| Checklist for complaints and root cause analysis | | | |
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| **Key area** | **Area of best practice** | **Included (Y/N)?** | **Areas for improvement** |
| **Complaints data / management information** | Use of dashboards setting out management information (MI) to help track outcomes and identify harm. For example, an enhanced complaints MI dashboard could link data (including complaint volumes, complaint outcomes, FOS complaints, quality assurance and complaints from customers with characteristics of vulnerability outcomes) back to the Consumer Duty outcomes. This allows for deeper analysis of complaints' root causes related to products and helps to develop heatmaps to highlight priority areas of focus. | | |
| | Use of data packs with a range of data points and setting out the root causes of complaints and actions taken. For example, firms could look at FOS complaints that were not upheld to understand what drove complaints even when the outcome to the complaint was judged to be fair. | | |
| | Complaints metrics and data are sufficiently granular to capture outcomes for different groups of customers, including consumers with characteristics of vulnerability. | | |
| | Use of other sources alongside own data to identify potential harms and common themes, such as social media feedback, FOS decisions, FCA letters and industry news. | | |

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| **Root cause analysis** | Use of a framework for carrying out RCA, set out clearly in policy/process documents. | | |
| | Ensuring the RCA process is sufficiently granular to effectively identify trends and systemic issues. | | |
| | Complaints data reports both allow for operational discussions (for example, to ensure the firm has the right resource to answer complaints) and also for consideration of how the data can inform improvements of customer outcomes. | | |
| | Following RCA, creation of an action plan with clearly designated owners, expectations, deadlines and remediation actions. | | |
| | Expansion of responsibility of RCA beyond complaints team and across the firm (such as front-line agents and risk teams). | | |
| | Evaluation of the effectiveness of action plans and examples of how this was measured. An example was given of the "Five Whys" problem-solving technique. | | |
| | Having monitoring systems in place, and evidencing the changes made as a result of identifying harms through RCAs. | | |
| | Ensuring that the actions and changes made ultimately result in better customer outcomes. | | |
| **Governance** | Evidence of clear escalation routes, accountability, and responsibility for driving forward action and/or change. | | |

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| | Ensuring those responsible for complaints are receiving the right information or insights to enable effective decision-making, including making appropriate changes to processes or systems to reduce the likelihood of complaints and improve outcomes for customers. | | |
| | Making any necessary changes for teams to work together more closely to understand complaints data and where and how to take action, and demonstrating this integration. | | |
| | Having Consumer Duty as a standing agenda item at committee meetings where any new material issues, potential harm or notable complaints were raised. | | |
| | Escalation to senior management and again to compliance/risk teams or the Board if further decision making is required. An example was given of one firm capturing systemic complaint issues in a weekly MI email sent to its risk committee members and executive-level management, allowing for real time oversight and timely action. | | |
| | Having an appropriate threshold approach to reporting lines, to consider the severity of an issue when determining escalation. | | |
| | Presentation of data dashboards packs at committee and Board meetings with evidence of challenge and scrutiny. | | |
| | Having good policy documents that are interactive, engaging and informative, giving examples of common situations to equip staff to know how to handle a situation or process. | | |

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| | Organizing working groups to discuss issues faced by customers with characteristics of vulnerability, and/or monthly meetings to review existing governance documents and update policies to help address issues raised. | | |
| | Hosting mandatory training with interactive examples of common scenarios, and offering refresher courses. | | |