



**BRIAN JOHNSTON & CO (INSURANCE BROKERS) LIMITED**

## **COMPLAINTS PROCEDURE**

**OCTOBER 2007**

**Lead Post: Group Operations Manager**

**Policy Approved by: BJIB Ltd Board**

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## COMPLAINTS PROCEDURE

### A Complaint is:

Any expression of dissatisfaction from or on behalf of a customer, individual or organisation whether oral or written and whether justified or not. In this document such a person or organisation that makes a complaint is called the complainant.

### Explaining the complaints process to clients

A copy of the complaints procedure must be given to any customer who requests it and to any complainant with the acknowledgement letter.

### What do we do if we receive a complaint?

All complaints whether they are oral or written must be referred immediately to the "The Complaints Officer" even if the complaint has already been resolved by an apology.

Any oral or written statement by a complainant which might be considered a complaint must be referred to the Complaints Officer so that he/she can determine whether it is a complaint or not.

### Definition of a complaint

The FSA require the complaints procedure to apply to complaints, which meet the following definition:

- 1) the complaint is made by or on behalf of an eligible complainant (i.e. a person who is able to refer the matter on to the Financial Ombudsman Service, being a private individual or a business with a turnover of less than £1 million)
- 2) the complaint has not been resolved by close of business on the next business day following receipt.

### **NB**

**It is the firm's policy to treat all complaints, whether eligible or not, according to the Complaints Procedure. This is to ensure that all complaints are dealt with to the same standard and to avoid any confusion between eligible and non-eligible complainants.**

### Record Keeping

All complaints will be properly recorded by the Complaints Officer and at each appropriate stage of handling within a Complaints Register. All records will be kept for a minimum of three years.

On receipt of a complaint, the Complaints Officer will decide which category and product type the complaint relates to, and record this on the Complaints Register. The categories and types are defined by the FSA.

### Acknowledging the Complaint

On receipt of a complaint the Complaints Officer will promptly provide the complainant with an acknowledgement providing early reassurance that the complaint has been received and that it is being dealt with. In relation to all oral complaints, the Complaints Officer will set

out his/her understanding of the complaint and will invite the complainant to confirm in writing the accuracy of that statement.

The Complaints Officer will keep the complainant informed of the progress of the measures being taken for the complaint's resolution.

By the end of eight weeks after the receipt of the complaint the Complaints Officer must send to the complainant

- 1) A final response providing a final decision on the outcome of investigations, whether the complaint is upheld, and if it is whether any redress is due  
Or
- 2) A written response which:
  - a) .explains why the firm is not in a position to make a final response and indicates when it expects to be able to provide one;
  - b) Informs the complainant that he may now refer the complaint to the Financial Ombudsman Service; and,
  - c) Encloses a copy of the Financial Ombudsman Service standard explanatory leaflet.

A copy of the complaints procedure will be enclosed with the acknowledgement letter.

### Investigation

The Complaints Officer will investigate all complaints and may, where he/she considers it necessary, consult the adviser/member of staff whose actions or omissions gave rise to the complaint. The investigation will include a review of the complainant's file, and may where necessary involve contact with third parties such as product providers to obtain information. If the Complaints Officer is the subject of the complaint, another senior person will conduct the investigation.

Immediately on completion of the investigation the Complaints Officer will write to the complainant notifying him/her of the outcome of the investigation, the nature and terms of any settlement and if the complainant is not satisfied with the outcome that he/she may refer the matter to the Financial Ombudsman.

The letter must also point out that this should be within the next six months or he/she may lose the right to take the complaint to the Ombudsman. The letter must incorporate the name, address and telephone number of the Ombudsman and a key facts leaflet which explains the Ombudsman arrangements.

Any compensation offered must be fair and the basis of calculation should be explained to the complainant.

On a regular and ongoing basis the Complaints Officer must write to the complainant informing him/her that the investigation is continuing and the reasons for the delay and when he/she expects to be able to contact the complainant again.

If the investigation is not concluded within 8 weeks, the Complaints Officer must write to the complainant informing him/her of the reasons for further delay and that if the complainant is not satisfied with the progress he/she may refer the complaint to the Financial Ombudsman Service. The letter must also point out that this should be within the next six months or he/she may lose that right. The letter must incorporate the name, address and telephone number of the Ombudsman and a key facts leaflet about the Ombudsman's arrangements.

### **Closing the complaint**

Where the firm receives confirmation from the complainant that he/she is satisfied with the findings of the investigation and any resolution, the complaint could be considered closed by the Complaints Officer.

Where no confirmation has been received from the complainant within 8 weeks of the firm's most recent letter, the complaint may also be considered closed.

### **Where a complaint goes to the Ombudsman**

The firm must co-operate fully with the Ombudsman in resolving any complaints made against it and agrees to be bound by any awards made by the Ombudsman.

The firm undertakes to pay promptly the fees levied by the Ombudsman.

### **When and how should the Complaints Procedure be Advertised**

The requirements are as follows:

- At or immediately after the point of sale, the firm has to refer its customers in writing to the availability of its internal complaint handling procedures – This is detailed in our Terms of Business Letter.
- If you receive a complaint (unless it is resolved by the close of business the next business day) or a request for a copy of the procedures, you have to supply a copy of the firm's complaints handling procedures to the complainant.
- All of our employees are made aware of the procedures.

### **Claims Management Regulations**

Work regarding certain management work falls within the scope of the Claims Management Services Regulations (CMR) and complaints concerning those activities are handled under the CMR Complaints procedures.

Record keeping, making staff aware of the procedure, investigation processes and the time scales for dealing with the complaint are as detailed above however there are differences and these are as follows:

- The firm must acknowledge the complaint within five working days.
- A business must, within four weeks of receiving a complaint, send the complainant either a final response; or a holding response, which explains why it is not yet in a position to resolve the complaint and indicates when the business will make further contact (which must be within eight weeks of receipt of the complaint).
- The firm may decline to consider a CMR related complaint that is made more than six months after the complainant became aware of the cause of the complaint.
- Instead of a complainant having the right to refer the complaint to the FOS they will instead be able to refer the complaint to Claims Management Regulator. The customer will be advised of the name, address and telephone number of the Regulator.
- Before a customer signs any agreement they must be provided with a copy of the complaints procedure.

### **Reviewing Complaints to Identify Trends and Improve Service**

No complaint will be dealt with in isolation. Complaints will be reviewed in line with the office procedure. As a matter of course the complaint will be compared with previous complaints to identify trends, training requirements or wider issues.

### **Principles of Business and Treating Customers Fairly**

The Financial Services Authority has set out Principles (standards) that firms must attain and adhere to in its dealings with customers, business associates and its regulator. Principle 6 states “A firm must pay due regard to the interests of its customers and treat them fairly”. This principle is expanded in the FSA’s Treating Customer Fairly Initiative.

Brian Johnston Group of Companies has made the commitment to apply these principles and the initiative to every aspect of its operations even if they are not regulated by the FSA. To this end complaints procedure forms an intrinsic and vital part of this commitment.

### **Group Companies**

•  
The Brian Johnston Group of Companies comprises of the following firms;  
Intrinsic

|   | FSA Number | CMR Number |
|---|------------|------------|
| Brian Johnston & Co (Insurance Brokers) Limited | 307689     | CRM3168    |
| Linkfield Accident Management Limited           | 405466     | CRM3175    |
| Linkfield Legal Services Limited                | N/A        | CRM3127    |

Linkfield Legal Services Limited does not undertake Insurance activities and therefore the section relating to the Financial Ombudsman Service does not apply

## **APPENDIX 1**

### **General Tips on dealing with a complaint call**

- ✓ Be friendly, courteous and make every effort to maintain goodwill
- ✓ Acknowledge the fact that the customer is unhappy and show understanding and empathy
- ✓ Avoid being defensive or rejecting the complaint.
- ✓ Apologise or express regret at the client’s dissatisfaction – be careful to convey that you are sorry that they are upset rather than (at the initial stage before an investigation is undertaken) that you are accepting liability.
- ✓ Often a complainant just needs to let off steam. Allow them to get their concerns off their chest. Do not interrupt them or give explanations before they are finished. Do not become angry, as this will only escalate matters. Be calm, be patient.
- ✓ That said you are not employed to suffer verbal insults or aggressive behaviour. Do not ask the person to leave or put the phone down instead pass the caller onto a senior manager (or the complaints officer).
- ✓ Managers can ask for a fellow manager to sit with them if a complainant who visits the office becomes angry

- ✓ If a Manager refuses to take a complaint, refer the matter to the Personnel Manager. A Manager will be reprimanded if they refuse to take a complaint.
- ✓ We all make mistakes so do not worry about telling your manger (or the complaints officer) if the complaint is about you. We are all only human. However you will face serious disciplinary proceedings if it were found that you tried to cover up a complaint.
- ✓ Whilst no firm wants to receive a complaint, every firm can make improvements and a complaint gives us an opportunity to review the way we operate to enhance our organisation.

## **APPENDIX 2**

### **TREATING CUSTOMER FAIRLY**

Treating customers fairly (TCF) is central to the delivery of the FSA retail regulatory agenda as well as being a key part of their move to more principles-based regulation.

The FSA retail regulatory agenda aims to ensure an efficient and effective market and thereby help consumers achieve a fair deal. The FSA aims through their TCF work to deliver improved outcomes for retail consumers.

Firms should be focused on delivering the six TCF consumer outcomes:

- 1 Customers can be confident that they are dealing with firms where the fair treatment of customers is central to the corporate culture.
- 2 Products and services marketed and sold in the retail market are designed to meet the needs of identified consumer groups and are targeted accordingly
- 3 Consumers are provided with clear information and kept appropriately informed before, during, and after the point of sale.
- 4 Where consumers receive advice, the advice is suitable and takes account of their circumstances

- 5 Consumers are provided with products that perform as firms have led them to expect, and the associated service is both of an acceptable standard and also as they have been led to expect.
- 6 Consumers do not face unreasonable post-sale barriers imposed by firms to change product, switch provider, submit a claim or make a complaint

Source: [http://www.fsa.gov.uk/pages/Doing/small\\_firms/general/tcf/index.shtml](http://www.fsa.gov.uk/pages/Doing/small_firms/general/tcf/index.shtml)

### APPENDIX 3

#### FSA PRINCIPLES OF CONDUCTING BUSINESS

|  |   |
|--|---|
| <b>1</b> Integrity                         | A <i>firm</i> must conduct its business with integrity.   |
| <b>2</b> Skill, care and diligence         | A <i>firm</i> must conduct its business with due skill, care and diligence.   |
| <b>3</b> Management and control            | A <i>firm</i> must take reasonable care to organise and control its affairs responsibly and effectively, with adequate risk management systems.                                 |
| <b>4</b> Financial prudence                | A <i>firm</i> must maintain adequate financial resources.   |
| <b>5</b> Market conduct                    | A <i>firm</i> must observe proper standards of market conduct.  |
| <b>6</b> Customers' interests              | A <i>firm</i> must pay due regard to the interests of its <i>customers</i> and treat them fairly.   |
| <b>7</b> Communications with clients       | A <i>firm</i> must pay due regard to the information needs of its <i>clients</i> , and communicate information to them in a way which is clear, fair and not misleading.        |
| <b>8</b> Conflicts of interest             | A <i>firm</i> must manage conflicts of interest fairly, both between itself and its <i>customers</i> and between a <i>customer</i> and another <i>client</i> .                  |
| <b>9</b> Customers: relationships of trust | A <i>firm</i> must take reasonable care to ensure the suitability of its advice and discretionary decisions for any <i>customer</i> who is entitled to rely upon its judgment.  |
| <b>10</b> Clients' assets                  | A <i>firm</i> must arrange adequate protection for <i>clients'</i> assets when it is responsible for them.  |
| <b>11</b> Relations with regulators        | A <i>firm</i> must deal with its regulators in an open and cooperative way, and must disclose to the <i>FSA</i> appropriately anything relating to the <i>firm</i> of which the |

**All** staff (including all administration and secretarial staff) are given a copy of this procedure and are required to sign their acknowledgement of receipt, understanding and agreement to act within the requirements in all cases.

**Staff Declaration**

I acknowledgement of receipt of the Group's Complaints Procedure (version 2008/01). I have read and understood the document and agree to act in accordance with its requirements.

**Signed:**

**Name:**

**Date:**

**All** staff (including all administration and secretarial staff) are given a copy of this procedure and are required to sign their acknowledgement of receipt, understanding and agreement to act within the requirements in all cases.

**Staff Declaration (Employer Copy)**

I acknowledge receipt of the Group's Complaints Procedure (version 2008/01). I have read and understood the document and agree to act in accordance with its requirements.

**Signed:**

**Name:**

**Date:**