



## **The Adjudicator's Office 2017 Annual Report is published today**

Helen Megarry, the Adjudicator publishes the Adjudicator's Office Annual Report 2016-17 today.

The report covers the period 1 April 2016-31 March 2017, and marks Helen Megarry's first full as independent Adjudicator for HM Revenue and Customs and the Valuation Office Agency.

In 2016, the Adjudicator's Office published our 'Business Plan for 2016-18 and Vision up to 2021' and the Annual Report narrative incorporates the themes set out there. Helen Megarry writes, "We consulted widely with our team, the Department and external stakeholders to develop our purpose and vision to 2021. This explicitly articulates our role in reviewing individual complaints, supporting effective complaint handling in the Department and learning from complaints. It also focuses on achieving positive outcomes for customers."

She goes on to say, "Along with investigating individual complaints, delivery of our vision relies on developing collaboration with the department to improve complaint handling throughout their processes and to learn from complaints. Exploration of this shift in relationship between the Adjudicator's office and the department has highlighted for everyone the importance of the independence of my office and there is ongoing discussion about how that independence should be articulated and assured."

The Adjudicator concludes, "I have identified and discussed with HMRC potential risks to the successful delivery of real improvements for customers, from my observation of complaints and the complaint handling environment within the Department. I will continue to work with them in developing their complaint handling to support in the delivery of their wider transformation."

The percentage of HMRC cases upheld by the Adjudicator continued to reduce in 2016-17 to 41% compared to 73% overall in 2015-16. We estimate that a change in our policy mid-year, removing minor administrative errors from the 'partially upheld' categorisation, accounts for 10% of the reduction in upheld rate. However, this does not mask very real improvements in performance, particularly in the complaints about Benefits and Credits.

The total number of complaints on hand in the office at the end of 2016-17 is at a decade low. The largest proportion of complaints received by the Adjudicator were about HMRC Tax Credits. The number of complaints referred to the Adjudicator by customers of the Valuation Office Agency remain low.

Notes for editors:

1. The Adjudicator's Office was set up in 1993 to look into complaints about the Inland Revenue (including the Valuation Office Agency). HM Customs and Excise and the Contributions Agency joined in 1995. From 2003 the office took on complaints about The Insolvency Service. In April 2005 the Inland Revenue and HM Customs and Excise merged to form HM Revenue and Customs (HMRC).
  2. As previewed in our 2015-16 Annual Report, The Insolvency Service transitioned their complaints in house in early 2016-17\*.
  3. Helen Megarry was appointed as Adjudicator from 11 April 2016 when Judy Clements OBE completed her 7 year appointment.
  4. The Adjudicator acts as an impartial referee when people are not satisfied with the way the departments have dealt with a complaint. She looks at complaints about handling issues, such as mistakes, delays, staff attitude and quality of advice. She does not consider complaints about the law, or where an independent tribunal already exists for settling disagreements. Her recommendations are independent and her services are free to complainants.
  5. This report covers the period 1 April 2016 to 31 March 2017. It is also available electronically at [www.adjudicatorsoffice.gov.uk](http://www.adjudicatorsoffice.gov.uk).
  6. Further information about the office (including leaflets on how to complain) can also be obtained from the above address or website.
  7. Media enquiries to Jane Brothwood, Head of Office, e-mail: [jane.brothwood@adjudicatorsoffice.gsi.gov.uk](mailto:jane.brothwood@adjudicatorsoffice.gsi.gov.uk)
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Statistics 2016-17 (2015-16 in brackets)

	HM Revenue and Customs	Valuation Office Agency	*The Insolvency Service	Total
Complaints taken on for investigation	1111 (1226)	26 (18)	5 (23)	1142 (1267)
Investigation cases completed	1485 (914)	29 (28)	26 (28)	1540 (970)
Number upheld either partially or wholly	604 (666)	1 (13)	4 (9)	609 (688)

In 2016-17 the Adjudicator recommended HMRC pay a total of £70,676.20 in redress to complainants for worry and distress and poor complaints handling (£82,580 in 2015-16). She also asked HMRC to reimburse £11,052.76 for direct costs (£57,126 in 2015-16). The Adjudicator recommended that HMRC give up liability for tax and overpaid Tax Credits amounting to £1,268,641.89 (£806,755 in 2015-16).

The Adjudicator recommended VOA pay a total of £100 in redress (£600 in 2015-16) and give up £270.05 (£nil in 2015-16) There were £nil in direct costs in 2016-17 (£550 in 2015-16). The Adjudicator recommended The Insolvency Service pay £300 in redress (£550 in 2015-16). There were direct costs of £nil (£10 in 2015-16). No recommendation was made for any liability to be given up by The Insolvency Service.