate information that is specific to their area or the services they provide.

⁷ Australian National Audit Office (2012), *Management of Complaints and Other Feedback by the Department of Veterans' Affairs*, Canberra.

In practice, not all departments regularly or systematically request or review this information. Not all departments are aware that this information is available.

- 4.8 The executive leadership team receives a monthly report on all complaints. These reports are generated by the Customer Service Performance Team using data in the complaints system. Each report includes information about the number of complaints received in a specific period, the topic of complaints, root causes,⁸ complaints by department, and performance against the service level agreement. The Finance and Performance Committee receives a summary of these reports every three months, which is publicly available on the Council's website under the committee's agendas and minutes.
- 4.9 Other reporting activities include:
- the executive leadership team receives a verbal weekly briefing on complaints and other customer issues from the Director, Transformation. The team also regularly meets to discuss high-risk issues;
 - the Chief Executive has a weekly briefing and discussion of complaints with his team. He also receives reports from an executive officer dedicated to issues resolution, as does the Chief Operating Officer;
 - a Legal/Local Government Official Information and Meetings Act/ Communications group of senior staff also meet weekly to discuss high-risk issues; and
 - senior managers at the departmental level review and report on trends and complaints relevant to their department.
- 4.10 However, these reports do not tell the Council about the complainants' perspective of its complaints handling. Therefore, the Council cannot fully assess how effectively it handles complaints.
- 4.11 In our view, the Council needs to collect, analyse, and report information that is more comprehensive about how it handles complaints – in particular, information from the complainant's perspective and information that will be available when the new system is fully implemented.
- 4.12 Senior management needs to systematically review this enhanced performance information to more accurately assess the effectiveness of the complaints-handling process and identify potential improvement actions. Doing so might also satisfy some of the information gaps we identified in Part 3. For example, information from a complainant's perspective could inform views on whether closed complaints have been fully resolved and whether complainants' expectations are being effectively managed.

⁸ The Council uses the term "root cause" to record the primary reason why people are complaining. It is intended to reflect the customer's perspective, not the Council's. For example, "Our staff behaved unprofessionally or incompetently" or "We weren't helpful or we were confusing".

- 4.13 In paragraph 2.39, we encouraged the Council to use the introduction of the new system to increase understanding and awareness of the complaints process throughout the Council. In our view, the executive leadership team systematically reviewing enhanced performance information will support efforts to increase understanding and awareness of the value of complaints by demonstrating that the Council's senior managers place importance on how well the Council handles complaints.
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Recommendation 1

We recommend that Auckland Council collect and review information that is more comprehensive, including information from a complainant's perspective, and use it to assess how effectively and efficiently the Council handles complaints and identify potential actions to improve the complaints process.

Using complaints and other information to inform service improvements

- 4.14 The Council has recognised that it is important to learn from complaints, so as to prevent complaints from repeating or from arising in the first place. We expected the Council to use information from complaints and other feedback to help improve the quality of its services.
- 4.15 The Council has used complaints information recorded in the complaints system to help identify the need for improvements to its services. For example, data can be used to identify service areas where the Council has received a high volume of complaints.
- 4.16 The design of improvement actions draws on a variety of other research, including satisfaction surveys, interviewing people (including those who have complimented the Council), benchmarking analysis, speech analytics, and staff feedback. Taken together, these help the Council to understand what people are saying about its services and what the Council needs to be concerned about.

Examples of improvements

- 4.17 We saw examples where information from complaints and other comments had informed improvements. These included:
- leaving calling cards explaining to people what has been done and who to contact for inquiries;
 - re-designing website pages to be more user-friendly;
 - developing better information for people about service areas;
 - changing Council processes;

- providing continuous training to staff; and
- improving the Council's intranet to provide staff with better information.

4.18 Rates have been a big issue. In an attempt to address this, the Council has taken a proactive approach towards rates communications through its "rates campaign". The Council now contacts people with large rates increases by letter and telephone to explain the reasons for the size of their rates increase.

Acting on systemic issues

4.19 The Australian National Audit Office identified the benefits of entities analysing the root causes of complaints to gain an understanding of the systemic causes of complaints.⁹ We expected the Council to use complaints to identify systemic issues and act on those issues to improve services.

4.20 To identify systemic issues, an organisation needs to study its systems to go through a process of understanding what and where the real problem is. As one staff member told us, the "problem could be quite different once you actually get in and unearth what's happening in the business". We saw examples of the Council acting on information, including information gathered through complaints, to address systemic issues to improve its services. Figure 4 gives the example of the Enterprise booking project to improve the process for booking the Council's venues.

Figure 4 Enterprise booking project

A project to redesign the Council's process for booking venues began after complaints and other feedback identified dissatisfaction with the process. Customers expressed dissatisfaction with the number of steps and amount of time it took to make a booking, as well as the condition of some of the venues.

Redesigning the bookings process included taking senior managers through the whole process so they could understand the public's experience. By going through the whole bookings process, the managers discovered how long it took and the unnecessary steps involved. The design team designed solutions and tested them to make sure that the solutions worked for the public.

Within one week of going live on the Council's website, the Council processed more than 43,000 bookings in the system. Customer feedback has been positive. Two different responses noted:

Virtual tours are exceptional. Now I don't have to go and physically view 10 venues and waste the whole day doing it to make a decision – I can sit in front of the computer and choose a venue in 3 minutes. Thank you.

I have activated my online account for venue hire which is very user friendly!

The Council felt that the public feedback showed the sorts of reputation gains and benefits that come when services are made easier to use.

9 Australian National Audit Office (2012), *Management of Complaints and Other Feedback by the Department of Veterans' Affairs*, Canberra.

- 4.21 Another example was the “consenting made easy” project that used information from complaints and other feedback to improve the resource consent and building consent processes. These improvements included:
- bringing the resource and building processes together – for example, by rearranging the Council’s website to have a “consents portal” so that information for both types of consents is in one place to simplify the process for people;
 - a fast-track process for approving building consent applications for some housing companies, including an online consenting portal for lodging and paying their consent applications online; and
 - starting to create tailored service streams based on different groups of applicants and their needs.
- 4.22 These examples show how the Council reviewed and analysed its services at a systems level after many complaints and researched people’s experience of those services to improve its service delivery processes. Both projects had the support and encouragement of the executive leadership team, which was seen as just as important to the progress of the projects as understanding the public’s perspective.

Sharing information with the public and staff

- 4.23 The Council does not publicly report on complaints in its annual report because the service performance framework does not enable overall complaints information to be reported easily.
- 4.24 In paragraph 3.53, we identified comments from the Council’s interviews with complainants that showed complainants want some type of explanation of what the Council had done to improve services for them and for others.
- 4.25 Several staff also told us that they were not always aware what happens to complaints they receive and pass on or what the outcome is. Often, staff were not told that changes to processes and policies had been made in response to complaints. Staff thought it would be useful to see what improvements had been made as a result of complaints. They thought this would give them more confidence in the complaints process.

- 4.26 We suggested to the Council that it could report on complaints in the complaints section on its website. This could include the number of complaints received each year, the percentage resolved satisfactorily for the complainant, and examples of improvements made as a result of complaints. In our view, reporting this type of information would help to provide the public and staff with confidence that the Council listens to people, takes complaints seriously, and acts on them. The Council agreed that this could be useful.
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Recommendation 2

We recommend that Auckland Council report publicly about the effectiveness of the Council's complaints-handling performance and how it has used complaints information to improve its services.

Publications by the Auditor-General

Other publications issued by the Auditor-General recently have been:

- Health sector: Results of the 2014/15 audits
- Annual Plan 2016/17
- Energy sector: Results of the 2014/15 audits
- Collecting and using information about suicide
- Home-based support services – follow-up audit
- Crown Fibre Holdings Limited: Managing the first phase of rolling out ultra-fast broadband
- District health boards' response to asset management requirements since 2009
- Education for Māori: Using information to improve Māori educational success
- Immigration New Zealand: Supporting new migrants to settle and work – Progress in responding to the Auditor-General's recommendations
- Effectiveness and efficiency of arrangements to repair pipes and roads in Christchurch – follow-up audit
- “Joining the dots” – Insights from the 2014/15 annual audits
- Response to query about Housing New Zealand's procurement processes
- Reflections from our audits: *Governance and accountability*
- Local government: Results of the 2014/15 audits
- Department of Conservation: Prioritising and partnering to manage biodiversity – Progress in responding to the Auditor-General's recommendations
- Public sector accountability through raising concerns
- A review of public sector financial assets and how they are managed and governed

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