

**Pollok Credit Union  
Member Complaints Policy**

Version	Amendments	Owner	Date Authorised by Owner	Authorised by Board	Implementation Date	Review Date
1.0	New Version Created	Compliance				
1.2		Compliance				
1.3		Compliance				
1.4		Compliance				

## Introduction

Pollok Credit Union Member Complaints Policy sits within Operational Management with oversight from Compliance, as failure to meet applicable regulatory standards in relation to complaints-handling may lead to regulatory censure and in the worst case scenario, loss of licence to operate. The policy embeds the Financial Conduct Authority (FCA) Treating Members Fairly (TCF) outcomes, in particular outcome six “Consumers do not face unreasonable post-sale barriers imposed by firms to change product, switch provider, submit a claim or make a complaint”.

## Purpose

The Pollok Credit Union Member Complaints Policy is designed to ensure that we have a consistent set of complaints principles which are embedded to cover situations when existing and potential Members feel they have cause to complain. By creating an environment that deals sensitively, swiftly and fairly with complaints, we increase the potential for maintaining a long and mutually rewarding relationship with Members while minimising avoidable complaints and driving business change through comprehensive root cause analysis.

## Provisions of the Policy

Pollok Credit Union is committed to comply fully with our regulatory requirements.

## Definition of a complaint

**Pollok Credit Union defines a complaint as: “Any expression of dissatisfaction, whether justified or not, about any aspect of our business.”**

## Internet and Social Networking

We do not create barriers to prevent our Members complaining, however a complaint must be directed to Pollok Credit Union as an organisation for our complaints process to be engaged. Complaints posted on non-Pollok Credit Union sites such as individual’s personal Facebook, Twitter and other web-forums do not need to be recorded or treated as complaints.

Expressions of dissatisfaction or complaints submitted or posted on Pollok Credit Union web pages, social media sites i.e. Facebook, twitter which are aimed specifically at Members, and through which Members might reasonably expect to interact with us in relation to their complaint, shall be treated as complaints against Pollok Credit Union.

## Non-Members

Complaints may be received from Members and non-Members. Both are referred to as ‘Members’ for the purpose of this policy.

## Minimum Requirements for Complaints Handling

- All staff must operate to an agreed and documented complaints handling process.
- The complaints process must be easy to understand and made available to existing or potential Members.
- Complaints must be resolved in a timely fashion, within timescales prescribed by regulators if applicable. Complainants must be provided with regular progress updates.

- Complaints must be fully investigated and resolved to deliver fair outcomes to Members. Each complaint must be treated on individual merits, all aspects fully and fairly investigated and addressed, and where appropriate, remedial action and/or redress offered (e.g. redress offered in recognition of any financial loss, distress or inconvenience).
- All employees must ensure they understand the importance of handling complaints fairly and effectively, and are trained, competent and empowered to apply the Pollok Credit Union complaints handling process.
- Pollok Credit Union must operate appropriate oversight, controls and monitoring arrangements, including quality assurance, to ensure compliance with the complaints handling process, the regulatory requirements and achieve fair outcomes to Members.
- Complaints handling performance must be tracked and reported against standards and targets agreed annually by the Development Manager, with appropriate oversight and engagement by senior management.
- Pollok Credit Union must perform Root Cause Analysis of complaints to ensure identification and rectification of recurring or systemic issues including those not directly complained of. Root Cause Analysis must include identification, prioritisation, corrective actions (where appropriate) and regular reporting to senior management. Employees can seek advice from Compliance and other appropriate subject matter experts. Senior management may designate a responsible person(s) or area to carry out Root Cause Analysis on Pollok Credit Union's behalf.
- Complaints management information and Root Cause Analysis must be considered in New Product Approval and ongoing Product Review processes. The information from complaints must be used to improve products, services and operational processes including complaint handling. Consideration must be given to Members who may be affected by a complaint root cause but who have not yet complained.
- Complaints implications must be considered in our change management planning processes.

### **Complaints Process and Timescales**

Appendix 1 contains Pollok Credit Union Complaints process which includes Complaint Handling Timescales.

### **Complaints Monitoring**

Appendix 2 contains the Complaints Monitoring standards as conducted by the Compliance Function.

## Policy Governance

### Roles and responsibilities

ROLE	RESPONSIBILITY
The Board	Review and approval of Pollok Credit Union Member Complaints Policy
Development Manager	Responsible for the day to day operating of the Complaints Handling process within Pollok Credit Union and reporting of Complaints to the Regulator
All employees	Responsible for First Call Resolution of Complaints within three business days. Responsible compliance with the policy minimum standards and additional requirements imposed by local law and regulations (where these exist)
Escalated Complaint Handler	Responsible for handling all complaints that have not been resolved with three business days and reporting to the Development Manager
Compliance Function	Responsible for advising Pollok Credit Union and monitoring its compliance with the policy requirements and regulatory requirements. The Compliance Manager is the owner of the Complaints Policy

### Adherence

The provisions of this policy are mandatory. Dispensations to this policy are not expected to be required other than in exceptional circumstances. Any deviations from these provisions must be escalated to the policy owner (Compliance Manager) in the form of a breach notification (for actual deviations). A Breach Register is maintained and monitored by the Compliance Function. A breach of this policy may result in disciplinary action, which could lead to dismissal.

### Breach Process

There is a separate process covering the application and monitoring of notification of breaches, please refer to the Breach policy.

### Reputational Impact

Any action or inaction taken relevant to this policy which may have potential to incur reputation risk for Pollok Credit Union, (i.e. likely to result in material criticism by regulators, officials, law enforcement agencies or the media), must be escalated to the Development Manager and Compliance Manager. The Development Manager will conduct an initial investigation which will be followed up with a secondary Compliance review of the investigation and reported to the Development Manager.

### Complaint Tracking and MI

Details of all complaints will be recorded in our complaints database with the corresponding outcomes. All Complaints are reportable, monitored daily and updated regarding the progress of each complaint and the action required. Detailed monthly reporting will be conducted by the Compliance Officer who will complete trend analysis and root cause analysis. Details of Complaints MI will be

evidenced via the monthly Compliance Monitoring Plan.

An overview of the complaints received will be presented to the Development Manager and Board each month with recommendations for improvement to mitigate further complaints.

The Company Accountant will complete annual returns to the Regulator and Compliance Manager will monitor the completion of necessary returns within required timelines by notifying the Development Manager 30 days prior to the deadline.

### **Training and Competence**

Training and Competence in our complaints policy forms part of our annual Mandatory Training programme. All employees involved in the process are trained in complaint handling to ensure everyone can meet the standards required.

The Development Manager will ensure that all new employees are trained within three months of joining the Credit Union or before they have any contact with members (whichever occurs first) and will complete annual refresher training with existing employees.

The Board will be responsible for approving the Complaints Policy and the Chairperson of the Board is to ensure all Board and Committee members have a complete understanding of the policy.

Failure to follow the Complaints Policy is regarded as a disciplinary matter and disciplinary action may be taken against any employee who breaches the policy.

### **Quality Assurance**

The Development Manager will review the complaints database on a quarterly basis to ensure that all complaint responses are completed within agreed timelines. She/he will also review in detail 10% of complaints each month to ensure that they have been resolved in line with policy.

Complaints handling forms part of the Compliance Manager's monthly compliance checks and will complete random sampling of a minimum of three complaints each month to ensure that complaints have been resolved in line with policy.

## Complaint handling Principles

1. Member Awareness	Members will be made aware of how to complain about any product or service.
2. Receiving a member complaint	We will make it easy for a member to complain.
3. Clarification of the complaint	We will make sure we understand the complaint and contact the member to clarify complaint (if appropriate).
4. Keeping the member informed	We will provide our member with regular updates during the complaint process, to clearly explain measures being undertaken.
5. Assessing the complaint	All complaints will be investigated thoroughly, competently, in an unbiased manner and in a reasonable timeframe.
6. Communicating our decision	We will communicate our decision clearly and promptly. Members will be given reasonable time to consider our response before the case is closed, or any proposed solution is implemented.
7. The solution	Where a complaint is upheld in the member's favour all reasonable steps will be taken to put the member back into the correct position. Where a complaint is rejected but the complaint was resolved by making a payment, we will ensure this fairly reflects the circumstances of the case. (If advised by FOS)
8. Financial Ombudsman Service (FOS)	We will cooperate fully with the FOS and comply promptly with any decisions settlements or awards made.
9. Learning from complaints	We will take reasonable steps to identify and address the root causes of complaints and put in place actions to address these.
10. Record keeping & MI	We will record all complaints fully and accurately.

### Our commitment to our Member's

- We aim to respond to all complaints in a prompt, consistent and fair manner.
- We'll do all we can to resolve your complaint within two business days. If we can't do this, we'll write to you within two working days to acknowledge your complaint and let you know when you can expect a full response. We'll also let you know the name and contact details of the representative dealing with your case.
- Your complaint will be investigated by a suitably trained representative who was not directly involved in the matter that is the subject of your complaint. The member of staff will either have the authority to settle your complaint or will have ready access to someone who has the authority.
- In the unlikely event that your complaint has not been resolved within eight weeks of original receipt, we will send you a letter explaining why we have still not resolved your complaint and tell you when we will make further contact.
- Our final response will advise of our findings and, where appropriate, what action is being taken to resolve the matter. We will address the subject matter of your complaint, and where the

complaint is upheld, we will offer a resolution that is consistent with treating all of our Members fairly.

- Our Final Response letter, if your complaint has not been resolved within two business days we will include a Financial Ombudsman Services (FOS) booklet for further information and will state in the event you are unsatisfied with our response you have six months from the date of our final response to raise a complaint with FOS.
- If your complaint has been resolved within two business days, you will receive an email with your resolution letter and your FOS rights.
- If you telephone us during our investigation and the member of staff handling your complaint is not available, then another member of our team will be able to help you.

### Member's Rights

- If you are dissatisfied with our final response, you can either ask us to reconsider or you can refer the matter to the Financial Ombudsman Service (see details below).
- Eight weeks after us being in receipt of your complaint, you have the right to refer your complaint to the Financial Ombudsman Service, if we have replied or not.
- If you decide to refer your complaint to the Financial Ombudsman Service, you must do this within six months of the date we issue our final response to you. After this time, the Ombudsman may refuse to consider the matter.
- Or you may raise a complaint within six years of the event being complained about (and – if more than six years have passed – three years from when you realised, or could reasonably have realised, there was a reason to complain)

#### **The Financial Ombudsman Service**

Exchange Tower  
London  
E14 9SR

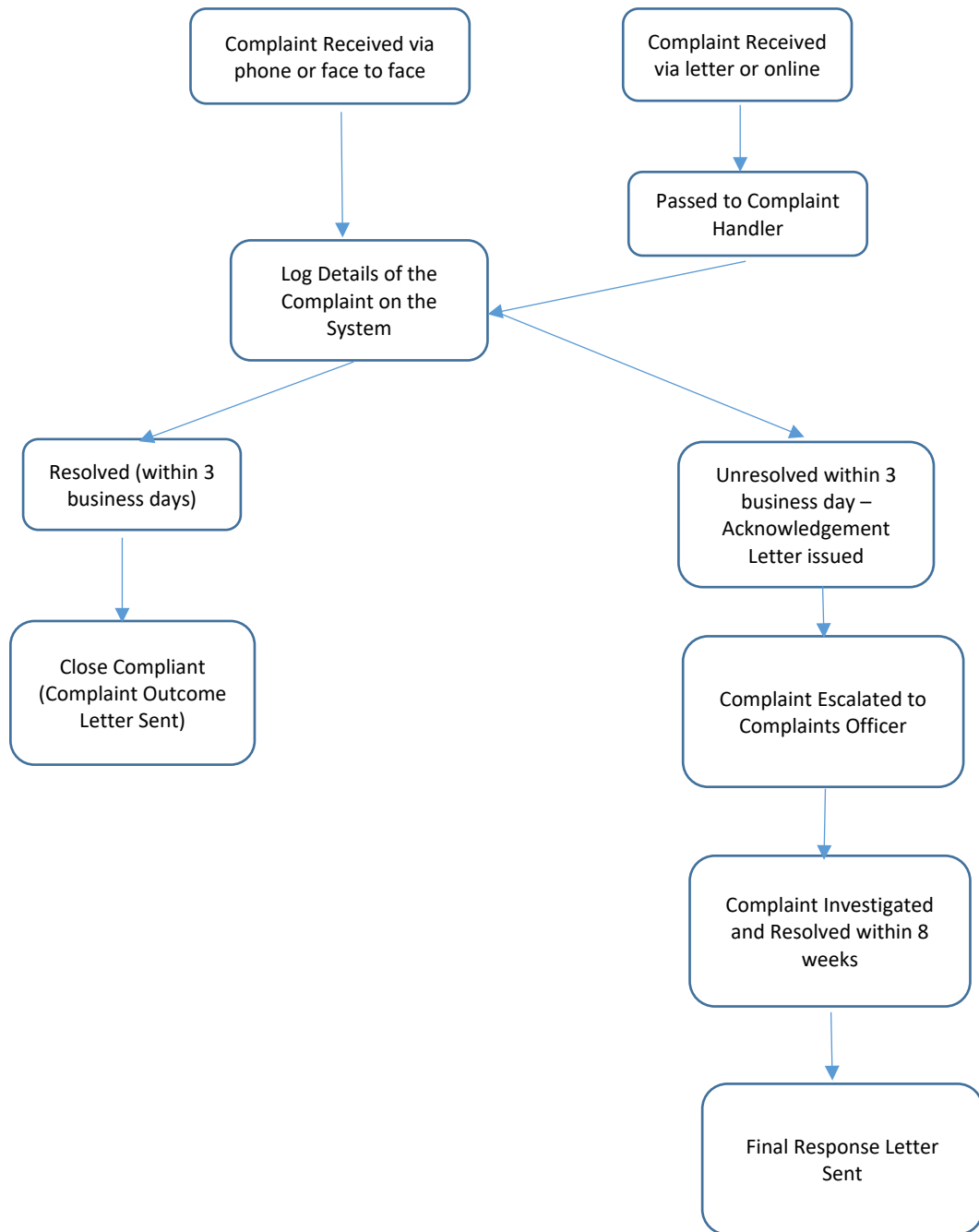
Telephone: From a landline - 0800 023 4 567 or from a Mobile - 0300 123 9 123

Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

### Summary

As part of the risk based approach, Pollok credit union will undertake an annual review of its Complaints Policy to ensure compliance with all relevant industry guidance and to provide a level of assurance that the risk based approach meets the minimum standards prescribed. The annual review will be conducted by the Compliance Manager and any amendments will be submitted to the Board of Directors for their approval.

## Appendix 1 - Complaints Process





## Appendix 2 –Complaints Monitoring Minimum Standards

### Objective

The purpose of this document is to aim to continually improve the consistency and quality of complaint handling assessments across Pollok Credit Union, assist in the reporting of the results and the compilation of the annual TCF assessment.

### Reviews

Compliance monitoring reviews will be carried out on a monthly basis by the Compliance Officer. Sample selection will be risk-based, volume-related and weighted towards rejected complaints and reopened cases.

### Assessment:

In assessing whether individual complaints have been handled correctly, the monitoring should:

- Pay due regard to the regulations in force
- Assess whether the right and fair outcome for the member was reached.
- Assess whether the outcome was communicated to the member within the appropriate timeframe (i.e. legislative, regulatory and/or procedural).
- Assess whether the investigation and outcome has been clearly and accurately communicated to the member.
- Take into account any detriment - financial or otherwise - to the member.
- Assess the adequacy of the calculation and payment of any redress.
- Assess the adequacy of any non-financial remedial actions.

### Reporting:

The results of the Compliance monitoring should consist of the following:

- Total number of complaints determined in the period.
- Total number of complaints reviewed during the period (i.e. the sample size).
- The time period covered in the monitoring review.
- Total number of complaints reviewed during the period (i.e. the sample selection).
- Total number and percentage of complaints assessed as having been 'handled incorrectly', with a breakdown of the main shortcoming(s) and number of cases where an unfair outcome arose.
- Details of any control deficiency identified in monitoring and corrective action recommended. For example, product-specific training for the complaints handling team.

### Additional Monitoring:

Other tools that should be considered as part of a compliance monitoring review include:

- Interviewing of complaint handlers and supervisors.
- Review of first line supervision results.
- Review of policies and procedures.
- Review of governance arrangements.

The Compliance Function should report any findings from these which indicate that a systemic breach may have occurred in the complaint handling process e.g. where complaints have not been fully logged or recorded, or where key paragraphs such as Ombudsman referral rights have been

excluded from the standard text. The findings should be reported to the Development Manager and should be logged on the Compliance Monitoring Plan which is presented monthly to the Board of Directors.