The International Pension Centre Customer Survey 2006

Nicholas Howat, Lorraine Sims and Oliver Norden

A report of research carried out by BMRB Social Research on behalf of the Department for Work and Pensions
Contents

Acknowledgements ........................................................................................................ ix
The Authors .................................................................................................................. x
Glossary ......................................................................................................................... xi
Summary .......................................................................................................................... 1

1 Introduction .................................................................................................................. 9
  1.1 Background ............................................................................................................. 9
  1.2 Research objectives ............................................................................................. 9
  1.3 International Pension Centre customers ......................................................... 10
  1.4 Sample collation ............................................................................................... 11
  1.5 Questionnaire design ....................................................................................... 11
  1.6 Fieldwork ........................................................................................................... 11
  1.7 Report structure ............................................................................................... 12

2 Customer profile ......................................................................................................... 13
  2.1 Pensioner status ............................................................................................... 13
  2.2 Country of residence and nationality ............................................................... 13
    2.2.1 Country of residence ............................................................................. 13
    2.2.2 Nationality ............................................................................................. 16
    2.2.3 Whether receive other state pensions ................................................ 17
  2.3 Basic demographics ........................................................................................... 18
    2.3.1 Sex and age ............................................................................................. 18
    2.3.2 Ethnicity .................................................................................................. 18
    2.3.3 English as a second language ................................................................. 19
    2.3.4 Marital status .......................................................................................... 20
    2.3.5 Working status ......................................................................................... 20
  2.4 Disability and long-term health problems ......................................................... 20
2.5 Represented customers ................................................................. 21
2.6 Summary ....................................................................................... 22

3 Overall performance ............................................................................... 25
3.1 Customer service attributes ........................................................... 25
  3.1.1 Importance ...................................................................... 25
  3.1.2 Performance .................................................................... 27
  3.1.3 Comparative importance and performance ...................... 29
3.2 Satisfaction with the most recent enquiry ...................................... 30
  3.2.1 Satisfaction by customer profile ....................................... 31
  3.2.2 Satisfaction by customer’s enquiry experiences ................. 32
  3.2.3 Satisfaction by enquiry conclusion .................................... 35
  3.2.4 Reasons for dissatisfaction with enquiry ........................... 35
  3.2.5 Understanding drivers of satisfaction with most recent enquiry ............................................................................ 37
3.3 Overall satisfaction with the International Pension Centre .............. 39
  3.3.1 Understanding drivers of overall satisfaction ..................... 42
3.4 Customers’ views .......................................................................... 43
  3.4.1 Best things about International Pension Centre ................ 43
  3.4.2 Improvements to be made to International Pension Centre ............................................................................. 48
3.5 Summary ....................................................................................... 53

4 Contacting the International Pension Centre ........................................... 55
4.1 Channels used .............................................................................. 55
  4.1.1 Channel of contact by region ........................................... 56
4.2 Preferred channel of contact ......................................................... 57
  4.2.1 Preferred channel of contact and channels used ............... 58
  4.2.2 Preferred channel of contact by region ............................. 58
4.3 Internet and e-mail ........................................................................ 60
  4.3.1 Whether used internet in last six months ......................... 60
  4.3.2 Frequency of internet use ................................................ 61
  4.3.3 Location of internet use ................................................... 62
  4.3.4 Visits to The Pension Service website ................................. 62
  4.3.5 Access to e-mail ............................................................... 62
  4.3.6 E-mailing International Pension Centre ............................. 63
  4.3.7 Overview ......................................................................... 63
4.4 The International Pension Centre opening hours ................................ 64
4.5 Contact issues amongst customers with special needs .......... 65
  4.5.1 Customers with disabilities or long-term health problems ............................................. 65
  4.5.2 English as a second language ...................................................................................... 65
4.6 Summary .......................................................................................................................... 67

5 Most recent enquiry ............................................................................................................ 69
  5.1 Subject of most recent enquiry ...................................................................................... 69
  5.2 Method of communication for most recent enquiry ...................................................... 71
  5.3 Telephone communication ............................................................................................ 72
    5.3.1 Initiating contact ........................................................................................................ 73
    5.3.2 Frequency of telephone contact during course of enquiry .......................................... 73
    5.3.3 Finding International Pension Centre telephone number ........................................... 74
    5.3.4 Whether got through at first call at most recent attempt ............................................ 75
    5.3.5 Most recent call ........................................................................................................ 76
    5.3.6 Query resolution ....................................................................................................... 78
  5.4 Transferrals .................................................................................................................... 79
    5.4.1 Whether called back or transferred ......................................................................... 79
    5.4.2 Whether given reason for transfer or being called back ......................................... 80
    5.4.3 Repeating information ............................................................................................. 80
    5.4.4 Whether comfortable speaking to different person ................................................. 81
  5.5 Postal communication .................................................................................................... 81
    5.5.1 Frequency of postal correspondence ....................................................................... 81
    5.5.2 Reasons for writing ................................................................................................ 82
    5.5.3 International Pension Centre response to postal communication ................................ 83
    5.5.4 Sending important and valuable documents ............................................................ 84
  5.6 Enquiry status ............................................................................................................... 85
    5.6.1 Explanation of decision ............................................................................................ 86
  5.7 Summary ....................................................................................................................... 86

6 Complaints .......................................................................................................................... 89
  6.1 Customer complaints ..................................................................................................... 89
  6.2 Complaints and satisfaction ......................................................................................... 90
  6.3 Modes of communication for complaining .................................................................. 90
  6.4 Waiting for a reply to a complaint ................................................................................ 90
  6.5 Understanding of how to take the matter further ....................................................... 91
  6.6 Perceptions on how the complaint was treated ............................................................ 91
6.7 Non-complainants ......................................................................... 91
6.8 Summary....................................................................................... 92

Appendix A Technical report...................................................................... 93
Appendix B Fieldwork documents ........................................................... 107

List of tables

Table 2.1 Country of residence .............................................................. 14
Table 2.2 Likelihood of moving back to the UK ...................................... 15
Table 2.3 Nationality .......................................................................... 16
Table 2.4 Ethnicity .............................................................................. 19
Table 2.5 First language ..................................................................... 19
Table 2.6 Type of long-term illness/disability ...................................... 20
Table 2.7 Represented customers – Age profile ................................... 21
Table 3.1 Why dissatisfied with the way enquiry was handled ............ 35
Table 4.1 Number of times contacted International Pension Centre by each method ................................................................. 55
Table 4.2 Preferred channel of contact ............................................... 57
Table 4.3 Channels used by preferred channel of contact .................... 58
Table 4.4 Whether used internet in last six months .............................. 61
Table 4.5 Frequency of internet usage ................................................. 61
Table 4.6 Whether customer has access to e-mail ................................. 62
Table 4.7 Problems when contacting International Pension Centre ...... 65
Table 4.8 First language ..................................................................... 66
Table 5.1 Subject of most recent enquiry by region ............................... 69
Table 5.2 Methods used to contact International Pension Centre in customers’ most recent enquiry .................................................. 71
Table 5.3 How easy it was to find correct number ................................ 74
Table 5.4 Where found International Pension Centre telephone number ............................................................................................. 75
Table 5.5 Reason chose time to call ..................................................... 78
Table 5.6 Whether had to repeat information ....................................... 80
Table 5.7 Reasons for writing.............................................................. 82
Table 5.8 Time taken for International Pension Centre to respond to customers’ letter ................................................................. 83
Table 5.9 Whether most recent enquiry has concluded ...................... 85
Table 5.10 Whether decision was explained ......................................... 86
Table A.1 Customer details recorded by International Pension Centre by mode of contact ................................................................. 95
Table A.2 Sample available by mode of contact ................................... 95
Table A.3 Main sample issued .............................................................. 96
List of tables

Table A.4  Response details ................................................................. 96
Table A.5  Comparison of mode of contact proportions – population, 
issued and achieved sample .................................................... 97
Table A.6  Comparison of country of residence proportions – 
population, issued and achieved sample ................................. 98
Table A.7  Satisfaction with most recent enquiry for telephone 
contacts .................................................................................. 101
Table A.8  Satisfaction with most recent enquiry for written contacts .... 103
Table A.9  Overall satisfaction with International Pension Centre ........... 104

List of figures

Figure 2.1  Country grouping ............................................................. 15
Figure 2.2  Profile of respondents’ sex and age .................................... 18
Figure 3.1  Customer service elements – Importance ......................... 26
Figure 3.2  Customer service elements – Performance .......................... 27
Figure 3.3  Performance of International Pension Centre by customer’s 
country of residence ................................................................ 28
Figure 3.4  Customer service elements – importance and performance .... 30
Figure 3.5  Satisfaction with the way enquiry was handled .................... 31
Figure 3.6  Satisfaction with most recent enquiry by country of 
residence .................................................................................. 32
Figure 3.7  Overall satisfaction ............................................................ 41
Figure 3.8  Overall satisfaction by country of residence ......................... 42
Figure 3.9  Best thing about International Pension Centre ...................... 44
Figure 3.10 Things that could be improved in International 
Pension Centre ......................................................................... 48
Figure 4.1  How contacted International Pension Centre since 
1 January 2006 .......................................................................... 56
Figure 4.2  Preferred channel of contact .............................................. 59
Figure 4.3  Whether International Pension Centre office hours cause 
problems when contacting ...................................................... 64
Figure 5.1  Time called International Pension Centre most recent 
enquiry (local time) ............................................................... 77
The research team at British Market Research Bureau (BMRB) would like to thank all the members of staff at the Department for Work and Pensions (DWP), The Pension Service and the International Pension Centre (IPC) who helped us to carry out this survey. In particular, we would like to thank Vicky Petrie from the Older People Research Team at the DWP, who gave invaluable guidance and assistance at all stages of the project. In addition, we would also like to thank Robert Lilly, Adele Chamberlain, Mark Bailey, Simon Moody and Cameron Torbet for their help in conducting the study.

Furthermore we would also like to thank IPC staff who recorded customer contact details during March 2006 which formed the basis of this research. We would also like to thank the operations teams at BMRB who allowed this survey to be such a success. In particular we would like to thank the interviewers and supervisors who worked throughout the night and early morning conducting the interviews.

Finally, we would like to thank all the customers who gave up their time to take part in the study without whom this research would not have been possible.
The Authors

**Nicholas Howat**, is an Associate Director at British Market Research Bureau (BMRB) Social Research. Nick was responsible for the overall management of the project and was extensively involved in the analysis and reporting of the survey findings. Previously, Nick was responsible for running the 2003 and 2005 UK Pension Service Customer Surveys and has worked on projects covering a wide variety of subjects for other Government departments and agencies.

**Lorraine Sims**, is a Senior Research Executive at BMRB Social Research. Lorraine was responsible for the day-to-day management of the project. Within this, Lorraine’s responsibilities included the management and analysis of the sample collation, questionnaire design, reporting and conducting the multivariate analysis. Previously Lorraine had also played a key role in conducting The Pension Service Customer Survey 2005.

**Oliver Norden**, is a Research Executive at BMRB Social Research. Oliver was involved in the programming and testing of the questionnaire used in the telephone interviewing. Oliver also took responsibility for the analysis of customers’ verbatim responses and contributed to various sections within the report.
Glossary

**Customer representatives**
These are people contacting International Pension Centre (IPC) on behalf of someone else. This mainly tended to be people contacting on behalf of their spouse. Professional third parties, such as solicitors, were excluded from the survey.

**International Pension Centre**
This is the Pension Service department that is responsible for administering the UK State Pension to people living abroad, or moving into the UK from another country. This term is used interchangeably throughout this report with the ‘UK Pension Service’ as customers would not necessarily be aware of the fact that the department they are dealing with is IPC.

**Service channels**
Refer to the ways in which customers can contact IPC, e.g. by telephone, in writing, face-to-face or by email.

**Pension forecasts**
A State Pension forecast informs customers of the amount of State Pension they:
- have earned already;
- can expect at State Pension age based on what they have earned already and what they might earn before reaching State Pension age.
‘Uprated/‘frozen’ pensions

Customers living in the United Kingdom, other Member States of the European Economic Area (EEA) and in countries with which the UK has a reciprocal social security agreement receive cost of living increases on their pension entitlement. This is more commonly known as having their pension ‘uprated’. Customers living elsewhere continue to receive their UK state pension at the same rate as at the time of entitlement or the date they left the UK, which ever is later. This is more commonly referred to as having their pension ‘frozen’.
Summary

Background and objectives

During the summer of 2006 a survey of customers contacting the International Pension Centre (IPC) was carried out to measure their experience of, attitudes towards and satisfaction with the service. The survey was designed to cover the population of contacts made by people who had first hand contact with IPC concerning a range of issues to do with their pension claim or other pensioner benefits. Customers’ contact details were recorded by IPC staff during March 2006. All customers contacted about the survey were sent an advance letter from the Department for Work and Pensions (DWP) informing them of the survey and providing them with a freepost postcard to return if they did not wish to be contacted again about the survey. Fieldwork was carried out by Computer Aided Telephone Interviewing (CATI), and a total of 1,084 interviews were conducted with customers living all over the world.

Customer profile

Nearly all customers contacting IPC were either receiving the UK State Pension or had applied, but were not yet receiving it. The remaining customers were either making a general enquiry or contacting on somebody else’s behalf. In total, around one in seven customers said that they had contacted IPC on somebody else’s behalf since 1 January 2006 and around a third of these said that they had power of attorney. The majority of these customers were contacting about a spouse or partner and they were more likely to be men. As might be expected, the represented customers were significantly less likely to speak English as their first language, although it is interesting to note that they were no more likely to have a disability or long-term health problem (Section 2.5).

Around half the customers contacting IPC were living outside of the European Union (EU). However, the individual country with the most contacting customers was actually the UK, closely followed by Australia, the USA, Canada and Spain. Around two-thirds of the contacting customers said that they were British and the
The largest non-British nationality was Irish. Just over a third of contacting customers were also receiving (or in the process of claiming) a state pension from another country. This was higher for non-British customers but it is interesting to note that only half of these people were actually getting a pension from another country. For the rest of these non-British customers the UK State Pension was the only state pension they received (Section 2.2).

Nearly half of all customers contacting IPC were aged 60-65 and, as might be expected, there were significant concentrations around the state pension claiming ages of 60 and 65. Nearly three-fifths of customers contacting IPC were women. Around one in ten customers said that English was not their first language. Customers based in the EU were significantly more likely to say this than customers living elsewhere in the world. Interestingly, this included customers based in the UK who were amongst the most likely to say that they did not speak English as their first language. This reflects the fact that IPC might also be a point of contact for customers who need to make enquiries about state pensions they are due to receive from other countries they have lived in previously (Section 2.3).

Just under a quarter of customers defined themselves as having a long-term illness or disability. Perhaps surprisingly this was not significantly linked to age with older customers being no more likely to report this than younger customers. The most commonly reported problems were physical ones such as difficulty walking or using their arms (Section 2.4).

**Overall performance**

The majority of contacting customers (87 per cent) said that they were satisfied overall with the service they had received from IPC since 1 January 2006. A slightly smaller proportion said that they were satisfied with the way in which their most recent enquiry was handled (81 per cent). Customers living in the UK were significantly less likely to be satisfied than customers living elsewhere in the world (Section 3.2).

There were a number of other elements, in addition to region, that seemed to affect satisfaction with both the most recent enquiry and with IPC overall. Among those elements that seemed to lower satisfaction were the provision of valuables, enquiry conclusion, enquiry complexity and a high number of contacts. While it may not be possible for IPC to alter the fact that some cases are inherently complex, steps can be taken to ameliorate most of these problems. In particular, better communication in relation to the return of valuables and the conclusion, or otherwise, of an enquiry could significantly improve customer experiences.

Looking at customer service attributes it is clear that IPC is performing best on those relating to staff performance. These are measures such as ‘being treated with respect’ and ‘being easy to understand’. The service element with the biggest problem was ‘dealing with enquiries promptly’ and this echoes the general findings
in the rest of the study. In terms of importance, the one service element that was rated most highly was ‘providing accurate information’. While this element was not the best performing for IPC, it was by no means a particular problem area (Section 3.1).

The best things about IPC according to customers’ views also related to IPC staff. Included within this were praise for the general helpfulness and politeness of staff, as well as their friendliness and sympathy. In addition to the staff, some customers were relatively positive about the speed of the service they had received and the general service delivery they had experienced. Less than one in ten customers said that there was nothing positive about the service or made a generally negative comment (Section 3.4.1).

In contrast, when asked what they would improve, more than four out of ten customers said that there was nothing they would seek to improve, or made a generally positive comment about the service. The main area that was highlighted for improvement was speed. This is in line with the findings from the analysis of satisfaction and various other parts of the study such as the service elements. There was no other area that particularly stood out which is interesting in itself and it seems to suggest there is not a consensus among customers for developments such as 24 hour opening. Even the uprating of pensions as in the UK was only mentioned spontaneously by two per cent of customers (Section 3.4.2).

**Contacting the International Pension Centre in general**

The most common channel of contact used with IPC since January 2006 was the telephone, closely followed by postal contact, including sending completed forms. It is worth noting that around one in five contacting customers said they had used online channels of communication such as e-mail or visiting The Pension Service website. This was particularly the case for customers based outside of the EU, where telephone contact was slightly less. However, it should be noted that while the telephone was used less in the rest of the world than in the EU, it was still the main channel of contact for these customers (Section 4.1).

In addition to being the most commonly used channel for the majority of customers, the telephone was also the preferred channel of contact for the majority of customers. In contrast to this postal communication was preferred by a much smaller proportion of customers than had been using it. Indeed, online forms of communication were actually preferred by a larger proportion of customers than the post. Once again there was a significant trend by region for customers preferring online channels. Customers based in the UK were the least likely to prefer online channels, followed by customers elsewhere in the EU, with customers based in the rest of the world being the most likely to prefer online channels (around a quarter) (Section 4.1).
The higher preference for online channels amongst customers living in the rest of the world does not seem to be a result of higher internet take up, this was broadly the same in the UK and rest of the EU. It also does not seem to be purely a result of time zones as customers in the EU were significantly more likely than UK based customers to prefer online communication, and customers living in Africa had the same levels of preference as customers living in Australasia or North America. One possible explanation for the higher levels of preference for online communication outside of the UK could be cost, customers contacting from elsewhere will face much higher call charges when telephoning.

At present there is a limit to how much interaction customers can have via The Pension Service website, although it is clearly an area where there seems to be some customer interest. If the website were to be developed to allow customers to conduct basic functions, such as changing contact details, it may be a potential avenue for reducing pressure on staff resources in the future.

Around two-fifths of online customers had visited The Pension Service website. Male customers and customers who had contacted on behalf of someone else were the most likely to have visited the site. There were no significant differences between customers in different regions as to whether or not they had gone to the website. In addition to this, it is interesting to note that customers who had visited the website tended to have had far more contacts with IPC. However, we are not able to tell whether this is a result of initial searches of the website not providing the required information or whether it is because customers with more complex enquiries are more likely to have conducted prior research online (Section 4.5).

Around a quarter of customers with access to e-mail said that they had e-mailed IPC at some point and the majority of those that hadn’t said that they would be willing to do so. The majority of all customers who had access to e-mail said that they would be happy for IPC to e-mail them, although this was lower among customers based in the UK.

The majority of customers said that IPC’s office hours did not cause any problems when contacting them. As might be expected, customers living in Australasia and North America were more likely to say that they caused problems than customers living elsewhere, but still the majority of customers in these regions (more than eight out of ten said that they had no problems).

Most recent enquiry

Customers contacted IPC for a wide variety of reasons but there were four enquiry types that were mentioned by more than one in ten customers: General enquiry about pension payment; Problem with UK pension payment; Claiming the UK State Pension and Change of contact details. Customers contacting with a general enquiry or to change contact details had the highest levels of satisfaction (nearly all customers contacting to change contact details were satisfied), while those contacting about a problem with payment had the lowest levels of satisfaction (Section 5.1).
The channels used for the most recent enquiry mirrored those used when contacting IPC for any reason since 1 January 2006. The telephone was the most common channel, followed by postal contact. Customers based in the UK were the most likely to telephone with customers outside the EU being the least likely, although the telephone was still the most common form of contact for these customers.

Just under half of all customers who had telephone contact during their most recent enquiry said that at some point IPC had called them (Section 5.3). Customers living in the EU outside of the UK were most likely to have received a call. This was most likely due to the fact that they have higher call charges than UK based customers and IPC opening hours mean that it is more of a practical option than for customers in North America or Australasia. The very oldest customers were the least likely to be called back by IPC, perhaps because they are less confident than younger customers who are more confident making requests. There is certainly no evidence to suggest that enquiries from the oldest customers were more straightforward and less likely to require a call back.

While the majority of customers reported that it was easy to find the correct telephone number, a significant minority reported problems. These customers were then less likely to be satisfied with the service they received and they made more calls – nearly twice as many as customers who found it easy to find the correct number. Customers with a long-term illness or disability and customers living in the UK were the most likely to report problems. This perhaps indicates a need for staff working in other parts of The Pension Service and in other organisations providing benefits to non-residents, to be made more aware of IPC, both in terms of contact details and remit.

As might be expected, the more call attempts a customer had to make before they got through and the longer they had to wait for their call to be answered, the less satisfied they were. Customers contacting from the UK and the EU reported the most attempts before getting through and customers from the UK reported the longest waiting times before their call was answered. One explanation for this seems to be the fact that customers in the UK and the EU were disproportionately more likely to call in the morning (Greenwich Mean Time (GMT)), thereby putting additional pressure on resource. The reason these customers called at this time was not governed by IPC opening hours (as North American and Australasian customers are) but just that it was their preference. Perhaps a pre-recorded message could be played to customers calling from the EU in the morning, advising them that they would experience fewer delays if they call back later.

Nearly two-thirds of customers said that their enquiry was answered at the very first telephone call, and a similar proportion said that they only had to speak to one person as part of their enquiry. Around a half of the customers who spoke to more than one person said that they only had to repeat minor details or nothing at all when speaking to a second person. A similar proportion of customers who were called back by IPC said that it was by somebody they had spoken to previously.
As in The UK Pension Service Customer Surveys, these experiences (enquiry resolved at first call, only speaking to one person, being transferred rather than dialling again and only repeating basic information) were all associated with higher levels of satisfaction. However, unlike the UK survey we found that the method of transferral and whether or not they were given an explanation for the transferral was not associated with satisfaction (Section 5.4).

Customers who wrote to IPC had significantly lower levels of satisfaction than those who telephoned (Section 5.5). When customers were asked why they had chosen to write for their enquiry, a third said that it was simply their preferred method of communication and the rest gave a wide variety of reasons. The most interesting finding from this question was that only two per cent of customers said they had chosen this method because IPC office hours made it difficult for them to phone. Indeed, the price of the calls was mentioned by nearly three times as many customers as problems with the office hours.

Nearly three-quarters of customers said that they had received a response to their most recent postal enquiry and two-thirds said that they had received it within a month. Customers whose response took longer than a month or who had not received a response at all were significantly less likely to be satisfied.

Just under three in ten customers had sent documents or valuables to IPC and these customers tended to be less satisfied than those who did not send anything (Section 5.5.4). However, there were variations in satisfaction depending on how this process was handled. In particular, customers who were told how long their documents or valuables would be kept for were more likely to be satisfied. More obviously, customers who had received their documents back were also more likely to be satisfied. It should be noted that whether or not a customer had their documents returned did not vary by region (UK, EU and the rest of the world).

Around a quarter of all customers said that their most recent enquiry had not been resolved and was still ongoing (Section 5.6). This varied by subject type. Very few customers who were contacting to change contact details said that their enquiry was ongoing, in contrast nearly half of those who were claiming the UK State Pension said that this was not yet resolved. As might be expected customers whose enquiry was still ongoing were significantly less likely to be satisfied. Whether or not an enquiry was concluded was strongly related to whether or not a decision was required, with those enquiries that required decision being significantly more likely to be ongoing.

Complaints

Seven per cent of customers had made a complaint to IPC. Customer representatives were significantly more likely to have made a complaint than current pensioners. However, this is more likely to be linked to the number of times a customer has contacted IPC, as customers who had contacted six or more times since 1 January 2006 were also more likely to have made a complaint (Section 6.1).
Customers for whom English was not their first language were also more likely to make a complaint, than customers for whom English is their first language. This appears to be linked to the fact these customers were more likely to be contacting with a problem with their pension payment, which is likely to require a decision, and customers contacting about this were less likely to be satisfied.

Opinion was divided as to whether the amount of time customers had had to wait for a reply to their complaint was acceptable. Around half of the 37 people who had received a reply thought the amount of time they had to wait was reasonable and the other half did not.

While customers who had made a complaint to IPC were less likely to be satisfied with the service overall compared to customers who had not complained, customers who had considered making a complaint but had not, were even less likely to be satisfied.

Notes on terminology

A large number of tables appear in this report. The following conventions have been used:

0 = a ‘true zero’ (i.e. no responses in that category)

* = less than 0.5 per cent, but more than zero responses

Significance testing has been carried out at the five per cent level, unless otherwise stated. All comparative data described in the report is significant, unless otherwise stated.
1 Introduction

1.1 Background

The Pension Service was established as an executive agency of the Department for Work and Pension (DWP) in early 2002, as part of the Government agenda to modernise the delivery of benefits. The Pension Service International Pension Centre’s (IPC) primary function is to provide a service to approximately one million UK pensioners who are currently living abroad. IPC also handles claims from pensioners in the UK who have previously worked in an EU country, or any other country with whom the UK have a social security agreement. It is the central point for most of the DWP’s business dealings with foreign social security institutions.

During the summer of 2006 a survey of customers contacting IPC with pension related enquiries was carried out to measure their experience of, attitudes towards and satisfaction with the service.

1.2 Research objectives

The main objectives for this research were to:

• gain a better understanding of customers’ experiences, perceptions and expectations of IPC, including identification of customer priorities, and what impacts upon their satisfaction with the service they receive;

• identify what the service is doing right (in terms of lessons for good practice) and highlight where improvements can be made;

• measure satisfaction; and

• help to inform the future design and delivery of services to customers of the service.
1.3 International Pension Centre customers

Unusually for The Pension Service, IPC is also responsible for the payment of certain benefits to people of working age who are living abroad, e.g. Incapacity Benefit and Industrial Injuries Benefit. Furthermore, IPC includes a Medical Benefits Section (Overseas Health Benefits) that is responsible for the administration of some of the health provisions of the European Union (EU) social security regulations on behalf of the Department of Health. However, the primary focus of this research was customers contacting about pension related issues.

The survey was designed to cover the population of contacts made by people with IPC who:

• had first hand contact with IPC concerning a range of issues to do with their pension claim or other pensioner benefit;

• were not yet pensioners, but who were calling to obtain advice on their pension status if they were either living abroad or if they were considering moving abroad in the future;

• were non-professional customer representatives; and

• were in receipt of Retirement Pension for some time and were contacting with a query or change of circumstances.

The population of contacting customers comprised all contacts initiated by customers through any channel, including contacts made in writing (either through a letter or completing a form), by telephone, or by e-mail. All ‘professional’ customer representatives were excluded from the research (e.g. Citizens’ Advice Bureaux, Solicitors making contact on behalf of a client, MPs making contact on behalf of a constituent). These parties were excluded because it was felt that they would make contact on behalf of a number of different people and their responses would be an ‘average’ of all their contact with IPC, rather than thinking about a specific case.

In summary, the following people were not included in the survey, on the basis that they were either covered by The Pension Service Customer survey¹, or were not contacting about a pension related issue:

• professional customer representatives;

• working age customers (unless contacting about their pension status if they were either living abroad or if they were considering moving abroad at a future date);

• working age customers who were contacting IPC to discuss medical issues (i.e. medical insurance); and

• customers of all ages contacting to notify the service of a death.

---

1.4 Sample collation

To ensure that the sample of contacting customers for this survey was as representative as possible of the range of contacts made with IPC, an extensive sample collation exercise was conducted. This involved all IPC staff dealing with telephone, postal and e-mail enquiries recording customer details during March 2006. Attempts were made to facilitate automated electronic recording of customer details where possible. The survey sample was then randomly selected from these records (see Appendix A for further information).

1.5 Questionnaire design

The 2005 Pension Service Customer Satisfaction Survey formed the basis for this questionnaire, where topic areas were relevant. A copy of the questionnaire is available on the DWP website.

It should be noted that the questionnaire does not refer to either the International Pension Centre or IPC. This is because it was felt that only a minority of customers would be aware of these terms, and that there would be the potential for confusion with other organisations. As such, IPC was referred to as the UK Pension Service throughout the interview, as this was both easy to understand and focused respondents on IPC as an organisation.

1.6 Fieldwork

All respondents were sent an advance letter on DWP headed paper four weeks before the start of fieldwork. This letter explained the purpose of the study, reasons for their inclusion in the research sample and the form the survey would take. The letters included a freepost postcard for respondents to return if they did not wish to be contacted. The names and telephone numbers of both a researcher at British Market Research Bureau (BMRB) and DWP were also provided for customers to contact if they required any further information about the study. Contact details of everyone who opted out of the research were removed from the sample to be called.

All interviews were carried out using Computer Assisted Telephone Interviewing (CATI). Due to the international nature of this project, all customer details were assigned to an appropriate interviewing shift to ensure that they were only called during acceptable day time hours. This meant that telephone staff in London worked all hours, including through the night and early hours of the morning, to call customers at a time suitable to the country they were living in.

All fieldwork took place between 19 July and 6 September 2006, and was conducted by interviewers working on behalf of BMRB. Where the named respondent had been identified by an interviewer as not speaking adequate English to conduct the interview, a translator from Language Line was used to provide verbal translations for a shortened version of the questionnaire. Four interviews of this kind were conducted with one Spanish and three German speaking customers.
The final number of interviews was 1,084, with an overall fieldwork response rate of 67 per cent.

Weighting was applied to the data to compensate for differential response rates by mode of contact and country of residence. Further discussion of weighting used can be found in the technical report (see Appendix A).

1.7 Report structure

Chapter 2 looks at the profile of customers who contact IPC. This includes country of residence, nationality and receipt of state pensions from other countries as well as more basic demographics such as sex and age.

The IPC customer survey included a number of items that measured the overall performance of IPC. These included specific questions about service elements and open ended questions where customers could identify areas of strength and weakness in the service provided, as well as straightforward satisfaction measures.

Chapter 4 looks in general at how customers contact IPC. This includes analysis of customers preferred channel of contact and the potential for the take up of online service. Finally, this chapter looks at customers who do not speak English as their first language and their awareness of the available translation services.

Chapter 5 looks in detail at customers’ most recent enquiry, beginning by looking at the subject of the enquiry and the methods used to contact for it. It the moves on to look in more detail at the process involved in telephone and postal enquiries with special focus on transferrals and the submission of valuable documents. The chapter concludes by looking at enquiry status and how this affects satisfaction.

Finally, Chapter 6 looks at customers’ experiences of the complaints process within IPC. As there are not many customers who have complained to IPC, base sizes in this section are quite small and therefore analysis of sub-groups is quite limited.
2 Customer profile

This chapter looks at the profile of customers who contact the International Pension Centre (IPC). Customers are split into a ‘pensioner status’ in relation to the UK State Pension in terms of whether or not they are claiming the pension and whether they have a representative role. Customers are also analysed by basic demographics such as sex, age, ethnicity and country of residence. An income measure was not included in the survey as it was felt that this question could not be asked in a way that could lead to meaningful analysis.

It is important to note that this is a sample of contacting customers and therefore will not necessarily match the profile of all customers living abroad and claiming the UK State Pension.

2.1 Pensioner status

Nearly all customers said they were receiving the UK State Pension (84 per cent) or had applied but were not yet receiving it (11 per cent). Most of the remaining customers were either contacting on somebody else’s behalf or were making a general enquiry. Only seven customers had contacted IPC in order to request a pension forecast2.

2.2 Country of residence and nationality

2.2.1 Country of residence

Customers contacting IPC can be based in any country around the world and Table 2.1 shows the country of residence for customers in the main countries.

---

2 IPC can provide non-UK based customers with forecasts based on their UK contributions when requested but these are not automatically sent to customers.
Table 2.1  Country of residence

<table>
<thead>
<tr>
<th>Country</th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>14</td>
</tr>
<tr>
<td>Australia</td>
<td>13</td>
</tr>
<tr>
<td>USA</td>
<td>13</td>
</tr>
<tr>
<td>Canada</td>
<td>12</td>
</tr>
<tr>
<td>Spain</td>
<td>10</td>
</tr>
<tr>
<td>France</td>
<td>8</td>
</tr>
<tr>
<td>Ireland</td>
<td>7</td>
</tr>
<tr>
<td>South Africa</td>
<td>4</td>
</tr>
<tr>
<td>Germany</td>
<td>3</td>
</tr>
<tr>
<td>Cyprus</td>
<td>2</td>
</tr>
<tr>
<td>Jamaica</td>
<td>2</td>
</tr>
<tr>
<td>New Zealand</td>
<td>2</td>
</tr>
<tr>
<td>Italy</td>
<td>1</td>
</tr>
<tr>
<td>Jersey</td>
<td>1</td>
</tr>
<tr>
<td>Switzerland</td>
<td>1</td>
</tr>
<tr>
<td>Portugal</td>
<td>1</td>
</tr>
<tr>
<td>Sweden</td>
<td>1</td>
</tr>
<tr>
<td>Malta</td>
<td>1</td>
</tr>
<tr>
<td>Netherlands</td>
<td>1</td>
</tr>
<tr>
<td>Other countries</td>
<td>7</td>
</tr>
</tbody>
</table>

Base: All respondents 1,084

Although IPC is mainly responsible for the state pension for customers living outside of the UK, they do receive a number of contacts from UK residents and the UK was actually the country with the most contacts. These customers could be calling on somebody else’s behalf, with regards to a non-UK state pension or preparing to emigrate.

Customer’s country of residence is grouped together in various ways throughout this report to enable analysis. The main grouping that is used is UK, European Union (EU) (excluding the UK) and the rest of the world. Figure 2.1 shows this with a further breakdown of the main countries that make up the rest of the world category.
Figure 2.1 Country grouping

![Country grouping chart]

Base: All respondents (1,084)

Moving back to the UK

All customers who were currently living outside of the UK were asked how likely it was that they would move back to the UK within the next few years. The results are shown in Table 2.2.

Table 2.2 Likelihood of moving back to the UK

<table>
<thead>
<tr>
<th>Likelihood</th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very likely</td>
<td>8</td>
</tr>
<tr>
<td>Quite likely</td>
<td>9</td>
</tr>
<tr>
<td>Not very likely</td>
<td>26</td>
</tr>
<tr>
<td>Not at all likely</td>
<td>57</td>
</tr>
<tr>
<td>Never lived in the UK</td>
<td>1</td>
</tr>
<tr>
<td>Don’t know</td>
<td>6</td>
</tr>
</tbody>
</table>

Unweighted base: All living outside of UK 981

1 It is possible for some customers to require contact with IPC even though they have never lived in the UK.

Over three-quarters of non-UK based customers (77 per cent) said that it was not very, or not at all, likely that they would move back to the UK in the next few years. Although there were no significant variations between different regions in terms of likelihood to return to the UK, there was one country where customers were
different. Nearly nine out of ten customers living in Australia (89 per cent) said they were not very, or not at all, likely to return to the UK, this is significantly higher than customers elsewhere in the world (74 per cent).

Those customers who said that were either very or fairly likely to move back to the UK were asked whether this move would be permanent. Around three-fifths of these customers (59 per cent) said that it would be, with the rest saying that it would be temporary (26 per cent) or that they were not sure (16 per cent).

2.2.2 Nationality

All customers were asked their nationality, Table 2.3 shows the most common answers.

**Table 2.3 Nationality**

<table>
<thead>
<tr>
<th>Nationality</th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>British</td>
<td>64</td>
</tr>
<tr>
<td>Irish</td>
<td>8</td>
</tr>
<tr>
<td>Canadian</td>
<td>4</td>
</tr>
<tr>
<td>Australian</td>
<td>4</td>
</tr>
<tr>
<td>American</td>
<td>3</td>
</tr>
<tr>
<td>Jamaican</td>
<td>2</td>
</tr>
<tr>
<td>German</td>
<td>2</td>
</tr>
<tr>
<td>Italian</td>
<td>1</td>
</tr>
<tr>
<td>South African</td>
<td>1</td>
</tr>
<tr>
<td>Norwegian</td>
<td>1</td>
</tr>
<tr>
<td>French</td>
<td>1</td>
</tr>
<tr>
<td>Dual nationality</td>
<td>5</td>
</tr>
<tr>
<td>Other nationality</td>
<td>4</td>
</tr>
</tbody>
</table>

*Base: All respondents 1,084*

Nearly two-thirds of IPC customers were British (64 per cent) – this includes customers who said that they were English, Scottish or Welsh. One in twenty customers (five per cent) said that they had dual nationality with the majority saying that they were British and another nationality. Just over one in ten customers (12 per cent) were other EU nationals, with the majority being Irish. The remaining customers had a variety of different nationalities with the most common being Canadian, Australian and American.
2.2.3 Whether receive other state pensions

When designing this research it was felt that there was a possibility that customers may combine their experiences of the UK State Pension with experiences they may have had with other country’s state pension service. In order to minimise this ‘the UK Pension Service’ was referred to explicitly in most questions. However, there was still the possibility that customers may conflate their enquiry experiences, especially if the enquiry required involvement from a non-UK pension service. In order to be able to identify this at the analysis stage, customers were asked whether they received a state pension from another country, other than the UK.

Just over a third of customers (36 per cent) said that they were either currently receiving, or in the process of claiming, a state pension from another country. As might be expected, nationality was strongly linked to whether or not a customer was receiving a non-UK state pension. Just over a quarter of all British customers (28 per cent) were receiving a state pension from another country compared to nearly a half of all non-British customers and those with dual nationality (49 per cent). This does mean that the UK State Pension is the only state pension received by around half of all non-British customers.

Older customers were significantly more likely to be receiving a pension from another country. Around two in five customers aged over 65 were receiving a state pension from another country (42 per cent), compared to around one in five customers aged 65 and under (22 per cent). This variation may reflect the fact that there are different state retirement ages around the world.

In addition to age, male customers were also more likely to be receiving a state pension from another country than female customers (41 per cent compared to 27 per cent). This most likely reflects the fact that in some countries state pensions are based on contributions from employment and men were more likely to be working than women amongst this generation.

---

3 IPC have no legal obligation to help customers with their non-UK pension apart from forwarding any application to the foreign authority dealing with a customers claim for EU case pensions and those countries where the UK has a reciprocal agreement that allows them to do so. However, in practice International Pension Centre (IPC) staff will assist customers who are having difficulties obtaining decisions from foreign agencies, although this tends to be dependent upon them having a reliable contact in that country.
2.3 Basic demographics

2.3.1 Sex and age

Figure 2.2 shows the sex and age of customers contacting IPC.

Figure 2.2 Profile of respondents’ sex and age

Nearly half of all customers contacting IPC (45 per cent) were aged 60 to 65. There were significant concentrations around the state pension ages of 60 for women (12 per cent) and 65 for men (15 per cent). Nearly two-fifths of contacting customers were aged 65 to 74 (38 per cent) and around one in eight (13 per cent) were aged 75 or over. Nearly three-fifths of all customers contacting IPC were women (57 per cent).

2.3.2 Ethnicity

All customers were asked which ethnic group they belong to, the results are shown in Table 2.4.
Table 2.4  Ethnicity

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>90</td>
</tr>
<tr>
<td>Black – Caribbean</td>
<td>4</td>
</tr>
<tr>
<td>Black – African</td>
<td>1</td>
</tr>
<tr>
<td>Black – Other black background</td>
<td>*</td>
</tr>
<tr>
<td>Asian – Indian</td>
<td>2</td>
</tr>
<tr>
<td>Asian – Pakistani</td>
<td>*</td>
</tr>
<tr>
<td>Asian – Bangladeshi</td>
<td>*</td>
</tr>
<tr>
<td>Asian – Other Asian background</td>
<td>1</td>
</tr>
<tr>
<td>Mixed</td>
<td>2</td>
</tr>
<tr>
<td>Other</td>
<td>*</td>
</tr>
<tr>
<td>Don’t know</td>
<td>*</td>
</tr>
<tr>
<td>Refused</td>
<td>*</td>
</tr>
</tbody>
</table>

*Base: All respondents (1,084)*

2.3.3  English as a second language

One in nine customers contacting IPC (nine per cent) said that English was not their first language. Customers based in the EU were significantly more likely not to speak English as their first language than customers living elsewhere in the world (12 per cent compared to seven per cent), this includes customers who were based in the UK (11 per cent). This is probably due to the fact that customers who are now resident in the UK, but who lived and worked previously in another country, will sometimes contact IPC about state pensions and benefits from countries they had lived in previously.

Customers who did not speak English as their first language were asked what their first language was and the results are shown in Table 2.5.

Table 2.5  First language

<table>
<thead>
<tr>
<th>Language</th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>German</td>
<td>23</td>
</tr>
<tr>
<td>Greek</td>
<td>10</td>
</tr>
<tr>
<td>Italian</td>
<td>9</td>
</tr>
<tr>
<td>French</td>
<td>9</td>
</tr>
<tr>
<td>Spanish</td>
<td>5</td>
</tr>
<tr>
<td>Bengali</td>
<td>3</td>
</tr>
<tr>
<td>Swedish</td>
<td>3</td>
</tr>
<tr>
<td>Dutch</td>
<td>3</td>
</tr>
<tr>
<td>Urdu</td>
<td>3</td>
</tr>
<tr>
<td>Marathi</td>
<td>3</td>
</tr>
</tbody>
</table>

Continued
### 2.3.4 Marital status

Just over two-thirds of all customers contacting IPC were married or living with a partner (68 per cent). The next most common answer was ‘Widowed’ (17 per cent of all customers) followed by ‘Divorced’ (nine per cent of all customers). Men were significantly more likely than women to say that they were married (81 per cent compared to 59 per cent), while women were significantly more likely to be widowed (24 per cent compared to seven per cent).

### 2.3.5 Working status

The small number of customers who were not receiving, or had not applied for the UK State Pension (47) were asked about their working status. Nineteen of these customers said that they were retired, while a further sixteen said that they were working full-time and ten said that they were working part-time. One customer said that they were looking after home and family.

### 2.4 Disability and long-term health problems

All customers were asked whether they had a long-term illness, disability or infirmity and around a quarter said that they did (23 per cent). There was no significant variation for whether or not a customer had a long-term illness or disability by different sub groups including, perhaps surprisingly, age.

All customers with a long-term illness or disability were asked what this was. The answers were coded by interviewers in to broad categories and these are shown in Table 2.6.

### Table 2.6 Type of long-term illness/disability

<table>
<thead>
<tr>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical (eg difficulty walking, using arms)</td>
</tr>
<tr>
<td>Sensory (eg blind/visually impaired, deaf/hearing impaired)</td>
</tr>
<tr>
<td>Mental health (eg depression, schizophrenia)</td>
</tr>
<tr>
<td>Other health problems</td>
</tr>
<tr>
<td>Don’t know</td>
</tr>
</tbody>
</table>

Base: All with long-term illness/disability 253
The most common problems customers reported were physical difficulties, this was mentioned by nearly seven in ten customers (69 per cent). The next most common problems reported were sensory (six per cent). However, it should be noted that this may be an underestimate as this research was conducted over the telephone, and therefore customers with severe hearing difficulties may have had difficulties taking part.

2.5 Represented customers

Around one in seven customers (15 per cent) said they had contacted IPC on somebody else’s behalf since January 2006. Just over a third of these customers (35 per cent) also said that they had power of attorney. Men were significantly more likely to be contacting as a customer representative than women (23 per cent compared to ten per cent).

Most customer representatives were contacting on behalf of a spouse or partner (77 per cent). The remaining customer representatives were contacting for a parent (ten per cent), as some other kind of relative (ten per cent) or as a friend or neighbour (three per cent). It should be remembered that professional customer representatives were excluded from this survey.

All customer representatives were asked how old the customer they contacted for was. Table 2.7 below shows the age distributions of these represented customers alongside current pensioners in the survey who were contacting on their own behalf.

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Represented current pensioners</th>
<th>Current pensioners</th>
</tr>
</thead>
<tbody>
<tr>
<td>60 and under</td>
<td>18</td>
<td>13</td>
</tr>
<tr>
<td>61-65</td>
<td>29</td>
<td>34</td>
</tr>
<tr>
<td>66-74</td>
<td>26</td>
<td>39</td>
</tr>
<tr>
<td>75 and over</td>
<td>22</td>
<td>14</td>
</tr>
<tr>
<td>Don’t know</td>
<td>1</td>
<td>–</td>
</tr>
<tr>
<td>Refused</td>
<td>4</td>
<td>1</td>
</tr>
</tbody>
</table>

Base (165) (1,036)

It is worth noting at this point that people who contacted IPC in a professional capacity were excluded from the sample, so the real proportion of customer representative contacts will be higher than this.
Represented customers had roughly the same age distribution as customers who were contacting for themselves – 48 per cent of represented customers were aged over 65 compared to 51 per cent of contacting current pensioners. The proportion of represented customers with a long-term illness or disability was also very similar to that for customers contacting on their own behalf 22 per cent compared to 23 per cent. Both of these facts probably reflect the fact that the majority of customer representatives were contacting on behalf of a spouse rather than a parent who, because of old age, may not be capable of contacting themselves.

As might be expected, represented customers were significantly more likely to not speak English as their first language than customers contacting on their own behalf (22 per cent compared to nine per cent). The most common language spoken by these represented customers was German.

2.6 Summary

Around half the customers contacting IPC were living outside the EU. However, the individual country with the most contacting customers was actually the UK, closely followed by Australia, the USA, Canada and Spain. Around two-thirds of the contacting customers said that they were British and the largest non-British nationality was Irish.

As there was a possibility that customers experiences with IPC could be confused with their experiences with other state pensions respondents were asked whether they received a pension from another country. Just over a third of contacting customers were also receiving (or in the process of claiming) a state pension from another country. Obviously, this was higher for non-British customers but it is interesting to note that only half of these people were actually getting a pension from another country. For the rest of these non-British customers the UK State Pension was the only state pension they received.

Nearly half of customers contacting IPC were aged 60-65 and, as might be expected, there were significant concentrations around the state pension claiming ages of 60 and 65. Nearly three-fifths of customers contacting IPC were women and they were less likely to be receiving a state pension from another country than male customers.

Around one in ten customers said that English was not their first language. Customers based in the EU were significantly more likely to say this than customers living elsewhere in the world. Interestingly, this included customers based in the UK who were amongst the most likely to say that they did not speak English as their first language. This reflects the fact that IPC is also a point of contact for customers who need to make enquiries about state pensions they are due to receive from other countries they have lived in previously.
Just under a quarter of customers reported that they had a long-term illness or disability. Perhaps surprisingly this was not significantly linked to age with older customers being no more likely to report this than younger customers. The most commonly reported problems were physical ones such as difficulty walking or using their arms.

Around one in seven customers said that they had contacted IPC on somebody else’s behalf since 1 January 2006 and around a third of these said that they had power of attorney. The majority of these customers were contacting about a spouse or partner and they were more likely to be men. As might be expected, the represented customers were significantly less likely to speak English as their first language, although it is interesting to note that they were no more likely to have a disability or long-term health problem.
3 Overall performance

The performance of the service provided by the International Pension Centre (IPC) was measured in a number of ways in addition to the standard overall satisfaction questions. Customers were asked to rate the service in relation to six customer service elements by saying how important they considered them to be, and how well IPC delivered each one. Customers were also given the opportunity to say in their own words what they considered to be the best thing about IPC and how they believe the service could be improved, which is reported in Section 3.4.

3.1 Customer service attributes

Customers were asked to rate the service provided by IPC in relation to six elements that are associated with good customer service. These elements are based on those used in The Pension Service Customer Survey. This section looks at how important each of these customer service elements are to them when dealing with IPC, and whether they agreed that IPC delivered each one.

3.1.1 Importance

Customers were asked how important a range of six customer service elements were to them when dealing with IPC. The results are shown in Figure 3.1.

---

Looking at extreme importance, customers rated ‘Providing you with accurate information’ as the most important service element. The other five customer service elements all had similar levels of importance to IPC customers.

Customers who were satisfied with their most recent enquiry were more likely to consider ‘Providing you with accurate information’ as extremely important compared with customers who were dissatisfied with their most recent enquiry (50 per cent compared to 40 per cent). Similarly, customers who were satisfied with IPC overall were more likely to consider ‘being easy to understand’ as extremely important compared with customers who were dissatisfied (44 per cent compared to 35 per cent). There were no service elements which dissatisfied customers were significantly more likely to say were extremely important.

Customers aged 75 years and over were significantly less likely to consider ‘Providing you with accurate information’ and ‘Being easy to understand’ as extremely important compared to customers aged under 75. However, the older customers still rated these statements as being very important.

---

6 Don’t know responses to this question have been excluded from the base, these were all less than two per cent.
Women were more likely than men to consider the following two statements as being extremely important:

- Being easy to understand (46 per cent of women compared to 36 per cent of men).
- Treating you with respect (44 per cent of women compared to 37 per cent of men).

Looking at the service elements overall, respondents for whom English is not their first language were less likely than others to rate them as extremely important. The only exception to this was ‘Treating you with respect’ for which there was no difference between these groups of customers.

### 3.1.2 Performance

Customers were asked whether they agreed or disagreed that IPC had delivered on each of the six customer service elements reported in Section 3.1.1, when thinking about all their contact with IPC since 1 January 2006. The results are shown in Figure 3.2.

**Figure 3.2 Customer service elements – Performance**

<table>
<thead>
<tr>
<th>Service Element</th>
<th>Agree</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>They treated me with respect</td>
<td>93%</td>
<td>2%</td>
</tr>
<tr>
<td>They were easy to understand</td>
<td>88%</td>
<td>7%</td>
</tr>
<tr>
<td>They provided me with accurate information</td>
<td>82%</td>
<td>10%</td>
</tr>
<tr>
<td>They told me what would happen with my enquiry</td>
<td>79%</td>
<td>11%</td>
</tr>
<tr>
<td>They were easy to contact during IPC office hours</td>
<td>79%</td>
<td>15%</td>
</tr>
<tr>
<td>They dealt with my enquiries promptly</td>
<td>77%</td>
<td>19%</td>
</tr>
</tbody>
</table>

Base: All customers asked (1,082).

Over nine out of ten customers agreed IPC had treated them with respect (93 per cent). This is significantly more than the next highest customer service element; IPC were easy to understand (88 per cent). Around eight in ten customers agreed that
IPC had provided them with accurate information\(^7\) (82 per cent), had told them what would happen with the enquiry (79 per cent) and were easy to contact during IPC office hours (79 per cent). Customers were most likely to disagree with the statement that IPC dealt with their enquiries promptly (19 per cent) than with any other customer service element.

Performance for each of these customer service elements varied by country of residence of the customers. See Figure 3.3.

**Figure 3.3  Performance of International Pension Centre by customer’s country of residence**

<table>
<thead>
<tr>
<th>Service</th>
<th>UK</th>
<th>Other EU</th>
<th>Rest of the world</th>
</tr>
</thead>
<tbody>
<tr>
<td>They treated me with respect</td>
<td>86%</td>
<td>95%</td>
<td>94%</td>
</tr>
<tr>
<td>They were easy to understand</td>
<td>80%</td>
<td>89%</td>
<td>90%</td>
</tr>
<tr>
<td>They provided me with accurate information</td>
<td>68%</td>
<td>85%</td>
<td>85%</td>
</tr>
<tr>
<td>They told me what would happen with my enquiry</td>
<td>70%</td>
<td>81%</td>
<td>80%</td>
</tr>
<tr>
<td>They were easy to contact during office hours</td>
<td>83%</td>
<td>85%</td>
<td>74%</td>
</tr>
<tr>
<td>They dealt with my enquiries promptly</td>
<td>65%</td>
<td>75%</td>
<td>82%</td>
</tr>
</tbody>
</table>

Base: All customers asked (1,082).

Customers living in the UK were less likely to agree that IPC delivered each of these statements than customers living elsewhere, with the exception of ‘they were easy to contact during International Pension Centre office hours’. As might be expected, customers living in non-EU countries were the least likely to agree with this statement.

In addition to country of residence, customers who said that their enquiry was not completed were more likely to disagree that IPC had delivered on a number of service elements compared to customers whose enquiry was concluded. These were:

\(^7\) This is the customer’s opinion.
• They provided me with accurate information (20 per cent of customers whose enquiry was not complete disagreed with this compared to seven per cent of those whose enquiry was complete).

• They treated me with respect (five per cent compared to one per cent).

• They were easy to understand (12 per cent compared to five per cent).

• They dealt with my enquiries promptly (37 per cent compared to 14 per cent).

• They told me what would happen with my enquiries (25 per cent compared to six per cent).

Similarly, customers who said that IPC was required to make a decision during their enquiry were more likely to disagree that IPC had delivered on a number of service elements compared. These were:

• They provided me with accurate information (13 per cent of customers who said IPC had to make a decision for their enquiry disagreed with this compared to six per cent of those whose enquiry was complete);

• They were easy to understand (nine per cent compared to four per cent);

• They dealt with my enquiries promptly (26 per cent compared to 13 per cent);

• They were easy to contact during office hours (seven per cent compared to three per cent);

• They told me what would happen with my enquiry (15 per cent compared to seven per cent).

Customers with a high number of contacts since 1 January 2006 were also more likely to disagree that IPC had delivered on a number of these service elements, although not to the same degree as customers whose enquiry had not concluded or where a decision was required.

### 3.1.3 Comparative importance and performance

It is helpful when looking at customer service elements to look at the performance of IPC in the context of the importance that customers place on them. Figure 3.4 shows the proportion of customers rating a customer service element as being extremely important and those agreeing that IPC delivered that element. In this chart ‘Don’t know’ and ‘Not applicable’ responses have been excluded to ensure comparability between different service elements. As a result of this the figures will differ slightly from those in the previous two sections.
Figure 3.4 Customer service elements – importance and performance

<table>
<thead>
<tr>
<th>Service Element</th>
<th>Extremely Important</th>
<th>Agree</th>
<th>Strongly agree</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Providing accurate information</td>
<td>48%</td>
<td>13%</td>
<td>76%</td>
<td>89%</td>
</tr>
<tr>
<td>Being easy to understand</td>
<td>42%</td>
<td>12%</td>
<td>80%</td>
<td>92%</td>
</tr>
<tr>
<td>Dealing with enquiry promptly</td>
<td>41%</td>
<td>4%</td>
<td>66%</td>
<td>80%</td>
</tr>
<tr>
<td>Being treated with respect</td>
<td>41%</td>
<td>6%</td>
<td>92%</td>
<td>98%</td>
</tr>
<tr>
<td>Telling customer what will happen with enquiry</td>
<td>40%</td>
<td>12%</td>
<td>75%</td>
<td>87%</td>
</tr>
<tr>
<td>Easy to contact during office hours</td>
<td>37%</td>
<td>12%</td>
<td>82%</td>
<td>94%</td>
</tr>
</tbody>
</table>

Base: All with an opinion.

Figure 3.4 shows that although ‘Providing accurate information’ is considered to be extremely important by the largest proportion of customers, it isn’t the highest service element in terms of service provided by IPC. Nearly all customers (98 per cent) agreed that they were ‘treated with respect’, however, only four in ten considered this to be ‘extremely important’ (41 per cent).

3.2 Satisfaction with the most recent enquiry

Another measure of customer’s satisfaction with the service provided by IPC was in relation to their most recent enquiry. All customers who could recall contacting IPC since 1 January 2006 were asked how satisfied they were with the way their most recent enquiry was handled. The results are shown in Figure 3.5.

---

8 Rounding means that sometimes the total agreement score may not match the two individual agreement elements.
Overall, around four in five customers (81 per cent) said that they were satisfied with the way their enquiry was handled. The main factors that seem to affect satisfaction were the customers’ experiences during their most recent enquiry, such as whether the enquiry had concluded, the number of times they had to contact IPC, as well as the customer’s country of residence.

### 3.2.1 Satisfaction by customer profile

Seven in ten customers (70 per cent) who live in the UK said they were satisfied with their most recent enquiry with IPC. This is significantly lower than customers living in other European Union (EU) countries (79 per cent) and those living in the rest of the world (86 per cent). When looking specifically at the proportion of UK customers saying that they were ‘Very satisfied’ with their most recent enquiry, this difference is even more pronounced (see Figure 3.6).
Customers who reported a long-standing illness or disability were also less likely to be satisfied with the way their most recent enquiry was handled. Just under eight out of ten customers with a long standing illness or disability were satisfied (77 per cent) compared to just over eight out of ten customers without a long standing illness or disability (83 per cent). However, it should be noted that there was no significant difference in the measure for overall satisfaction and that disability was not a significant factor in either of the multivariate models for most recent enquiry (Section 3.2.5).

3.2.2 Satisfaction by customer’s enquiry experiences

There were a number of other enquiry specific elements that affected customers’ levels of satisfaction with the way their enquiry was handled.

Enquiry subject

Customer contacting about a problem with their UK Pension payment were less likely to be satisfied with their most recent enquiry than people contacting about other subjects (66 per cent satisfied compared to 83 per cent satisfied).

Customers with a general payment query were more likely to be satisfied with their enquiry (88 per cent) than customers contacting about other subjects (80 per cent), as were customers notifying IPC of a change of contact details, such as name and
address (99 per cent satisfied compared to 79 per cent satisfied). This may be due to the fact that general enquiries and change of contact details are relatively straightforward reasons for contacting IPC, and may only require one phone call or letter. In contrast, following up a problem with a UK Pension payment may take time and a number of contacts to be fully resolved.

Telephone enquiries

There were a number of factors that seemed to affect levels of satisfaction for customers contacting IPC by telephone, the details are summarised below:

- Difficulty finding the correct telephone number (59 per cent satisfied compared to 85 per cent satisfied who did not have difficulty) (Section 5.3.3).
- Making 3+ telephone calls for their enquiry (72 per cent satisfied compared to 89 per cent satisfied who made less than 3 calls) (Section 5.3.2).
- Not getting through at the first attempt (70 per cent satisfied compared to 84 per cent satisfied who got through at first attempt) (Section 5.3.4).
- Waiting longer than a minute before the call is answered (76 per cent satisfied compared to 84 per cent satisfied who waited less than a minute) (Section 5.3.5).
- Not having their enquiry answered at the first attempt (64 per cent satisfied compared to 91 per cent satisfied who did have their enquiry answered at the first attempt) (Section 5.3.6).
- Speaking to multiple members of staff (72 per cent satisfied compared to 86 per cent satisfied who only spoke to one person) (Section 5.4).
- Being called back by somebody new (71 per cent satisfied compared to 87 per cent satisfied of those who were only called back by people they had spoken to previously) (Section 5.4.1).
- Having to repeat a lot of information (60 per cent satisfied compared to 85 per cent satisfied who did not have to repeat a lot of information) (Section 5.4.3).

These elements could be a reflection of the fact that a customer has had a bad experience when contacting by telephone for their most recent enquiry and is simply giving negative answers to every question about the telephone contact. However, when we look at some of the differences between the way customers are handled, particularly in the transferring process, there are a number of factors that seem to highlight best and worst practices.

Customers who were called back by somebody they had already spoken to had higher levels of satisfaction than those who were called back by somebody new, even though both groups went through the same process of having to wait for a return call. This was even more evident in the amount of information that the customer had to repeat. Customers only began to become dissatisfied with their enquiry when they had to repeat a lot of information, a small amount of repetition was not associated with lower levels of satisfaction (Section 5.4.3).
Written contact

Customers who wrote to IPC as part of their most recent enquiry had lower levels of satisfaction than customers who did not (76 per cent compared to 84 per cent). The key areas in the postal contact process that seemed to affect satisfaction were the number of times the customer had to write, receiving a timely response and whether they had to provide documents and valuables. Within the area of providing documents and valuables, there were key elements relating to whether the length of time is made clear and whether the documents have been returned.

Writing to IPC multiple times for the most recent enquiry was associated with lower levels of satisfaction. Only 66 per cent of customers who wrote to IPC two or more times were satisfied, compared to 85 per cent of those customers who had only had to write once for their most recent enquiry (Section 5.5.1).

Customers who said they had not received a response were also significantly less likely to be satisfied with their most recent enquiry than those that had received a response (83 per cent compared to 58 per cent). An initial thought might be that the lack of response may in some instances be due to problems with the postal system. However, it is worth pointing out that there were no significant differences as to whether or not responses were received by region (e.g. UK, EU and the rest of the world) (Section 5.5.3).

In addition to this, the length of time that responses took was also linked to levels of satisfaction and the key difference seemed to be around a month. Nearly nine out of ten customers (87 per cent) who received a response within a month were satisfied, compared to less than eight out of ten customers whose response took longer than a month (74 per cent) (Section 5.5.3).

Customers who had to send documents or valuables to IPC as part of their enquiry were also less likely to be satisfied than those that did not (77 per cent compared to 83 per cent). However, amongst customers who had to send valuables satisfaction varied depending on their experiences as part of this process (Section 5.5.4):

- customers who were not told how long their documents or valuables were to be kept for were less satisfied than those that were (65 per cent compared to 87 per cent);
- customers who had not yet had their documents or valuables returned were less likely to be satisfied than those that had (65 per cent compared to 80 per cent).

Clearly some aspects of sending important and valuable documents affect how satisfied customers are with IPC. There is a clear argument for making more customers aware of the length of time their documents are going to be kept for. In addition to this, ensuring that documents or valuables are returned should also be a priority. While this may sometimes be related to problems with the postal service, it should be pointed out that, once again, there was no variation by region as to whether or not valuables were returned.
3.2.3 Satisfaction by enquiry conclusion

Whether or not a customers’ enquiry was concluded at the time of interview, significantly affected their likelihood of being satisfied with the way the enquiry was handled. Around six out of ten customers with an ongoing enquiry (59 per cent) were satisfied compared to almost nine out of ten customers whose most recent enquiry had concluded (89 per cent) (Section 5.6).

Around half of customers’ most recent enquiries required a decision to be made by IPC⁹. Customers were less likely to be satisfied with the enquiry when a decision was required (76 per cent of customers satisfied) compared to when no decision was required (88 per cent of customers) (Section 5.6).

3.2.4 Reasons for dissatisfaction with enquiry

Around one in six customers (16 per cent) were dissatisfied with the way IPC handled their most recent enquiry. All dissatisfied customers were given the opportunity to explain in their own words why they were dissatisfied. The results are summarised in Table 3.1.

Table 3.1 Why dissatisfied with the way enquiry was handled

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Process took too long</td>
<td>28</td>
</tr>
<tr>
<td>IPC did not respond to enquiry</td>
<td>23</td>
</tr>
<tr>
<td>Process too complicated</td>
<td>19</td>
</tr>
<tr>
<td>Problem with payment</td>
<td>18</td>
</tr>
<tr>
<td>Inadequate information</td>
<td>17</td>
</tr>
<tr>
<td>Basic errors</td>
<td>15</td>
</tr>
<tr>
<td>Enquiry not yet concluded</td>
<td>8</td>
</tr>
<tr>
<td>Other reasons</td>
<td>10</td>
</tr>
</tbody>
</table>

Base: All dissatisfied with enquiry 174

The most common reasons for being dissatisfied related to the length of time and responsiveness. This includes customers saying the enquiry took too long, IPC did not respond to their enquiry and that the enquiry had not yet concluded. This supports earlier findings that whether or not a customer’s enquiry had concluded affected their level of satisfaction.

Included below are some verbatim quotes to illustrate the main reasons customers were dissatisfied with their most recent enquiry with IPC.

⁹ Forty-six per cent of customers said a decision was required and 46 per cent said no decision was required. The remaining nine per cent did not know if a decision was required or not.
Over one-quarter of customers (28 per cent) said the enquiry took too long.

‘They said you would know in eight weeks, and it has now been 16 weeks and I have still heard nothing.’

‘I was supposed to get my pension from the 5 April and I haven’t received any pension so I rang them up this week to see what was happening and they told me it would be four to eight weeks because of the backlog of the pensions.’

‘It took ten months to sort out, ten months is too long. The same thing was done in France and it only took a month.’

Under one-quarter (23 per cent) said IPC did not respond to their enquiry:

‘They haven’t replied to my letter.’

‘...because I didn’t get a reply to the two e-mails I sent them.’

‘...because a delay in responding to your enquiry is also a delay in to your pension payment.’

Around one in ten customers (eight per cent) said their enquiry had not yet concluded:

‘I am ready to give up as they never reply. I feel like a beggar having to keep contacting them for such a small amount of money.’

‘...they say its in the pipeline.’

Around one in five customers (19 per cent) said the process was too complicated:

‘I have spoken to eight different people and I still don’t know if they have received the death certificate.’

Specific events were also stated as the reason for dissatisfaction. Just under one in five customers (18 per cent) said they were dissatisfied due to payment problems. This included customers saying that they had a general problem with the payment of their pension or the payment was late, or they had not received the payment:

‘...they haven’t paid last years money into the right account.’

‘...because they haven’t sent the money my wife is entitled to.’

Around one in six customers (15 per cent) were dissatisfied due to basic errors that had been made. These included IPC losing customer documents and details, or IPC making mistakes:

‘Mislaid the first application I sent and I sent another and still haven’t had a reply.’
'I am the appointee but they wrote to my mother at the wrong address and then stopped her pension. It has wasted a lot of time because of the Pensions mistakes.'

Other reasons include that IPC did not contact them about their pension entitlement when they reached retirement, as well as customers complaining that their pension is not uprated:

‘...because they deduct my pension, I do not get the same amount of pension living in Australia as I would get in England. Everyone else is in the same position here.’

Although time and responsiveness are key reasons for customers being dissatisfied, it is clear that these can be intertwined with other problems. For example, ongoing payment problems are understandably linked to an enquiry that has gone on too long and perhaps has not yet concluded, as well as complaints that the process is too complicated if multiple contacts have been with different members of staff during a long enquiry.

3.2.5 Understanding drivers of satisfaction with most recent enquiry

In order to fully understand what factors had an impact on satisfaction with IPC, three logistic regression models were created. Logistic regression is a widely used and well established technique for advanced statistical analysis, which comprehensively searches to identify relationships within the data. It works by examining the relationships between ‘dependent variables’ (key issues such as customer satisfaction) and ‘independent variables’ (factors that might influence the dependent variable, such as number of contacts made).

The results of this analysis are summarised in the following section. The full details of the multivariate analysis are discussed in the Technical Report (see Appendix A).

Customers corresponding by telephone

The majority of customers corresponded with IPC over the phone. This section looks at factors that are specific to customers’ dissatisfaction with telephone enquiries.

The factors discussed in Section 3.2.2 above were entered into a logistic regression model to see which ones continued to have a significant effect on dissatisfaction, when controlling for all other variables. Only the following factors had a significant effect on the likelihood of a customer being dissatisfied:

- whether the enquiry had concluded;
- whether the customer’s query was fully answered at the very first telephone call;
- whether the customer found it easy to find the correct telephone number;
- whether the customer had to correct any personal details;
• whether called IPC four or more times during the enquiry;

• country of residence;

• whether the customer was called back by the same IPC person they had already spoken to.

The two key factors that affect customer satisfaction, when controlling for all other factors, are related to query resolution. Customers whose most recent enquiry had not concluded were five and a half times more likely to be dissatisfied compared to customers whose enquiry had concluded. Similarly, customers whose most recent enquiry was not fully answered at the first call were four times more likely to be dissatisfied than customers whose query was fully answered at the first call.

Customers are about three times more likely to be dissatisfied if they find it difficult to find the correct telephone number compared to those who find it easy. Customers who had to correct personal details were two and a half times more likely to be dissatisfied than customers who did not and customers who called IPC four or more times regarding their query are twice as likely to be dissatisfied than customers who called the service less than three times. Callers from the EU are more likely to be dissatisfied than those calling from the rest of the world, but when controlling for all other factors, customers from the UK were not more likely to be dissatisfied compared to customers calling from the rest of the world.

Interestingly, when controlling for other factors, including the number of calls made to IPC, customers are slightly less likely to be dissatisfied when they are called back by the same person than if they did not require/receive a call from IPC. Customers who were called back by somebody different have no significantly different levels of satisfaction than those who do not require/receive a call. Further analysis also indicates that customers who were called back by the same IPC representative are less likely to be dissatisfied than when they were called by someone new.

Customers who wrote a letter to IPC

Less than four out of ten customers (37 per cent) wrote a letter to IPC during their most recent enquiry (see Section 5.5 for further information). However, as discussed in Section 3.2.2, there are a number of factors that affect customers’ satisfaction when writing to IPC. This section shows the results of the logistic regression analysis carried out to establish which factors still have a significant effect on satisfaction when all other factors are controlled for. It is worth noting here that this analysis is based on only those customers who wrote to IPC (387 customers) and some variables result in groups that are too small for reliable analysis.

Only the factors listed below had a significant effect on the likelihood of a customer being dissatisfied:

• whether the enquiry has reached a conclusion;

• whether IPC responded to the customer’s letter, and if so how long it took to reply;
• the number of times a customer wrote to IPC;
• whether the customer sent valuable documents and if so whether it was made clear how long they would be kept for.

Other factors, such as sex or whether or not the customer had to correct personal details, were either not significant at the bivariate level or were too small for reliable analysis, and consequently were not included in this model.

For customers who wrote a letter to IPC, whether or not their enquiry had concluded had the largest effect on satisfaction with most recent enquiry. Customers whose enquiry had not concluded were over three and a half times more likely to be dissatisfied with their most recent enquiry compared to customers whose enquiry had concluded.

Customers who had not received a reply to their letter were three times more likely to be dissatisfied than customers who had received a reply within one month. Interestingly, customers who received a reply, but it took longer than one month before they received it, were no more likely to be dissatisfied than customers who received a reply within one month.

Customers who wrote to IPC more than once were around two and a half times more likely to be dissatisfied than customers who only wrote one letter. Interestingly, customers who sent important or valuable documents to IPC and were clear how long the documents would be kept for were less likely to be dissatisfied then customers who did not provide IPC with important or valuable documents (see Appendix A for further information).

3.3 Overall satisfaction with the International Pension Centre

In addition to satisfaction with their most recent enquiry, all customers were asked how satisfied they were with IPC overall. Customers were asked to consider all the contact and correspondence that they had since 1 January 2006. Results are shown in Figure 3.7.
Nearly nine out of ten customers (87 per cent) contacting IPC said that they were satisfied with the service overall. This is significantly higher than the proportion of customers who were satisfied with their most recent enquiry (81 per cent). This perhaps indicates that customers are, to a certain extent, able to separate out any negative experiences in their most recent enquiry from the overall service they have received from IPC.

Customers living in the UK are significantly less likely to be satisfied with IPC overall (81 per cent), than customers living elsewhere (88 per cent). The breakdown between different regions is shown in Figure 3.8.

Customers’ experiences during their most recent enquiry significantly affected their overall satisfaction as well as their satisfaction with their most recent enquiry. Consequently the factors that are related to satisfaction with their most recent enquiry also seem to effect their overall satisfaction. Nine out of ten customers who did not have to supply IPC with important or valuable documents were satisfied overall (90 per cent), compared with around eight out of ten customers who did have to supply these documents (81 per cent).

Customers who had to correct IPC about any personal details, such as name, address and personal circumstances, were also less likely to be satisfied with the service overall than those who did not (75 per cent compared to 89 per cent).
Customers, for whom their most recent enquiry had not concluded, were also significantly less likely to be satisfied with IPC overall (68 per cent were satisfied) than those customers whose most recent enquiry had concluded (94 per cent were satisfied). In addition to this customers for whom IPC was required to make a decision were less likely to be satisfied than those where no decision was required (83 per cent compared to 93 per cent).

Other factors not directly related to experiences during a customer’s most recent enquiry also affect the customer’s overall satisfaction. For example, when thinking about all contact with IPC since 1 January 2006, the more times a customer had contact with IPC, the less likely they were to be satisfied. Three-quarters (75 per cent) of customers who had contacted six times or more since 1 January 2006 were satisfied overall with the service. In comparison, nearly nine out of ten (88 per cent) of customers who had contacted two to five times were satisfied and nearly all customers (94 per cent) who had contacted less than twice were satisfied.

In addition, whether or not customers felt that IPC had performed well in relation to a number of service related elements was associated with their likelihood of being satisfied with the service overall. Customers were more likely to be satisfied if they agreed that IPC had performed on the following service related elements.

- customers who agreed that IPC provided them with accurate information were more likely to be satisfied (94 per cent) compared with customers who disagree with this (50 per cent);
• customers who agreed that IPC were easy to understand (92 per cent compared to 56 per cent);
• customers who agreed that their enquiry was dealt with promptly (96 per cent compared to 57 per cent);
• customers who agreed that they were told what would happen with their enquiry (94 per cent compared to 48 per cent).

Just over one-third of customers (36 per cent) were receiving, or in the process of claiming, a state pension from another country. A follow up question was asked of these customers to establish whether or not they had encountered problems with this pension and 15 per cent said that they had. Customers who received a state pension from another country were no more likely to be satisfied or dissatisfied with IPC than those who did not. However, customers who encountered problems with a state pension from another country were significantly less likely to be satisfied than all other customers (77 per cent compared to 88 per cent).

While it could be that the negative experiences from dealing with the state pension from another country are affecting their view generally, it could also be the case that the problems with the other pension are a result of communication problems that IPC may have played a part in.

3.3.1 Understanding drivers of overall satisfaction

A third logistic regression model was created to examine the drivers of overall satisfaction with IPC, based on all customers. Unlike the two models base on satisfaction with most recent enquiry, this model did not include factors specifically related to telephoning or writing to IPC. This was due to the fact that those factors may not be relevant to all customers. Instead, this model examines the factors discussed in Section 3.3 to see which, factors relevant to all customers, continue to have a significant effect on overall satisfaction, when controlling for all other factors.

The following factors did have a significant effect on the likelihood of a customer being dissatisfied with IPC overall:

• whether the customer agreed that IPC provided the customer with accurate information;
• whether the customer agreed that IPC dealt with their enquiry promptly;
• whether the customer agreed that IPC told them what would happen with their enquiry;
• whether the enquiry had concluded;
• whether the customer had to provide important or valuable documents to IPC.
Of all the factors examined, whether or not the customer felt that IPC provided them with accurate information had the greatest effect on the likelihood of overall dissatisfaction with IPC. Customers who disagreed that IPC provided them with accurate information were six times more likely to be dissatisfied than those who agreed (see Appendix A for further details).

Customers who disagreed that IPC dealt with their enquiry promptly were nearly five and a half times more likely to be dissatisfied with IPC overall than customers who agreed. Customers who disagreed with the statement ‘they told me what would happen with my enquiry’ were four times more likely to be dissatisfied than customers who agreed with the statement.

Customers who said the enquiry had not concluded were over three and a half times more likely to be dissatisfied with IPC overall, than those whose enquiry had concluded. Customers who had sent important or valuable documents to IPC were three times as likely to be dissatisfied with the service overall compared to customers who did not have to send these documents.

Interestingly, enquiry resolution was a key driver of dissatisfaction in all three logistic regression models; for both satisfaction with most recent enquiry models and overall satisfaction with IPC. Whether or not the most recent enquiry had concluded, had the greatest effect on the likelihood of being dissatisfied for both customers phoning and writing to IPC (see Section 3.2.5). Whilst this factor was not the main driver of overall satisfaction with IPC, it remained significant when controlling for all other factors. Full results of the logistics regression models are in Appendix A.

### 3.4 Customers’ views

After customers had been asked how satisfied they were with IPC overall, they were then asked two open-ended questions that allowed them to say in their own words what they considered to be the best things about IPC, and also what could be improved.

There was a fair amount of variety in the range of responses as might be expected from open-ended questions such as these. However, to analyse, categorise and better make sense of the responses, they have been banded into broad themes.

#### 3.4.1 Best things about International Pension Centre

All customers were first asked ‘What would you say was the best thing about the service?’ The banded responses given are shown in Figure 3.9.
Less than one in ten customers (eight per cent) responded with ‘nothing’, or expressed a general negative remark, when asked what they thought the best thing about IPC was. Unsurprisingly, customers that were dissatisfied overall with IPC were significantly more likely to say this (30 per cent who were dissatisfied compared with five per cent who were satisfied). Even fewer customers said ‘don’t know’ when asked what they thought the best thing about IPC was (five per cent). Those that responded ‘don’t know’ did not necessarily mean it in a negative context; it is possible that some respondents had not had enough contact with IPC to comment on individual aspects.

There were seven broad themes expressed by customers when describing the best thing about IPC. The following sections look at each theme in more detail and also include verbatim quotes from individual customers for illustration.

**Quality of people**

The response mentioned most frequently was related to the quality of the people (i.e. the staff at IPC), with nearly one-third of customers citing this (31 per cent). Women were significantly more likely than men to mention the quality of the staff (36 per cent compared to 26 per cent). In addition, customers that were satisfied overall with IPC were also more likely to mention this than those that were dissatisfied, (33 per cent compared to 20 per cent). As might be expected, customers that communicated by telephone were more likely to mention the quality of the people than those who had communicated by post (38 per cent compared to 29 per cent) as they were more likely to have personal contact.
Particular aspects of the quality of staff that customers mentioned were ‘respectful/polite staff’ (15 per cent); ‘helpful staff’ (11 per cent); ‘friendly/nice staff’ (eight per cent); ‘general positive comments about staff/attitude’ (four per cent); ‘sympathetic/sensitive staff’ (one per cent) and that ‘staff listen’ (one per cent.) The following quotes below illustrate some of these themes:

‘I always advise people if they have any problems with their pension or anything relating to them, contact the people because there is no-one more helpful.’

‘They have always been very helpful, polite and totally informed.’

‘They treated me with great respect and just made me feel that they were really listening to me.’

‘They’re so pleasant and helpful and easy to deal with on the telephone.’

**Speed**

Factors relating to speed were the next most commonly mentioned positive aspect of IPC with 20 per cent citing this. Again, customers that were satisfied were more likely to mention this aspect than customers who were not (22 per cent compared to five per cent). Unsurprisingly, customers with enquiries that had not reached a conclusion yet were less likely to mention speed as the best thing about IPC. There was also a substantial difference in the proportions of people who mentioned speed, depending on their frequency of contact. Those that had a high level of contact with IPC were less likely to mention speed (nine per cent) compared with those that had medium (23 per cent) or low frequency of contact (22 per cent).

The main two customer responses related to speed were ‘receiving a fast service/their enquiry being resolved promptly’ (11 per cent) and commenting that IPC had ‘prompt, efficient staff’ (nine per cent). Quotes are included below:

‘The promptness and clarity with which they dealt with my enquiry was excellent.’

‘I found them to be very, very efficient.’

‘They present themselves professionally, [are] very efficient and realise that you are making an international call.’

**Service delivery**

Service delivery was mentioned by just under one in five customers (18 per cent). Again, a number of different factors seemed to influence the likelihood of a customer mentioning service delivery. Customers that were satisfied with IPC were more likely to mention this than those that were dissatisfied (20 per cent compared
to seven per cent), and men were more likely than women to mention this (21 per cent compared to 16 per cent).

The service delivery theme encompassed comments made by customers such as ‘neutral comments/no complaints’ (five per cent); IPC was an ‘excellent/great service’ (five per cent); that ‘the process works/does what it’s supposed to do (three per cent); that ‘they did what they said they would/deliver on promises’ (two per cent); that ‘staff were professional’ (one percent) and the ‘process was straightforward/simple’ (one per cent). Example quotes:

‘Extremely well organised and they do what they say they are going to do.’

‘I can’t complain.’

‘The overall service is very good.’

Information

The quality of information provided by IPC was mentioned by 14 per cent of customers. Customer representatives were slightly more likely to mention this than current pensioners (19 per cent of customer representatives compared with 13 per cent of current pensioners).

Comments relating to information tended to be along the lines of ‘explanations were clear and easy to understand’ (four per cent); ‘informative/explained pension entitlement’ (four per cent); ‘knowledgeable/informative staff’ (four per cent) and ‘documents were in plain English’ (two per cent’). Some particular comments were as follows:

‘Speaking to someone who knew what they were talking about.’

‘Use of plain English documents.’

‘They explained clearly why they made the decision, even though it wasn’t what I wanted to hear.’

‘That I was informed about my situation.’

Convenient/easy to access

Just over one in ten (12 per cent) customers mentioned something encompassed by the theme ‘convenience/easy to access’. Customers whose first language was not English were less likely to mention this than those with English as their first language (four per cent compared to 13 per cent).
Comments relating to convenience/ease of access were that they ‘can call/speak to staff’ (six per cent); and there was ‘good availability/easy access/convenient’ (five per cent). Specific quotes include:

‘They are very easy to contact, they are very easy to talk to and sort out my problems straight away.’

‘We got through almost immediately. I was not having to press numbers for various departments.’

‘Being able to just ring up and speak.’

‘I think that being able to telephone directly The Pension Service for information is very useful.’

Money

Customers who mentioned money identified the following areas; ‘payments are reliable/on time’ (five per cent) and simply ‘the pension/the money’ (four per cent). Here are some examples:

‘They’re consistent. Money is in the bank on time, if there was a problem I would know who to contact.’

‘They pay my pension so I’m satisfied.’

‘It’s very comforting to have it all finalised and having the entitlement in the bank account without any penance for the service. We appreciate it being put into our account on a regular basis. The whole experience was surprisingly pleasant.’

Responsiveness

Issues mentioned that were included in the theme ‘responsiveness’ were that IPC ‘dealt with enquiries/answered questions’ (four per cent); ‘replied to enquiry/letter/e-mail’ (two per cent); ‘staff called back’ (one per cent) and they ‘kept me informed of the progress of enquiry’ (one per cent). Specific quotes were:

‘They answer your requests.’

‘They’re very polite – if you ask questions they always try to help, if not they say ‘we will write to you or if you wish to ring back we will have an answer for you’, but most of the time they confirmed in writing.’

‘The service is very good. If you ask about anything, they’ll give you a reply immediately. I have had no complaints at all.’
Other answers

Some other responses that did not fall into any theme were IPC was ‘better than other countries’, that they can ‘speak to one person/are not transferred’ and general ‘mixed views/overall acceptable.’ Particular quotes were:

‘Its very prompt, quicker than the German Pension Office. I was impressed because they contacted me from their side before I got the pension.’

‘They eventually sorted out my pension.’

‘Getting the right person – a person who values his job and does what he’s paid to do.’

3.4.2 Improvements to be made to International Pension Centre

Customers were then given the chance to express all their concerns with IPC when asked the question ‘how could the service be improved?’ Figure 3.10 shows the answers given in banded themes.

Figure 3.10 Things that could be improved in International Pension Centre

<table>
<thead>
<tr>
<th>Improvement</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nothing</td>
<td>43%</td>
</tr>
<tr>
<td>Improve speed</td>
<td>14%</td>
</tr>
<tr>
<td>Better information</td>
<td>9%</td>
</tr>
<tr>
<td>Flexibility/wider range of services</td>
<td>8%</td>
</tr>
<tr>
<td>Money</td>
<td>6%</td>
</tr>
<tr>
<td>Simplify systems</td>
<td>5%</td>
</tr>
<tr>
<td>Get rid of basic errors</td>
<td>3%</td>
</tr>
<tr>
<td>Other</td>
<td>6%</td>
</tr>
<tr>
<td>Don’t know</td>
<td>10%</td>
</tr>
</tbody>
</table>

Base: All respondents (1,084).

Over four in ten customers (43 per cent) said that there was nothing that needed to be improved, or made generally positive comments. As might be expected, customers that were satisfied with IPC overall were more likely to mention no improvements than those that were dissatisfied (48 per cent compared to eight per cent). Customers who had a high frequency of contact with IPC were less likely to
mention this than those that had a low, or even medium, frequency of contact. (25 per cent of customers that had a high frequency of contact mentioned no improvements compared with 59 per cent of those that had a low frequency of contact).

Only ten per cent of customers said ‘don’t know’ at this question, which means that over half of customers (53 per cent) did not have any suggestions for improvements. Again, it is difficult to interpret exactly what these ‘don’t know’ responses signify. Customers may think the service doesn’t need any improvements and hence they don’t know how it would be improved, or they may well think there are problems with IPC but they cannot see how it could be improved. As respondents who were satisfied with IPC were more likely to say ‘don’t know’ than those that were dissatisfied (11 per cent compared to five per cent) the former is more likely.

The sections below look in more detail at the six broad themes that have arisen when customers were asked how IPC could be improved. This also includes verbatim quotes from individual customers and a brief section on other answers that did not fall into any of the themes.

**Improve speed**

Improving speed was the response that the largest proportion of customers mentioned (14 per cent). Those customers that were satisfied with IPC overall were significantly less likely to mention speed than those that were dissatisfied (34 per cent compared to 11 per cent). Also, those that had a high frequency of contact with IPC were more likely to mention improving the speed of the service than those who had a low frequency of contact (22 per cent compared to eight per cent).

The general comments customers made for improvements relating to speed were to ‘be quicker generally/deal with enquiries quicker’ (five per cent); to ‘respond to letters/e-mails/faxes quicker’ (four per cent) ‘deal with pensions applications quicker’ (three per cent) and ‘answer calls quicker/need more telephone staff’ (two per cent). Particular comments that people made are included below:

‘When I send them a letter it takes weeks and sometimes I have had to write to them on numerous occasions at times to get an answer. Once I had to write a letter every month for three months before I got an answer. Replying to letters needs to be improved. They just seem like they put it to the bottom of the pile.’

‘They should at least respond, even if they can’t take immediate action, even if its just an e-mail.’

‘The amount of time to answer the phone.’

‘They need more staff to catch up with the backlog.’

‘Speed up the application process because I’ve been waiting too long for this to come to a conclusion.’
'By treating the enquiries and files that people send them in a decent time frame and not ten months. I was going round in circles, getting so fed up, tired and emotionally very shaken.'

**Better information**

The second most common response customers gave for improvements to IPC were that better information needed to be given. Just less than one in ten (nine per cent) customers mentioned this. Again those that were dissatisfied with IPC overall were more likely to mention this than those that were satisfied (19 per cent compared to seven per cent).

Some of the comments relating to improving information were ‘keeping customers informed of the progress of the enquiry’ (two per cent); ‘knowledgeable/better trained staff’ (two per cent); ‘informing customers more of entitlements, eg newsletters/leaflets’ (two per cent); Providing accurate information’ (one per cent) and ‘Explaining how pension is calculated/how it relates to other benefits’ (one per cent). Specific quotes are included below:

‘One thing that I found odd was that when my husband retired we weren’t informed that I could receive pension on his contribution and I wouldn’t have known I was entitled if a friend hadn’t told me, and I think that’s something people should know or be told.’

‘More communication – even a newsletter about what a person is entitled, specifically regarding indexing. When you go to the UK, pensions are indexed and people should know this. I know lots of English people here and many don’t know about it.’

‘After several months it would be nice to get an answer even if it’s just a small call after a couple of weeks to say we are still dealing with your enquiry.’

‘Make sure you have people who know what they are talking about.’

‘Perhaps better training on all aspects, as occasionally you can get two different answers about the same question.’

‘Better breakdown of how pensions are worked out – actual figures needed.’

**Flexibility/wider range of services**

Widening the range of services/making the service more flexible was mentioned by eight per cent of customers. As mentioned before, the higher the frequency of contact the more likely customers were to mention this, (14 per cent of those with a high frequency of contact compared with five per cent for those with a low frequency of contact).
Looking in more detail at the main responses customers gave, issues mentioned were: ‘improve website/e-mail/make more use of technology’ (two per cent); ‘tailor system more for people living over seas’ (two per cent); ‘be more proactive/contact people more/initiate contact’ (one per cent); ‘provide more payment options/methods’ (one per cent) and ‘improve opening hours/longer/more flexible opening hours’ (one per cent). Verbatim quotes are included below:

‘The cost of phone calls and the time waiting should be looked at when you ring from abroad – they should know that I’m phoning from USA.’

‘I would prefer them to contact me about non-payments.’

‘Twenty-four hour access would be a great improvement for someone that does not live in the UK.’

‘The confirmation should be done over the internet because it’s very fast and reliable. Enquiries by e-mail should be made possible and quick.’

‘The payable note caused me problems with the bank, so why not an overseas cheque.’

‘Replying to e-mails, and better access to the website. The website needs to be more customer focused and easier to navigate.’

**Money**

Comments relating to money and payment issues were mentioned by six per cent of customers. Interestingly, customers that were satisfied with IPC overall were more likely to mention money and payment issues than those that were dissatisfied. Only two per cent of those that were dissatisfied with IPC mentioned money and payment problems, compared with seven per cent of those that were satisfied.

Comments relating to resolving payment issues and monetary issues included ‘giving more money/increasing pension payments’ (three per cent); ‘increase/index/up rate pension payment to same as UK’ (two per cent) and ‘receiving the correct payment/payment on time’ (one per cent). Particular customer quotes are given below:

‘Look into why cheques go missing regularly.’

‘Acknowledge the fact that missed cheques caused me to incur bank charges, rather than brush it under the carpet.’

‘...and also to add more to my pension per week, rather than spend money on this service – a waste of time and a waste of money. I would rather have a little more on my pension.’
‘Pay the pension on time.’

‘By giving me the pension I would receive in England.’

Simplify systems
Simplifying systems was mentioned by five per cent of respondents and included points such as to ‘have only one person dealing with each case’ (two per cent); ‘better co-ordination/communication between departments/staff’ (one per cent) and ‘make forms simpler/better/there are too many forms’ (one per cent). More specifically quotes were as follows:

‘Internal communication should be improved to stop problems.’

‘The wording on the documents that they send could be easier to understand.’

‘It would be nice if you could deal with the same person all the time, especially on ongoing and complex enquiries.’

‘A contact person [should] be given to one person so I am able to contact that one person who has an audit trail of my correspondence, telephone call, form and forms sent. Secondly I think they should have a paper file that they keep things in.’

Get rid of basic errors
Only three per cent of customers mentioned that an improvement to IPC would be to get rid of basic errors. Within this general theme customers mentioned; to ‘call back when they say they will/do what they say they will’ (one per cent) and ‘recording correct information/accurately’ (one per cent). Some of the individual responses are shown below:

‘Following up on what they say they are going to do.’

‘They should actually send you the form they said they were going to send.’

‘By adhering more to set appointments. Something may have gone wrong or they may have been busy however my appointment should have been rescheduled.’

‘They should ask for every question to be read back again because there were 15 mistakes on the form, they should take more notice of what people are saying.’
'Be clear about which phone lines should be used for different services by providing correct telephone numbers.'

'They seem to have misplaced my documents. That has caused a delay with dealing with the issue.'

Other improvements

There were also further comments that customers made that did not fall into any of the broad themes. These comments covered improvements such as a ‘better postal service'; ‘staff should be more sympathetic/understanding/sensitive’ and ‘staff should show more respect/not be rude.’ Comments for these improvements are included below.

'Change the courier, as this courier takes too long.’

'They have a very bad attitude. Some of them are extremely rude and I ended up crying.'

'I think it would be a good idea if a senior officer wrote to each pensioner a gentle courteous letter expressing any ideas for a better service.’

'Making it a little bit more user friendly for older people.’

3.5 Summary

Nearly nine out of ten customers (87 per cent) said that they were satisfied overall with the service they had received from IPC since 1 January 2006. A slightly smaller proportion said that they were satisfied with the way in which their most recent enquiry was handled (81 per cent). It is interesting to note that for both of these measures, customers living in the UK were significantly less likely to be satisfied than customers living elsewhere in the world.

In addition to region, there were a number of other elements that seemed to affect satisfaction with both the most recent enquiry and with IPC overall. The key elements that seemed to lower satisfaction were the provision of valuables, enquiry conclusion, enquiry complexity and a high number of contacts. While it may not be possible for IPC to alter the fact that some cases are inherently complex, steps can be taken to ameliorate most of these problems. In particular, better communication in relation to the return of valuables and the conclusion, or otherwise, of an enquiry could significantly improve customer experiences.

Looking at customer service attributes it is clear that IPC is performing best on those relating to staff performance. These are measures such as ‘being treated with respect’ and ‘being easy to understand’. The service element with the biggest problem was ‘dealing with enquiries promptly’ and this echoes the general findings
in the rest of the study. In terms of importance, the one service element that was rated most highly was ‘providing accurate information’. While this element was not the best performing for IPC, it was by no means a particular problem area.

The best things about IPC, according to customers views, also related to IPC staff. Included within this were praise for the general helpfulness and politeness of staff, as well as their friendliness and sympathy. In addition to the staff, some customers were relatively positive about the speed of the service they had received and the general service delivery they had experienced. Less than one in ten customers said that there was nothing positive about the service or made a generally negative comment.

In contrast, when asked what they would improve, more than four out of ten customers said that there was nothing they would seek to improve, or made a generally positive comment about the service. The main area that was highlighted for improvement was speed. This is in line with the findings from the analysis of satisfaction and various other parts of the study such as the service elements. There was no other area that particularly stood out which is interesting in itself, and it seems to suggest there is not a consensus among customers for developments such as 24 hour opening. Even the uprating of pensions, to match increases in the UK, was only mentioned spontaneously by two per cent of customers.
4 Contacting the International Pension Centre

This section looks at general issues relating to how customers contact the International Pension Centre (IPC) that are not specific to their most recent enquiry. This includes measuring all ways in which customers have had contact with IPC this year, their preferred method for making contact and a specific focus on online communication. In addition, this chapter also looks at the times of day that IPC is available for telephone contact and what impact this has for customers in different parts of the world. Finally, this section looks at how customers with English as a second language contact IPC.

4.1 Channels used

Customers can have contact with IPC in three main ways – over the telephone, by post or online – and all respondents were asked how often they had used each of these channels to contact IPC since 1 January 2006. Table 4.1 shows the frequency of contact for each of the channels.

Table 4.1 Number of times contacted International Pension Centre by each method

<table>
<thead>
<tr>
<th></th>
<th>Telephone %</th>
<th>Sent a letter or form %</th>
<th>Used website or e-mail %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Once</td>
<td>24</td>
<td>33</td>
<td>7</td>
</tr>
<tr>
<td>Twice</td>
<td>16</td>
<td>15</td>
<td>4</td>
</tr>
<tr>
<td>Three + times</td>
<td>31</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td>Not since 1 January 2006</td>
<td>29</td>
<td>37</td>
<td>82</td>
</tr>
<tr>
<td>Mean number</td>
<td>2.37</td>
<td>1.15</td>
<td>0.46</td>
</tr>
</tbody>
</table>

*Base: All respondents (1,084)*
The majority of contacting customers (71 per cent) had used the telephone to contact IPC at least once since 1 January 2006 and nearly a third (31 per cent) had called over three times. On average customers had telephoned IPC 2.37 times since 1 January 2006. Customers around the age for claiming the UK State Pension made the most calls – an average of 3.04 compared to 1.80 for all other customers.

Over six in ten customers (63 per cent) said that they had sent a letter or form to IPC since the start of the year and, on average, customers had done this just over once (1.15 times). Just under one in five customers (18 per cent) said they had e-mailed IPC or used The Pension Service website. In total, customers had contact online 0.49 times. However, if we just look at those customers who had at least one online contact since 1 January 2006, the average number of contacts increases to 2.67.

4.1.1 Channel of contact by region

It can be assumed that the channel of contact used by customers contacting IPC will be significantly affected by where in the world they are contacting from. Figure 4.1 below shows the channels used split out by the UK, the European Union (EU) and the rest of the world.

Figure 4.1 How contacted International Pension Centre since 1 January 2006

Just under 4 in 5 customers in both the UK and the EU had telephoned IPC since 1 January 2006. This was significantly higher than for customers who were contacting from elsewhere in the world (64 per cent), although it should be pointed out that this was still the most commonly used channel of contact for these customers. As might be expected, there are variations depending on where in the rest of the world these customers are contacting from. Customers in Australasia were slightly less likely to telephone than customers in North America who themselves were slightly less likely to call than customers in Africa. However, none of these differences are statistically
significant and it should be pointed out that the telephone is the most commonly used channel for all of these customers. This serves to highlight the fact that even for those customers in Australasia, who are approximately 12 hours ahead of GMT, the telephone is still a viable form of contact during UK office hours.

Customers in the UK and the EU were slightly less likely to send a letter or form to IPC than customers in the rest of the world, but this difference was not statistically significant. There were also no significant differences between regions within the rest of the world in terms of whether or not customers had written to IPC.

There were significant differences between regions as to whether or not customers had online contact with IPC since 1 January 2006. Around one in seven customers in the UK and the EU had online contact with IPC (14 per cent in the UK compared to 13 per cent in the EU) compared to over one in five customers in the rest of the world (22 per cent). The proportion of customers contacting online within the rest of the world did not vary significantly between different regions. It might have been thought that the proportion of customers contacting online would be higher amongst those based in the USA and Canada due to higher internet penetration in those countries, but that was not the case (Section 4.3.1).

4.2 Preferred channel of contact

Customers were asked what the best way would be for them to contact IPC. The results are shown in Table 4.2.

Table 4.2  Preferred channel of contact

<table>
<thead>
<tr>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telephone</td>
</tr>
<tr>
<td>Website or e-mail</td>
</tr>
<tr>
<td>Send letter</td>
</tr>
<tr>
<td>Send fax</td>
</tr>
<tr>
<td>In person – go to local government office</td>
</tr>
<tr>
<td>Other</td>
</tr>
<tr>
<td>Don’t know</td>
</tr>
</tbody>
</table>

Base: All respondents 1,084

Nearly two-thirds of customers (64 per cent) said that the telephone was their preferred channel of contact with IPC. The second most popular channel of contact was using the website or e-mail (18 per cent) and the third most popular channel was writing a letter (14 per cent). A very small number of customers did mention other forms of contact, including in person at local government offices.
There were significant variations in channel preference by region and these are highlighted in Section 4.2.2, but there were also variations by other factors independent of region. Older customers were more likely to prefer written contact than younger customers, 30 per cent of customers aged 75+ compared to 11 per cent of younger customers. In addition to this, customers who had a low number of contacts with IPC were also more likely to prefer written contact. Over a fifth of customers who had only contacted IPC once since 1 January 2006 (22 per cent) preferred sending a letter compared to just seven per cent of those who had six or more contacts.

4.2.1 Preferred channel of contact and channels used

Table 4.3 shows the channels customers had used to contact IPC since January 2006 by the customers preferred channel of contact.

<table>
<thead>
<tr>
<th>Channels used since January 2006</th>
<th>Preferred channel of contact</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Telephone</td>
</tr>
<tr>
<td>Telephone</td>
<td>86</td>
</tr>
<tr>
<td>Postal</td>
<td>51</td>
</tr>
<tr>
<td>Online</td>
<td>10</td>
</tr>
</tbody>
</table>

Base: All respondents 1,084

The majority of customers whose preferred channel of contact was telephone had used that method to contact IPC at least once since January 2006 (86 per cent). The equivalent proportion for customers who preferred postal contact and had written at least since January 2006 was slightly higher at nearly nine out of ten customers (89 per cent). However, only half of all customers who preferred to use online channels of communication had done so at least once since January 2006 (50 per cent). This seems to indicate that there are significant sections of customers who would like to access IPC services online, but who are not at present able to do so.

4.2.2 Preferred channel of contact by region

As with channel usage there were also differences between regions in customers preferred channel of contact. Figure 4.2 below shows customer’s preferred method of contacting IPC broken down by the three main country groupings.
Figure 4.2  Preferred channel of contact

The large majority of customers in the UK (79 per cent) and the EU (70 per cent) chose the telephone as their preferred channel of contact with IPC. The telephone was also the preferred channel of contact for the majority of customers elsewhere in the world, but not by such a large margin (56 per cent). Looking in more detail at those customers from the rest of the world, there do not seem to be significant differences between the regions. Customers in Australasia are slightly less likely than customers in North America and Africa to prefer using the telephone, but the differences are not significant, and the majority of customers in the region still choose the telephone as their preferred channel.

The preference for postal contact was broadly the same across each of the three major country groupings and there were no significant differences. This was also the case when the rest of the world grouping was broken down to more specific regions.

However, there was significant variation in the proportion of customers who would prefer to use online forms of communication when contacting IPC. Only one in twenty UK customers (five per cent) said that they preferred to use online methods when contacting IPC. This is significantly lower than the one in six customers in the EU (16 per cent) and the one in four customers in the rest of the world (24 per cent) who said that they would prefer to use online methods10.

---

10 As with postal and telephone contact there were no significant differences in online preference for customers from the rest of the world when analysed at regional levels.
The difference in levels of preference for online channels of communication between customers in different parts of the world does not seem to be a result of differing levels of online take up. As Section 4.3 later in this chapter shows, there are not significant differences in internet usage over the last year or in access to e-mail between the three major country groupings. Indeed, when we just look at customer preference among those who have access to e-mail the same pattern is seen. Customers in the UK are the least likely to prefer online communication (eight per cent) followed by customers in the EU (25 per cent) with customers in the rest of the world the most likely to prefer this channel (35 per cent).

It also does not seem to be the case that the difference is solely a result of differing time zones. Firstly, the EU based customers were significantly more likely to prefer online communication than UK based customers, even though there is a negligible time difference. In addition to this, we see no significant differences in the level of online preference between the differing regions in the rest of the world group. Customers in Australasian, North American and African time zones all had roughly the same proportions preferring online contact.

One potential explanation for differences between customers in the UK and the rest of the world in preference for online forms of communication could be cost. Customers telephoning IPC from outside of the UK will have significantly higher call charges than those calling from within the UK. As a result of this, online channels of communication will be relatively more attractive for non-UK based customers. Unfortunately, this study was not able to follow up these issues with customers as part of the survey, but this could be an area of interest for subsequent research.

4.3 Internet and e-mail

Online communication is becoming an increasingly common way for customers to interact with businesses and organisations in both the public and private sector. This section looks at the extent to which IPC customers are online, their use of The Pension Service website and their potential use of online channels when dealing with IPC.

4.3.1 Whether used internet in last six months

Over half of all contacting IPC customers (54 per cent) had used the internet in the last six months. We used this as our measure as to whether or not a customer can be reasonably considered to be online. There may be some other customers who had used the internet but not in the last six months, but their infrequent use would not define online customers as we need to understand them.

As might be expected, younger customers were significantly more likely to be internet users. Table 4.4 shows the proportion of contacting customers who use the internet by age.
Table 4.4  Whether used internet in last six months

<table>
<thead>
<tr>
<th></th>
<th>60 and under</th>
<th>61-65</th>
<th>66-74</th>
<th>75+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>72</td>
<td>60</td>
<td>50</td>
<td>34</td>
</tr>
<tr>
<td>No</td>
<td>28</td>
<td>39</td>
<td>50</td>
<td>66</td>
</tr>
</tbody>
</table>

Base: All respondents  
148 359 417 148

It is interesting to note that there were no significant differences in the proportion of internet users between customers living in each of the major country groupings (UK 55 per cent, EU 52 per cent and the rest of the world 56 per cent). Looking in detail at the smaller country groupings, customers in the USA and Canada did have the highest proportion of internet users (61 per cent) but this was not significantly higher than customers living elsewhere in the world (52 per cent).

4.3.2 Frequency of internet use

The majority of online IPC customers were ‘heavy’ internet users (84 per cent), using the internet most days or every day. Table 4.5 shows the full breakdown of how often customers used the internet.

Table 4.5  Frequency of internet usage

<table>
<thead>
<tr>
<th></th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Every day</td>
<td>59</td>
</tr>
<tr>
<td>Most days</td>
<td>25</td>
</tr>
<tr>
<td>About once a week</td>
<td>7</td>
</tr>
<tr>
<td>About once a fortnight</td>
<td>2</td>
</tr>
<tr>
<td>About once a month</td>
<td>4</td>
</tr>
<tr>
<td>About once every 2-3 months</td>
<td>1</td>
</tr>
<tr>
<td>Less often</td>
<td>2</td>
</tr>
</tbody>
</table>

Base: All internet users  | 583 |

There was no significant variation by age among online IPC customers in terms of how often they used the Internet. Customers aged 75+ were slightly less likely to use the internet every day but this difference was not statistically significant.

There was also no significant difference between customers in different regions in terms of the proportion of ‘heavy’ internet users. However, customers outside the EU were more likely to say that they accessed the internet every day (67 per cent compared to 50 per cent) while those in the EU were more likely to say that they accessed the internet most days (30 per cent compared to 20 per cent). Customers based in the USA and Canada were the most likely to say that they used the internet every day (72 per cent).
4.3.3 Location of internet use
Nearly all internet using customers are accessing the web from home (93 per cent). The next most common method of accessing the internet is from work (28 per cent)\(^\text{\textsuperscript{11}}\). There were no significant variations by demographic groups.

4.3.4 Visits to The Pension Service website
All customers who used the internet were asked whether they had visited The Pension Service website ‘thepensionservice.gov.uk’ and just over two-fifths said that they had (41 per cent). Male customers were significantly more likely to say that they had visited the website than female customers (47 per cent compared to 36 per cent). In addition to this, customers who contacted on behalf of someone else were also more likely to have visited The Pension Service website than customers who only contacted on their own behalf (52 per cent compared to 39 per cent).

However, the strongest factor associated with visits to The Pension Service website was frequency of contact. Nearly two-thirds of customers (64 per cent) who had high levels of contact (six plus since 1 January 2006) had visited the website. This compares to 38 per cent of customers who had a medium level of contact (two to five since 1 January 2006) and 27 per cent of customers who only had one contact. We are not able to identify whether the high proportion of high frequency customers visiting The Pension Service website is a result of these customers making initial enquiries via the website and not finding what they need, or whether it is a result of the fact that high frequency customers have more complex issues that require prior research.

4.3.5 Access to e-mail
Nearly two-thirds of all customers (65 per cent) said that they had access to e-mail. As with usage of the internet, access to e-mail was strongly related to age (see Table 4.6).

<table>
<thead>
<tr>
<th>Table 4.6 Whether customer has access to e-mail</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 60</td>
</tr>
<tr>
<td>Yes</td>
</tr>
<tr>
<td>No</td>
</tr>
<tr>
<td>Base: All respondents</td>
</tr>
</tbody>
</table>

Customers aged 66 and over were significantly less likely to have access to e-mail and, as might be expected, customers aged 75 and over had the lowest access to e-mail (46 per cent). However, while the 75 and over group has the lowest e-mail penetration among IPC customers, it is worth remembering that even amongst this

\(^{\text{11}}\) Customers could give more than one answer.
group nearly half do have access to e-mail. There was no significant variation by other demographic factors.

4.3.6 E-mailing International Pension Centre

Nearly a quarter of customers with access to e-mail (24 per cent) said that they had used e-mail to contact IPC. As with access to e-mail and internet usage, age was strongly related to whether or not customers had e-mailed IPC. Just over a third of customers aged 60 or under with access to e-mail had e-mailed IPC (36 per cent), compared to just over one in ten customers aged 75 and over with access to e-mail (11 per cent).

Customers from outside the EU were significantly more likely to have e-mailed IPC than customers from within the EU (30 per cent compared to 17 per cent). This may be a result of customers outside the EU finding IPC office hours more difficult for telephone contact and therefore choosing e-mail. This can be seen in the fact that customers in New Zealand and Australia were more likely to have e-mailed than customers in the USA and Canada (36 per cent compared to 25 per cent), although this difference was not statistically significant.

All customers with access to e-mail were then asked whether they would be happy for IPC to contact them via e-mail and the majority said that they were (83 per cent). There were no significant variations by age in response to this question but there was a difference by sex, with women being less likely to be happy for IPC to e-mail them than men (80 per cent compared to 87 per cent). In addition to this, customers in the UK were significantly less likely to be happy for IPC to contact them via e-mail than customers living outside of the UK (70 per cent compared to 85 per cent).

Eight in ten customers with e-mail access who had not previously e-mailed IPC, said they would be happy for IPC to contact them via e-mail (80 per cent). Interestingly, a small proportion of customers who had e-mailed IPC said that they were not happy for IPC to e-mail them (seven per cent).

IPC customers with access to e-mail who had not used it to contact IPC were then asked whether they would consider doing so in the future and 73 per cent said that they would. As with receiving e-mails from IPC, women were less likely than men to consider using them to contact IPC themselves (69 per cent compared to 80 per cent). However, unlike receiving e-mails from IPC, there was no significant variation by country of residence.

4.3.7 Overview

A relatively high proportion of IPC customers do seem to be online, particularly in comparison with The Pension Service’s UK based customers. In general, these customers are also quite happy to deal with IPC online and a large proportion of customers with access to e-mail would be happy to use this to communicate with IPC. In particular, there seems to be a preference for online services for customers based outside of Europe. At present the functionality of The Pension Service’s
website is relatively restricted with customers able to access forms to post and gather information, but not to update records or make a claim online. This should be seen as a potential avenue for increasing customer choice and, potentially, reducing pressure on staff resources\textsuperscript{12}. However, it should be noted that ‘thepensionservice.gov.uk’ also serves UK based customers and only a small proportion of these customers state a preference for online services – although this is changing\textsuperscript{13}.

4.4 The International Pension Centre opening hours

Customers were asked whether IPC’s office hours of 8am-8pm Greenwich Mean Time (GMT) made it difficult for them to get in contact with IPC. Most customers said that the office hours didn’t cause them a problem (90 per cent), although around one in ten said that they did (nine per cent). Whether IPC opening hours caused problems when contacting the service was strongly related to country of residence. Figure 4.3 shows the proportion of customers who said they had problems split out by the five major country groupings.

Figure 4.3 Whether International Pension Centre office hours cause problems when contacting

<table>
<thead>
<tr>
<th>Country</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>4%</td>
</tr>
<tr>
<td>EU</td>
<td>3%</td>
</tr>
<tr>
<td>USA and Canada</td>
<td>15%</td>
</tr>
<tr>
<td>Australia and New Zealand</td>
<td>18%</td>
</tr>
<tr>
<td>Rest of the world</td>
<td>11%</td>
</tr>
</tbody>
</table>

Base: All respondents (1,084).

\textsuperscript{12} IPC are currently looking at how the functionality of their online services can be improved but there are a number of factors relating to the current e-mail system and security that may cause this to be delayed.

As might be expected, Australia and New Zealand had the highest proportion of customers saying that office hours caused them a problem when contacting IPC. However, this was not significantly higher than for customers contacting from the USA and Canada. It also worth noting that although customers in Australia and New Zealand were more likely to report problems as a result of IPC office hours, the majority them (80 per cent) still reported no problems.

4.5  Contact issues amongst customers with special needs

4.5.1 Customers with disabilities or long-term health problems

Just under a quarter of all contacting customers reported a long-term health problem or disability. Further details can be found in Section 2.4.

All customers with a long-term heath problem or disability were asked whether this caused them any problems when telephoning or writing to IPC. The results are shown in Table 4.7.

Table 4.7 Problems when contacting International Pension Centre

<table>
<thead>
<tr>
<th>Problems</th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Problems using the telephone</td>
<td>5</td>
</tr>
<tr>
<td>Problems reading or writing letters</td>
<td>10</td>
</tr>
<tr>
<td>Other (spontaneous only)</td>
<td>2</td>
</tr>
<tr>
<td>No problems</td>
<td>86</td>
</tr>
<tr>
<td>Don’t know</td>
<td>1</td>
</tr>
</tbody>
</table>

Base: All customers with a long-term health problem or disability 216

The majority of customers with a long-term health problem or disability said that this did not cause them any problems when contacting IPC (86 per cent). Twice as many customers reported problems reading or writing letters as reported problems using the telephone (ten per cent compared to five per cent).

4.5.2 English as a second language

Just under one in ten customers contacting IPC (nine per cent) said that English was not their first language. These customers were asked what their first language was and the results are shown in Table 4.8.
### Table 4.8  First language

<table>
<thead>
<tr>
<th>Language</th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>German</td>
<td>23</td>
</tr>
<tr>
<td>Greek</td>
<td>10</td>
</tr>
<tr>
<td>Italian</td>
<td>9</td>
</tr>
<tr>
<td>French</td>
<td>9</td>
</tr>
<tr>
<td>Spanish</td>
<td>5</td>
</tr>
<tr>
<td>Bengali</td>
<td>3</td>
</tr>
<tr>
<td>Swedish</td>
<td>3</td>
</tr>
<tr>
<td>Dutch</td>
<td>3</td>
</tr>
<tr>
<td>Urdu</td>
<td>3</td>
</tr>
<tr>
<td>Marathi</td>
<td>3</td>
</tr>
<tr>
<td>Norwegian</td>
<td>3</td>
</tr>
<tr>
<td>Other answers</td>
<td>26</td>
</tr>
</tbody>
</table>

*Base: All who do not speak English as first language 101*

The International Pension Centre provides a telephone translation service for non-English speakers via the company Language Line. All customers who did not speak English as their first language were asked whether they were aware of this service. Just under a quarter said that they were (24 per cent). Customers who were aware of the service were asked whether they had used it and three of the twenty two said that they had. All three customers who had used the service said that it was very useful.

In addition to the telephone translation service, IPC can also provide written translations for customers. Translated written materials are prepared in advance for the thirteen most commonly requested languages, but written translations are available for any language. Seventeen customers spoke one of the thirteen languages for which translated written materials are pre-prepared and seven of these customers were aware that written translations were available. Only one of these seven customers had actually requested translated materials and he found it to be very useful. The six customers who had not requested materials were asked why this was and five said that they had not needed to, while one said that he did not know how to.

Seventeen customers spoke one of these languages and seven of them were aware that written translations were available. Only one of these seven customers had actually requested translated materials and he found it to be very useful. The six customers who had not requested materials were asked why this was and five said that they had not needed to, while one said that he did not know how to.

---

14 The contract for translation services has now been transferred to The Big Word.

15 Base sizes are too small for further analysis.

16 These materials can be translated in to any language on an ad hoc basis but they are pre-prepared for the most commonly used.
4.6 Summary

The telephone was the most common channel of contact used with IPC since January 2006, closely followed by postal contact, including sending completed forms. However, there were a significant minority of contacting customers who had used online channels of communication. Around one in five customers said that they had visited The Pension Service website or sent an e-mail. This was particularly the case for customers based outside of the EU. However, it should be noted that while the telephone was used less in the rest of the world than in the EU, it was still the main channel of contact for these customers.

As well as being the most commonly used channel of contact, the telephone was also the preferred channel of contact for the majority of customers. However, postal contact was significantly less likely to be a preferred channel of contact and indeed online forms of communication were actually preferred by a larger proportion of customers. Once again there was a significant trend by region for customers preferring online channels. Customers based in the UK were the least likely to prefer online channels, followed by customers elsewhere in the EU, with customers based in the rest of the world being the most likely to prefer online channels (around a quarter).

The higher preference for online channels amongst customers living in the rest of the world does not seem to be a result of higher internet take up as this was broadly the same in the UK and rest of the EU. It also does not seem to be purely a result of time zones, as customers in the EU were significantly more likely than UK based customers to prefer online communication and customers living in Africa had the same levels of preference as customers living in Australasia or North America. One possible explanation for the higher levels of preference for online communication outside of the UK could be cost, as customers contacting from elsewhere will face much higher call charges when telephoning.

At present there is a limit to how much interaction customers can have via The Pension Service website, although it is clearly an area where there seems to be some customer interest. If the website were to be developed to allow customers to conduct basic functions, such as changing contact details, it may be a potential avenue for reducing pressure on staff resources in the future.

Around two-fifths of online customers had visited The Pension Service website. Male customers and customers who had contacted on behalf of someone else were the most likely to have visited the site. There were no significant differences between customers in different regions as to whether or not they had gone to the website. In addition to this, it is interesting to note that customers who had visited the website tended to have had far more contacts with IPC. However, we are not able to tell whether this is a result of initial searches of the website not providing the required information, or whether it is because customers with more complex enquiries are more likely to have conducted prior research online.
Around a quarter of customers with access to e-mail said that they had e-mailed IPC at some point, and the majority of those that hadn’t said that they would be willing to do so. The majority of all customers who had access to e-mail said that they would be happy for IPC to e-mail them, although this was lower among customers based in the UK.

The majority of customers said that IPC’s office hours did not cause any problems when contacting them. As might be expected, customers living in Australasia and North America were more likely to say that they caused problems than customers living elsewhere, but still the majority of customers in these regions (more than eight out of ten) said that they had no problems.

Most customers with a health problem or disability said that it did not cause them any problems when contacting IPC. However, it should be remembered that customers with severe hearing difficulties would have had problems in taking part in the research as the interviews were conducted by telephone. Around a quarter of customers who did not speak English as their first language were aware that IPC could provide a telephone interpreting service, although only a minority had actually used the service.
5 Most recent enquiry

This chapter focuses in more depth on customers’ most recent enquiry with the International Pension Centre (IPC). By focusing on their most recent enquiry it is possible to examine their experiences in more detail. This chapter begins by examining the subject of customers’ most recent enquiry, before going on to look into the ways in which they have contacted IPC. Particular focus is then given to customers who have called IPC and customers who have written to them. Finally, it looks at all customers’ experiences of getting their enquiry resolved and issues related to providing IPC with valuable documents.

5.1 Subject of most recent enquiry

Customers were asked about the subject matter of their most recent enquiry and were able to report as many reasons for contacting as necessary. Only a small minority of respondents cited more than one reason for contacting IPC (two per cent), and these respondents were then asked to specify the main subject of enquiry. Table 5.1 shows the main subjects mentioned by customers split out by region.

Table 5.1 Subject of most recent enquiry by region

<table>
<thead>
<tr>
<th>Subject of Enquiry</th>
<th>UK %</th>
<th>Other EU countries %</th>
<th>Rest of the world %</th>
<th>Total %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Query about pension payment</td>
<td>11</td>
<td>22</td>
<td>22</td>
<td>19</td>
</tr>
<tr>
<td>Problem with the UK pension payment</td>
<td>11</td>
<td>15</td>
<td>13</td>
<td>14</td>
</tr>
<tr>
<td>To claim the UK State Pension</td>
<td>10</td>
<td>14</td>
<td>15</td>
<td>13</td>
</tr>
<tr>
<td>Change contact and bank details</td>
<td>12</td>
<td>11</td>
<td>15</td>
<td>13</td>
</tr>
<tr>
<td>To request information</td>
<td>8</td>
<td>7</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Non-UK pension query</td>
<td>26</td>
<td>2</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Following up existing enquiry</td>
<td>2</td>
<td>5</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Visiting the UK</td>
<td>1</td>
<td>0</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>Other query about UK pension</td>
<td>6</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Notification of death or divorce</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Other</td>
<td>19</td>
<td>17</td>
<td>10</td>
<td>14</td>
</tr>
</tbody>
</table>

Base: All respondents (1,084)
Around one in five customers (19 per cent) contacted IPC with a general query about the payment of the UK State Pension. These customers were less likely to be living in the UK. Only around one in ten customers (11 per cent) living in the UK were contacting for this reason compared to around two in ten (22 per cent) customers in other EU countries and a similar proportion living in non-EU countries (22 per cent).

Customers contacting with a general query about the payment of the UK State Pension were significantly more likely to be satisfied with their enquiry (88 per cent) than customers contacting for other reasons (79 per cent satisfied). It is worth noting that a general enquiry about pension payments does not include customers contacting in relation to a problem with their payment. Not surprisingly, customers who did contact IPC about a problem with the payment of their UK State Pension were significantly less likely to be satisfied with their enquiry (66 per cent) than customers not contacting about this (83 per cent).

Claiming the UK State Pension was the main reason for contacting IPC for just over one in ten customers (13 per cent). As might be expected, customers aged 66 and over were less likely to be contacting to claim the UK State Pension than customers aged 65 and under (six per cent compared to 20 per cent). Of all the customers who contacted for this reason around three-quarters of them were satisfied with their enquiry (76 per cent). While this is lower than customers contacting for other reasons the difference is not significant. Around half of customers (53 per cent) contacting to claim the UK State Pension said their enquiry had not concluded. This is supported by the finding that over half of these customers contacting IPC to claim the UK State Pension (55 per cent) had not started to receive their UK Pension at the time of interview. A small minority (three per cent) of customers said they were not yet eligible for their pension and four in ten (40 per cent) had started to receive their UK State Pension. Of the 56 customers who had contacted IPC to claim the UK State Pension, and had started to receive their pension payments, the majority believed they were being given the correct amount, one-quarter were not sure if the amount was correct and one person said the amount was incorrect. The majority of customers believed that the pension amount was adequately explained, five people did not think it was and three people were not sure.

Over one in ten customers (13 per cent) said their main reason for contacting IPC was to change contact details, such as name, bank account details or address. This also includes customers contacting in relation to moving into and out of the UK. Only one per cent of customers mentioned moving into the UK as part of the reason for contacting IPC. Similarly only one per cent said that moving out of the UK was a reason for contacting. Not surprisingly these numbers are too small for further analysis, but most people who were contacting in relation to moving out of the UK were considering the move to be permanent.

Of all customers contacting to change contact details, such as name, bank account details or address, nearly all were satisfied with their enquiry (98 per cent). This is likely to be due to the nature of the enquiry being quite straightforward, involving minimal contact with IPC and with no decisions required. For example, nine out of ten customers (90 per cent) contacting with a change of contact or bank details said...
that their enquiry had concluded, and just under one-quarter of them (24 per cent) said that a decision was required during their most recent enquiry.

A small proportion of customers (five per cent) contacted IPC in relation to a non-UK pension. These customers were significantly more likely to be contacting from the UK (25 per cent) than from other countries (two per cent in other EU countries and one per cent in the rest of the world). The numbers of people contacting about non-UK pensions are too small for reliable analysis but it does appear that they are more likely to be dissatisfied with their most recent enquiry than customers contacting IPC for other reasons.

Only 26 customers said they were contacting about a significant life event such as ‘notification of a death’ or ‘notification of a divorce or separation’ and these customers were asked whether they felt that they were treated sensitively. All but one customer said they felt that they were treated sensitively.

Around one in seven customers (14 per cent) were contacting IPC for ‘other’ reasons. This includes customers contacting with a query about medical and other benefits. Only a small number of customers in this survey were contacting for benefits other than pension or medical benefits (two per cent), and winter fuel payment was the main benefit mentioned by these people. Other reasons given for contacting were because the customer was contacting on behalf of someone else, or because IPC asked them to. Queries related to tax, tax forms and National Insurance numbers were also mentioned by a small number of customers.

5.2 Method of communication for most recent enquiry

Customers can contact IPC in a number of ways, including telephoning, writing a letter or online. This section first examines the proportion of customers contacting by each method, before looking into how mode of communication varied by subject of enquiry.

Table 5.2 Methods used to contact International Pension Centre in customers’ most recent enquiry

<table>
<thead>
<tr>
<th>Method</th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>By telephone</td>
<td>70</td>
</tr>
<tr>
<td>By letter</td>
<td>37</td>
</tr>
<tr>
<td>Submitting a form</td>
<td>25</td>
</tr>
<tr>
<td>Via website, internet or e-mail</td>
<td>10</td>
</tr>
<tr>
<td>By fax</td>
<td>4</td>
</tr>
<tr>
<td>Via UK embassy or consulate office</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>*</td>
</tr>
<tr>
<td>Don’t know</td>
<td>*</td>
</tr>
</tbody>
</table>

Base: All customers contacting IPC since 1 January 2006 1,084
The telephone was used in seven out of ten of customers’ most recent enquiries (70 per cent). Customers were more likely to telephone if they were contacting about a problem with their UK State Pension payment (83 per cent). Customers living in the UK were also more likely to call IPC (86 per cent) compared to customers living elsewhere in the world (68 per cent). Customers living in non-EU countries were the least likely to have used the telephone during their most recent enquiry (59 per cent).

Just under four in ten customers reported sending a letter during the course of their most recent main enquiry (37 per cent). Interestingly, there is no significant difference in the proportion of customers who wrote a letter to IPC based on whether they lived in the UK or elsewhere in the world. Within this group of customers the difference is only significant between non-UK customers living in the EU, of which around three in ten wrote to IPC (31 per cent) and customers living in non-EU countries of which just over four in ten customers (41 per cent) wrote a letter to IPC.

Customers contacting because of a problem with a state pension (83 per cent), or with a query related to a state pension from another country (87 per cent), were significantly more likely to use the telephone than customers contacting with other enquiries (67 per cent). In contrast to this, customers contacting to claim the UK State Pension were significantly less likely to telephone than other customers (56 per cent compared to 72 per cent) but significantly more likely to write a letter (60 per cent compared to 35 per cent).

The proportion of customers who have used IPC website or sent an e-mail also differs significantly by country of residence. Only five per cent of people living in the UK had used the website, internet or e-mail for their most recent enquiry, compared to 11 per cent of customers living elsewhere. This difference is also apparent when looking at the non-UK customers living in other EU countries (eight per cent) and non-EU countries (14 per cent). See Section 4.3 for further discussion of internet and e-mail usage.

Customers living in the UK are more likely to have submitted a form to IPC (41 per cent), compared to customers living in other EU countries (26 per cent) and customers living in non-EU countries (19 per cent). As might be expected, customers who were contacting to claim the UK State Pension were more likely to have submitted a form compared to customers contacting for other reasons (59 per cent compared to 20 per cent).

5.3 Telephone communication

Customers’ main access to IPC is by calling them in the UK on +44 191 218 7777. IPC will call all customers back to reduce their telephone costs or at a time that is convenient for them if requested. This section looks in more detail at customers’ experiences of telephone contact with IPC.
5.3.1 Initiating contact

Nearly all customers who had telephone contact with IPC said that, at some point, they had been the person initiating the call (54 per cent said they had made all the calls and 43 per cent said that both they and IPC had initiated calls). Only five customers who had been in telephone contact for their most recent enquiry said that it was only IPC who had initiated the contact. In total, 44 per cent of customers who had telephone contact for their most recent enquiry said that IPC had called them at some point.\(^{17}\)

Customers calling from the EU were more likely to have received a call from IPC than customers living in the UK or the rest of the world (49 per cent compared to 40 per cent). This may be due to the fact that these customers have more expensive call charges than customers in the UK, yet are in the same time zone as IPC and can therefore be called back easily, unlike customers in North America and Australasia.

Certain groups of customers were significantly less likely to receive a call from IPC than others. Customers who were receiving a state pension from another country were less likely to receive a telephone call from IPC (38 per cent compared to 47 per cent). This could perhaps be expected as there is a greater likelihood that these customers’ enquiries will be redirected to a different organisation. In addition to this, the very oldest customers were also less likely to be called, only 26 per cent of customers who were aged 75 or over were called compared to 46 per cent of younger customers. However, this difference seems to be explained by the fact that older customers were less likely to be claiming the state pension, which had a higher proportion of call backs, and were slightly more likely to be changing contact details, which had a slightly lower proportion of call backs.

5.3.2 Frequency of telephone contact during course of enquiry

Nearly two-thirds of customers who contacted by telephone said that their most recent enquiry required two or more calls (63 per cent). The mean number of calls required was 3.11.

A higher number of calls were associated with lower levels of satisfaction with the most recent enquiry. Only 72 per cent of customers who made three or more calls were satisfied with their most recent enquiry compared to 89 per cent of those customers who had made fewer calls. The same pattern can also be seen with overall satisfaction (82 per cent compared to 93 per cent).

The number of calls during an enquiry peaks around state pension age, when people are first claiming, at age 60 (mean 3.79) and 65 (3.10), but declines from age 66 onwards. This is supported by those people claiming the UK State Pension also having a higher than average mean number of telephone contacts (3.84).

\(^{17}\) Customers will receive a call back from IPC staff if requested in order to reduce costs or if further information is required to be able to resolve any difficulties.
There were no significant differences by different sub-groups in the average number of calls made for the most recent enquiry.

### 5.3.3 Finding International Pension Centre telephone number

All customers who called IPC for their most recent enquiry were asked how easy it was for them to find the correct telephone number. The results are shown in Table 5.3.

#### Table 5.3 How easy it was to find correct number

<table>
<thead>
<tr>
<th>Percentages</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Very easy</td>
<td>70</td>
</tr>
<tr>
<td>Fairly easy</td>
<td>18</td>
</tr>
<tr>
<td>Fairly difficult</td>
<td>5</td>
</tr>
<tr>
<td>Very difficult</td>
<td>5</td>
</tr>
<tr>
<td>Don’t know</td>
<td>2</td>
</tr>
</tbody>
</table>

Base: All who called IPC for most recent enquiry

Around nine out of ten customers (88 per cent) said that they found it easy to find the correct telephone number, while only one in ten (ten per cent) said that it was difficult. Customers who reported that it was difficult to find the correct telephone number for IPC were much less likely to be satisfied with their enquiry (59 per cent compared to 85 per cent) and with IPC overall (90 per cent compared to 77 per cent). As might be expected, these customers were also more likely to report that they had made more calls as part of their enquiry, in fact on average they made nearly twice as many calls (5.38 calls compared to 2.83 calls).

There were two groups who seemed to find getting hold of the correct number most difficult. Firstly, customers based in the UK were more likely to find it difficult than customers living elsewhere in the world (19 per cent compared to eight per cent) and secondly customers with a long-term illness or disability (17 per cent compared to eight per cent). It is perhaps understandable that customers based in the UK will find it more difficult to find the correct telephone number for IPC as they are likely to be directed to the UK national number as their first point of call. However, once this has happened staff in the various Pension Centres and Local Service will be able to redirect them once the nature of the enquiry has been established.

Customers with a long-term illness or disability are perhaps more likely to also need to contact other UK benefit services for other benefits. As such, they may find that when they come to claiming age for the UK State Pension they contact the number that they have used previously which they see as being responsible for ‘UK benefits’, rather than the correct number for IPC. Ensuring that staff in these other departments are aware of IPC’s responsibilities and contact details should help to make it easier for customers with a long illness or disability to get in contact.
All customers who had contacted by telephone for their most recent enquiry were then asked where they had found the correct telephone number. The most common answer was a leaflet or letter from IPC, see Table 5.4 for full results.

### Table 5.4 Where found International Pension Centre telephone number

<table>
<thead>
<tr>
<th>Where found</th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Letter/leaflet from UK Pension Service</td>
<td>73</td>
</tr>
<tr>
<td>Friend or relative</td>
<td>9</td>
</tr>
<tr>
<td>Another part of IPC</td>
<td>5</td>
</tr>
<tr>
<td>Internet/website</td>
<td>5</td>
</tr>
<tr>
<td>Telephone directory</td>
<td>1</td>
</tr>
<tr>
<td>Directory enquiries</td>
<td>1</td>
</tr>
<tr>
<td>UK Embassy or consulate</td>
<td>*</td>
</tr>
<tr>
<td>Somewhere else</td>
<td>3</td>
</tr>
<tr>
<td>Don’t know</td>
<td>2</td>
</tr>
</tbody>
</table>

**Base: All who called IPC for most recent enquiry 746**

Customers contacting to claim the UK State Pension were significantly less likely to say that they found the correct number from a letter/leaflet compared to customers contacting for other reasons (54 per cent compared to 76 per cent). Instead these customers contacting to claim the UK State Pension were more likely to say that they found the telephone number from either a friend or relative (22 per cent compared to seven per cent) or via the internet (11 per cent compared to four per cent). This may reflect the fact that IPC may not have current contact details for customers who have moved abroad until they make a claim and therefore they are less likely to receive letters. As a result, they may have to employ their own means of finding the correct number such as asking friends and relatives or searching the internet.

Customers who found it difficult to find the correct telephone number for IPC were significantly more likely to have found it from another part of The Pension Service than customers who found it easy to find the correct number (22 per cent compared to three per cent). However, it is not possible to say that the difficulties that these customers had in obtaining the correct number are a result of problems with other parts of The Pension Service. It may be that the problems arose earlier in the attempts to make contact and The Pension Service was the final port of call before finding the correct number.

### 5.3.4 Whether got through at first call at most recent attempt

Most respondents (84 per cent) said that they got through to IPC at their first call, while 12 per cent did not, and a further four per cent could not remember. Customers who did not get through at the first attempt gave lower satisfaction
scores for their most recent enquiry (70 per cent compared to 84 per cent), and for overall satisfaction (77 per cent compared to 90 per cent). Satisfaction levels continue to fall as the number of attempts increases.

Customers calling from the European Union (EU) (including the UK) were less likely to say that they got through at their first attempt than customers calling from elsewhere in the world. Around eight in ten customers calling from the EU got through at the first attempt (79 per cent) compared to over nine out of ten customers calling from the rest of the world (91 per cent). This may be related to the time of day that customers call, see Section 5.3.5 for further information.

5.3.5 Most recent call

How long before call was answered

Just over two-fifths of telephoning customers (43 per cent) believed their call was answered within 30 seconds and around a quarter (23 per cent) believed that their call was answered in less than a minute, but more than 30 seconds. A similar proportion (26 per cent) said that they had to wait for one minute or more, including six per cent who reported a wait of over five minutes. As might be expected, customers who reported waiting times longer than one minute were less likely to be satisfied with their enquiry (76 per cent compared to 84 per cent).

As with whether or not the customer got through at the first attempt, there were also variations by region in how long it took for the most recent call to be answered. Around a half of customers contacting from the UK said that their call was answered within a minute (51 per cent) compared to two-thirds of customers from elsewhere in the EU (65 per cent) and three-quarters of customers contacting from the rest of the world (75 per cent). This may indicate that IPC has a better ratio of staff available for calls at times when customers in Australasia and North America tend to call.

Time of most recent call

All customers who had contacted IPC by telephone were asked at what time they had called, in their local time. The results are split out by region in Figure 5.1.

---

18 This is the customer’s perception of how long they had to wait for their call to be answered and not necessarily how long it actually took.
Although customers in the UK and the EU could call at any time during IPC opening hours (8am-8pm Greenwich Mean Time (GMT)) they tended to call disproportionately in the morning. Customers in North America and Australasia were obviously restricted by IPC opening hours as to when they could call. The majority of North American customers generally called in their morning (83 per cent), which would mostly be the afternoon for IPC, although some did call in the afternoon and evening. Customers in Australasia tended to call in their evenings (70 per cent) or afternoons (21 per cent). Depending on how late in their evenings these customers called, this would usually be in the morning shift for IPC.

Given that EU customers reported significantly longer delays when waiting for calls to be answered than customers elsewhere in the world, it might be worth attempting to direct these customers to call at times other than in the morning. Australasian customers generally call in IPC’s morning shifts without the same delays, but this may be due to the fact that they call in the early morning period 8am-9am.

All customers who could remember what time of day they called IPC were asked whether they called at that time because it was convenient for them, they were restricted by IPC opening hours or for some other reason. The results are shown in Table 5.5 split by region.
Very few customers in the UK or EU said they chose the time of day they called because they were restricted by IPC’s opening hours (five per cent and seven per cent respectively). In contrast to this, over half of North American customers (55 per cent) and three-fifths of Australasian customers (60 per cent) said they were constrained by IPC opening hours. However, it should be noted that over a third of these customers said that they called at the time they did as it was the most convenient time for them.

Interestingly, customers who said that they called when they did because they were restricted by IPC’s opening hours were actually more likely to be satisfied than those who called at a time that was convenient for them (89 per cent compared to 80 per cent). Whilst this may seem counterintuitive, there are reasons as to why this would be the case. Customers who were restricted by IPC’s opening hours as to when they could call were predominantly from non-EU countries. In turn, these customers were also more likely to get through at the first attempt and to wait less than a minute for their call to be answered. One of the reasons for this may be that IPC had lower call volumes during the times that they called because they were restricted by opening hours (early morning/afternoon/evening UK time).

### 5.3.6 Query resolution

Just under two-thirds of all customers contacting by telephone (64 per cent) said that their enquiry was fully answered at the first call. This does not necessarily mean that the enquiry was fully answered by the first person that they spoke to, they could have been transferred to somebody else as part of the call (see Section 5.4). However, it does mean that it was resolved between the customer first getting through and hanging up the receiver at the end of that call.

Customers whose enquiry was not answered at the first call were significantly less likely to be satisfied with the way that their enquiry was handled. Around two-thirds of customers whose enquiry was not answered at the first call were satisfied with their enquiry (64 per cent) compared to over nine out of ten customers whose enquiry was answered in the first call (91 per cent).

### Table 5.5 Reason chose time to call

<table>
<thead>
<tr>
<th>Reason</th>
<th>UK %</th>
<th>EU %</th>
<th>Australia and New Zealand %</th>
<th>USA and Canada %</th>
<th>Rest of the World %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Most convenient time for customer</td>
<td>84</td>
<td>74</td>
<td>36</td>
<td>38</td>
<td>62</td>
</tr>
<tr>
<td>Restricted by opening hours</td>
<td>5</td>
<td>7</td>
<td>60</td>
<td>55</td>
<td>28</td>
</tr>
<tr>
<td>Some other reason</td>
<td>17</td>
<td>19</td>
<td>11</td>
<td>11</td>
<td>10</td>
</tr>
<tr>
<td>Don’t know</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

Base: All who remember time called 82 270 92 177 85
Customers living in the UK were less likely to have their enquiry resolved at the first telephone call than customers living in the rest of the EU (43 per cent compared to 63 per cent), who were themselves significantly less likely to have the enquiry resolved at the first call than customers in the rest of the world (74 per cent). This may be linked to the fact that UK and EU customers seem to call at busier times (see Section 5.3.5).

5.4 Transferrals

All customers who telephoned IPC were asked whether they had to speak to more one person during the course of their enquiry and around a third (34 per cent) said that they did. Those customers that spoke to multiple people during the course of their enquiry tended to have lower levels of satisfaction than those that only had to deal with one member of staff (72 per cent compared to 86 per cent).

Customers based in the UK were significantly more likely to say that they had to speak to more than one person as part of their enquiry, than customers based elsewhere in the world (52 per cent compared to 65 per cent). This reflects the fact that UK based customers found it hardest to get hold of the correct number for IPC, and so may have had to be redirected around various parts of The Pension Service in order to speak to the right people.

5.4.1 Whether called back or transferred

All customers who spoke to more than one person were asked whether they were transferred (this included both being given another number to call and being put through automatically) or whether somebody called them back. Around seven out of ten customers (69 per cent) said that they were transferred, while just over a quarter (26 per cent) said that IPC called them back. There was no significant difference in satisfaction between customers who were transferred and those who were called back by IPC.

Of those customers who were transferred, just under seven in ten (69 per cent) said that this was done without them having to dial again, while a quarter (25 per cent) said that they had to dial another number. As with whether they were transferred or being called back, there was no significant difference in satisfaction between those who were put straight through and those who had to dial another number.

Customers who were called back by IPC were asked whether the person who called them was somebody they had spoken to previously. Just under half (48 per cent) said that they had spoken to the person previously, while around a third (36 per cent) said that it was somebody new. Sixteen per cent said that they did not know whether they were speaking to somebody they spoken to previously.

Customers who said the person who called them back was somebody they had spoken to previously were significantly more likely to be satisfied with the way their enquiry was handled than customers who were called back by somebody new (87
per cent compared to 71 per cent). This would seem to indicate that there may be some benefit in ensuring that customers are called back by members of staff they have already spoken to wherever possible. Of course, this would have to be traded off against the fact that sometimes this could mean a delay, or the fact that the initial member of staff they spoke to may not have the required expertise to answer any additional questions that the customer may have.

5.4.2 Whether given reason for transfer or being called back

Most customers who were transferred said that they were given a reason why this was needed (85 per cent) as were most customers who were called back (86 per cent). There was no significant difference in satisfaction between customers who said that they received an explanation for being transferred or called back and those that did not. This is in contrast to the results of the UK customer surveys in 2003 and 2005\(^\text{19}\), where being given a reason for transferral had a significant impact on satisfaction.

5.4.3 Repeating information

All customers who were transferred or called back by somebody they had not spoken to previously were asked whether or not they had to repeat any information. The results are shown in Table 5.6.

**Table 5.6 Whether had to repeat information**

<table>
<thead>
<tr>
<th></th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>No repetition needed</td>
<td>15</td>
</tr>
<tr>
<td>Yes, only basic details such as name or National Insurance number</td>
<td>30</td>
</tr>
<tr>
<td>Yes, just a little</td>
<td>18</td>
</tr>
<tr>
<td>Yes, needed to repeat a lot</td>
<td>33</td>
</tr>
<tr>
<td>Don’t know</td>
<td>4</td>
</tr>
</tbody>
</table>

Base: All who spoke to more than one person 245

Just over half of all customers who spoke to more than one person for their most recent enquiry (51 per cent) said they needed to repeat a little or a lot of information, while just under half (45 per cent) said they only had to repeat basic details or nothing at all. Customers who had to repeat a little or a lot of information were significantly less likely to be satisfied than customers who only had to repeat basic details or nothing at all (60 per cent compared to 86 per cent).

Customers in the UK were significantly more likely to say that they had to repeat information than customers based elsewhere in the world (66 per cent compared to 49 per cent). As UK based customers were more likely to have to speak to multiple people as part of their enquiry in the first place, this may be another result of the fact that they may be being directed around different parts of The Pension Service, or that they were calling for different reasons (see Section 5.1).

5.4.4 Whether comfortable speaking to different person

Just over four-fifths of customers who were transferred or called back by somebody they had not spoken to before (81 per cent) said that they were comfortable with this. As might be expected, whether or not a customer was comfortable with the transferral process had a significant impact on satisfaction. Just over three-quarters of customers who were comfortable with the process were satisfied with their enquiry (77 per cent), compared to just under half of those customers who were not comfortable (45 per cent).

5.5 Postal communication

Just under two-fifths of customers (37 per cent) had written contact with IPC as part of their most recent enquiry. This section looks in more detail at these customers and their most recent enquiry experiences.

Nearly two-thirds (63 per cent) of postal communication had been two-way between IPC and the customer, whereas in just under one-third (31 per cent) of cases postal communication had been one-way from the customer to IPC. The remaining six per cent of correspondence was one-way from IPC to the customer.

5.5.1 Frequency of postal correspondence

Just over half (54 per cent) of all customers that wrote to IPC during their most recent enquiry had done so only once. Nearly a quarter (23 per cent) wrote twice and a similar proportion (22 per cent) wrote three or more times. Customer representatives wrote to IPC during their most recent enquiry more often than current pensioners with a mean average of 2.6 letters written compared with 1.9 for current pensioners. However, it should be noted that the majority of customer representatives are also pensioners themselves, and may be contacting IPC for themselves as well as on someone else’s behalf. Hence they are likely to have more contact with IPC. Customers wrote in relation to their most recent enquiry less often than they telephoned. On average customers wrote 1.9 times to IPC regarding their most recent enquiry, this compares to an average of 3.1 telephone calls made.

Customers who wrote to IPC on multiple occasions had lower levels of satisfaction with their most recent enquiry than those who only wrote once (66 per cent compared to 84 per cent). This also held true for the level of overall satisfaction (72 per cent compared to 90 per cent).
5.5.2 Reasons for writing

All customers who wrote to IPC were asked why they had chosen this channel of contact. The results are shown in Table 5.7.

Table 5.7 Reasons for writing

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preferred method of contact</td>
<td>34</td>
</tr>
<tr>
<td>To keep a record</td>
<td>8</td>
</tr>
<tr>
<td>Needed to send documents/valuables/forms</td>
<td>8</td>
</tr>
<tr>
<td>Calls too expensive</td>
<td>8</td>
</tr>
<tr>
<td>Sensitive/complicated subject matter</td>
<td>5</td>
</tr>
<tr>
<td>Was told to write in/put it in writing</td>
<td>5</td>
</tr>
<tr>
<td>To notify IPC of a change of circumstance (e.g. change of name, address or personal circumstances)</td>
<td>5</td>
</tr>
<tr>
<td>To claim pension/see if eligible for pension</td>
<td>4</td>
</tr>
<tr>
<td>Thought would get a better/quicker response</td>
<td>3</td>
</tr>
<tr>
<td>Opening times of UK call centre inconvenient</td>
<td>3</td>
</tr>
<tr>
<td>Did not have e-mail address/no other method of contact</td>
<td>2</td>
</tr>
<tr>
<td>Couldn’t get through on the phone</td>
<td>2</td>
</tr>
<tr>
<td>Other</td>
<td>17</td>
</tr>
<tr>
<td>Don’t know</td>
<td>3</td>
</tr>
</tbody>
</table>

Base: All customers who wrote to IPC 363

The most common reason given for choosing to write to IPC was that it was simply the customers’ preferred method of contact. There was no other single reason that was mentioned by more than one in ten customers who had chosen to write. It is interesting to note that problems relating to the UK opening hours were only mentioned by three per cent of customers. This would seem to indicate that if IPC did move towards 24 hour opening there would be only a very small decrease in the amount of postal contact received. Indeed problems relating to the cost of telephone calls was mentioned as a reason for writing by nearly three times as many customers as problems with the opening hours.

Women were more likely than men to write because it was their preferred method of contact (39 per cent of women compared with 28 per cent of men). Also customers who had a low frequency of contact were more likely to mention that writing was their preferred method of contact (49 per cent of those with a low frequency of contact by post compared to 27 per cent of those with a medium or high frequency of contact). This may suggest that people who are contacting IPC frequently by post would prefer to use other methods, but may sometimes have to contact by letter for other reasons such as because the subject matter is complicated (which 12 per cent of customers with a high frequency mentioned compared with only one per cent with a low frequency of contact).
5.5.3 International Pension Centre response to postal communication

Around three-quarters (74 per cent) of customers who wrote to IPC had received a response at the time of asking, and one-quarter (25 per cent) said they had not received a response. As might be expected, customers who had received a response were significantly more likely to be satisfied with their most recent enquiry than those that had not (83 per cent compared to 58 per cent). There were no significant variations by different subgroups as to whether or not customers had received a response.

Exactly 90 per cent of responses provided to customers who had sent a letter to IPC were by post. Only six per cent of responses were by telephone and a further one per cent of responses were by e-mail. Of all customers that received a response, the vast majority (91 per cent), found the method of response acceptable.

Customers were then asked how long it took IPC to respond to their letter. Table 5.8 outlines the length of time customers reported that IPC took to respond to their letters.

Table 5.8 Time taken for International Pension Centre to respond to customers’ letter

<table>
<thead>
<tr>
<th>Percentages</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Within one week</td>
<td>12</td>
</tr>
<tr>
<td>One to two weeks</td>
<td>22</td>
</tr>
<tr>
<td>More than two weeks but less than one month</td>
<td>32</td>
</tr>
<tr>
<td>One to two months</td>
<td>19</td>
</tr>
<tr>
<td>Longer than two months</td>
<td>9</td>
</tr>
<tr>
<td>Don’t know</td>
<td>6</td>
</tr>
</tbody>
</table>

Base: All respondents who wrote to IPC and received a response 269

Two-thirds (66 per cent) of customers who wrote to IPC received a response within one month, of which 22 per cent said that they received a response within one to two weeks and only 12 per cent within one week. Customers that received a response within a month were slightly more likely to be satisfied with both their most recent enquiry and IPC in general. Nearly nine in ten (87 per cent) of customers who received a response within one month were satisfied with their most recent enquiry compared with nearly three-quarters (74 per cent) who received a response over a month later.

Of all customers that wrote to IPC and received a response, just over three-quarters (76 per cent) said that the length of time they had to wait was acceptable, whereas one in five (21 per cent) said it was unacceptable. Customers who had a high frequency of contact (for example sent more letters and/or made more phone calls) were less likely to find this response time acceptable.
Similarly, just over three-quarters (77 per cent) of all customers who wrote to IPC said that the response they received fully met their needs, and the majority (92 per cent) of customers also felt that the response they received was easy to understand. However, customers with a long-standing illness, disability or infirmity were less likely to state that the response was easy to understand than those without a long-standing illness, disability or infirmity (86 per cent compared to 95 per cent).

Customers who said the response did not fully meet their needs, or who did not find it easy to understand, were asked what they would have liked to be different about the responses they received. The main replies given were that they wanted a better response to their questions, a quicker response, or would have liked the problem resolved.

The majority (92 per cent) of customers were comfortable contacting IPC by post for their most recent enquiry. Once again customers with a long-standing illness or disability were less likely to feel comfortable contacting IPC by post than those without one (86 per cent compared to 94 per cent). For customers who were not comfortable contacting IPC by post, reasons were given such as length of time it takes to receive a reply or not receiving a reply at all.

### 5.5.4 Sending important and valuable documents

Of all customers surveyed around three in ten (28 per cent) had sent documents or valuables to IPC. Customer representatives were significantly more likely to send documents than those who were only contacting on their own behalf (39 per cent compared to 26 per cent). Customers who had to send documents or valuables were less likely to be satisfied with their enquiries than customers that did not (77 per cent compared to 83 per cent).

Of all customers that sent important and valuable documents to IPC, 71 per cent felt comfortable sending these documents and valuables and 27 per cent felt uncomfortable. Of those that felt uncomfortable, nearly half (47 per cent) mentioned that they didn’t like sending original documents, and over a third (37 per cent) mentioned that they thought the post was not secure or that their documents might get lost.

Just under half (48 per cent) of all customers who sent documents or valuables to IPC felt that it was made clear to them the length of time that they would be kept. A similar proportion (42 per cent) felt that it was not made clear to them what length of time they would be kept and the remaining ten per cent could not be sure. Customers that felt it was made clear to them for what length of time IPC would keep these documents and valuables were more likely to be satisfied with their most recent enquiry than those that were not clear (87 per cent compared to 65 per cent). There were no significant differences between different subgroups, in relation to whether or not the length of time documents and valuables would be kept was made clear.

At the time of asking just over four in five customers (82 per cent) had had their documents and valuables returned. Those customers who had their documents and
valuables returned were again more likely to be satisfied with the way their most recent enquiry was handled than those that had not (80 per cent compared to 65 per cent). It is interesting to note that there was no difference by region in terms of whether or not customers had documents and valuables returned. Around four out of five customers in each of the UK, the EU and the rest of the world had their documents or valuables returned.

Clearly some aspects of sending off important and valuable documents affect how satisfied customers are with IPC. There is a clear argument for making more customers aware of the length of time their documents are going to be kept for, as at present not even half seem to think it was made clear to them, and this in turn affects their satisfaction with IPC.

5.6 Enquiry status

All customers were asked whether their most recent enquiry was concluded and the results are shown in Table 5.9.

Table 5.9 Whether most recent enquiry has concluded

<table>
<thead>
<tr>
<th></th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>71</td>
</tr>
<tr>
<td>No</td>
<td>26</td>
</tr>
<tr>
<td>Don’t know</td>
<td>3</td>
</tr>
</tbody>
</table>

Base: All customers contacting since January 2006 1,084

Whether or not a customers’ enquiry had concluded varied according to the nature of it. For example, nearly nine out of ten customers (88 per cent) contacting to change contact or bank details said their most recent enquiry had concluded, whereas only around half of those contacting to claim the UK State Pension (53 per cent) said that their enquiry had concluded.

Customers whose enquiry had concluded were significantly more likely to be satisfied with their enquiry. Nine in ten customers whose enquiry had concluded said they were satisfied with their most recent enquiry (89 per cent) compared to almost six in ten customers who had an ongoing enquiry (59 per cent).

All customers were also asked whether or not a decision was required for their most recent enquiry. Almost one in ten customers (nine per cent) did not know if their enquiry required IPC to make decision. Just under half of customers thought a decision was required (46 per cent), and half did not (46 per cent). Customers who said a decision was required were more likely to say that their enquiry was not yet concluded (33 per cent compared to 17 per cent). It is therefore not surprising that these customers whose enquiry required a decision were also less likely to be satisfied with their most recent enquiry (76 per cent compared to 88 per cent).
Customers contacting IPC to claim the UK State Pension were more likely to say that a decision was required as part of their enquiry (64 per cent compared to 43 per cent), as were customers around retirement age, 60-65 years old (51 per cent compared to 41 per cent) and customers who did not speak English as their first language (56 per cent compared to 45 per cent). In addition to this, customers who were also receiving a state pension from another country were more likely to say that their enquiry required a decision (49 per cent compared to 41 per cent). This suggests that the reason for some enquiries being on going may be due to the complex subject matter for which IPC are required to make a decision, rather than the service being unduly slow.

### 5.6.1 Explanation of decision

Customers whose enquiry required a decision to be made by IPC, and whose enquiry was concluded, were asked how clearly the decision was explained. The results are shown in Table 5.10.

#### Table 5.10 Whether decision was explained

<table>
<thead>
<tr>
<th></th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very clearly explained</td>
<td>68</td>
</tr>
<tr>
<td>Fairly clearly explained</td>
<td>13</td>
</tr>
<tr>
<td>Not clearly explained</td>
<td>7</td>
</tr>
<tr>
<td>Not explained at all</td>
<td>7</td>
</tr>
<tr>
<td>Don’t know</td>
<td>5</td>
</tr>
</tbody>
</table>

*Base: All whose enquiry is concluded and required a decision 315*

Only seven per cent of customers whose concluded enquiry required a decision said that they had received no explanation at all and five per cent said they did not know if the decision had been explained. The majority, however, said that they had received a fairly/very clear explanation (81 per cent).

Customers opinions about the decision and its explanation, clearly affects their satisfaction. Nine out of ten customers who said that they had received a clear explanation (90 per cent), and a similar proportion who thought the decision was fair (92 per cent) were satisfied with the way their enquiry was handled.

### 5.7 Summary

Customers contacted IPC for a wide variety of reasons but there were four enquiry types that were mentioned by more than one in ten customers: General enquiry about pension payment; Problem with UK pension payment; Claiming the UK State Pension and Change of contact details. Customers contacting with a general enquiry or to change contact details had the highest levels of satisfaction (nearly all
customers contacting to change contact details were satisfied) while those contacting about a problem with their payment had the lowest levels of satisfaction.

The channels used for the most recent enquiry mirrored those used when contacting IPC for any reason since 1 January 2006. The telephone was the most common channel, followed by postal contact. Customers based in the UK were the most likely to telephone with customers outside the EU being the least likely, although the telephone was still the most common form of contact for these customers.

Just under half of all customers who had telephone contact during their most recent enquiry said that at some point IPC had called them. Customers living in the EU, outside the UK, were most likely to have received a call. This was most likely due to the fact that they have higher call charges than UK based customers and IPC opening hours mean that it is more of a practical option than for customers in North America or Australasia. The very oldest customers were the least likely to be called back by IPC, this is perhaps because they are less confident than younger customers who are more willing to make requests. There is certainly no evidence to suggest that enquiries from the oldest customers were more straightforward and less likely to require a call back.

While the majority of customers reported that it was easy to find the correct telephone number, a significant minority reported problems. These customers were then less likely to be satisfied with the service they received and made more calls – nearly twice as many as customers who found it easy to find the correct number. Customers with a long-term illness or disability and customers living in the UK were the most likely to report problems. This perhaps indicates a need for staff working in other parts of The Pension Service and in other organisations providing benefits to non-residents to be made more aware of IPC, both in terms of contact details and remit.

As might be expected, the more call attempts a customer had to make before they got through and the longer they had to wait for their call to be answered, the less satisfied they were. Customers contacting from the UK and the EU reported the most attempts before getting through and customers from the UK reported the longest waiting times before their call was answered. One explanation for this seems to be the fact that customers in the UK and the EU were disproportionately more likely to call in the morning (GMT), thereby putting additional pressure on resource. The reason these customers called at this time was not governed by IPC opening hours (as North American and Australasian customers are) but just that it was their preference. Perhaps a pre-recorded message could be played to customers calling from the EU in the morning, advising them that they would experience fewer delays if they call back later.

Nearly two-thirds of customers said that their enquiry was answered at the very first telephone call and a similar proportion said that they only had to speak to one person as part of their enquiry. Around a half of the customers who spoke to more than one person said that they only had to repeat minor details or nothing at all when speaking to a second person. A similar proportion of customers who were called back by IPC said that it was by somebody they had spoken to previously.
As in the UK studies, these experiences (enquiry resolved at first call, only speaking to one person, being transferred rather than dialling again and only repeating basic information) were all associated with higher levels of satisfaction. However, unlike the UK survey we found that the method of transferral and whether or not they were given an explanation for the transferral was not associated with satisfaction.

Customers who wrote to IPC for their most recent enquiry had lower levels of satisfaction than those who telephoned. When customers were asked why they had chosen to write for their enquiry, a third said that it was simply their preferred method of communication and the rest gave a wide variety of reasons. The most interesting finding from this question is that only two per cent of customers said they had chosen this method because IPC office hours made it difficult for them to phone. Indeed, the price of the calls was mentioned by nearly three times as many customers as problems with the office hours.

Nearly three-quarters of customers said that they had received a response to their most recent postal enquiry and two-thirds said that they had received it within a month. Customers whose response took longer than a month or who had not received a response at all were significantly less likely to be satisfied.

Just under three in ten customers had sent documents or valuables to IPC and these customers tended to be less satisfied than those who did not send anything. However, there were variations in satisfaction depending on how this process was handled. In particular, customers who were told how long their documents or valuables would be kept for were more likely to be satisfied. More obviously, customers who had received their documents back were also more likely to be satisfied. It should be noted that whether or not a customer had their documents returned did not vary by region (UK, EU and the rest of the world).

Around a quarter of all customers said that their most recent enquiry had not been resolved and was still ongoing. This varied by subject type. Very few customers who were contacting to change contact details said that their enquiry was ongoing, in contrast nearly half of those who were claiming the UK State Pension said that this was not yet resolved. As might be expected, customers whose enquiry was still ongoing were significantly less likely to be satisfied. Whether or not an enquiry was concluded was strongly related to whether or not a decision was required, with those enquiries that required decision being significantly more likely to be ongoing.
6 Complaints

This chapter looks at whether customers have ever complained about the service they have received from the International Pension Centre (IPC). For those who have complained, it provides a profile of complainants and discusses their experiences of the complaints process. For those customers who have not complained, it looks at whether they have ever considered doing so, and if they have, why they did not.

It should be noted that due to the small number of customers who had complained since 1 January 2006 the numbers of people answering many of these questions are too small for analysis of sub-groups.

6.1 Customer complaints

All customers were asked whether they had ever made a complaint to IPC and seven per cent reported that they had.

Customer representatives were significantly more likely to have made a complaint to IPC than current pensioners (12 per cent compared to seven per cent). However, given that the majority of customer representatives contacting IPC were also current pensioners (see Section 2.5) this may be better explained by the frequency of contact than by the fact that they are contacting on someone else behalf. Customers who had contacted IPC six or more times since 1 January 2006 were more likely to have made a complaint (16 per cent) compared to customers who had contacted IPC five or less times (five per cent).

Customers for whom English was not their first language were more likely to have made a complaint (16 per cent) than customers for whom English was their first language (seven per cent). This seems to be related to the nature of their enquiry. For example, as discussed in Section 5.6, customers for whom English was not their first language were also more likely to report that their enquiry required a decision, which implies that their enquiry is more likely to be complex. Also, the reasons for which these customers are contacting IPC differ from customers for whom English is their first language. In particular, customers for whom English is not their first language were more likely to be contacting in relation to a problem with their UK
pension payment, which is linked to lower levels of satisfaction, and they are less likely to have been contacting about a general payment query or to notify IPC that their contact or bank details have changed, which is linked to higher levels of satisfaction. See Section 5.1 (most recent enquiry) for further discussion of this.

Customers who had an ongoing enquiry were also more likely to have made a complaint (ten per cent) compared to customers whose most recent enquiry had reached a conclusion (six per cent). Again, this appears to be related to the nature of the enquiry which seems to affect the likelihood of it having been concluded at the time of interview (see Section 5.1 most recent enquiry).

6.2 Complaints and satisfaction

In total 75 customers reported having ever made a complaint. These customers were then asked how many times they had complained this year (since 1 January 2006). Two-thirds (66 per cent) said they had made at least one complaint this year.

Levels of satisfaction were lower among customers who have made a complaint to IPC than among customers who have never complained. However, it is worth noting that the majority of customers who had complained were satisfied with the service overall (71 per cent), even if the proportion is lower than those customers who had never complained (89 per cent).

6.3 Modes of communication for complaining

All customers who had made a complaint this year were asked what methods they had used to make their complaint. Forty-eight customers had made a complaint this year and the most common method cited for this was via telephone. The second most common method was by writing a letter and six customers said they had complained by writing an e-mail.

6.4 Waiting for a reply to a complaint

Nine out of 48 customers had not yet received a response to their complaint at the time of interview. Around half of the customers who had complained had received a reply which took over a week to arrive, and the rest received a reply either the same day or within one week.

Customer opinion was divided as to whether the amount of time they had to wait for a reply to their complaint was acceptable. Around half of the 37 people who had received a reply thought the amount of time they had to wait was reasonable and the other half did not. More than half of these 37 people said the reply they received was through the post and the remaining people said via telephone and three people said the reply was via E-mail. Only four of these people said the method of response was not acceptable. When asked to what extent the reply answered the customers complaint, 9 customers said not at all, 14 customers said to some extent and 14 said it had completely answered their complaint.
6.5 Understanding of how to take the matter further

The survey asked complainants who had received a reply whether the response made clear who they should contact if they had further queries on the matter. Twenty-six out of the 37 complainants said that the response did make this clear, while 11 said that it did not.

6.6 Perceptions on how the complaint was treated

In order to understand the complainants’ feelings about the way their complaint was handled, they were asked which, if any, of four statements, described their experience of the complaints process. The vast majority agreed that they were treated with respect and given enough time to explain themselves. Only a few customers disagreed with the statements, ‘they took my complaint seriously’ or ‘I was treated fairly’. One customer thought that none of the statements described the way they were treated.

Overall, 23 out of the 37 complainants said that they were satisfied with the way the complaint was handled, while 12 customers were not.

6.7 Non-complainants

Customers who had never complained to IPC were asked whether they had ever considered doing so. Just seven per cent of these customers said that they had considered making a complaint. In total, over one in ten (13 per cent) of all customers contacting IPC had either considered making a complaint or had made a complaint.

It is interesting to note that customers who had considered complaining, but who had not done so, actually had lower levels of satisfaction than those who had complained. Six in ten customers who had considered complaining (61 per cent) were satisfied, compared to seven in ten customers who had actually complained (71 per cent). This difference is not statistically significant due to the small number of people in each group. However, it does suggest that the actual action of complaining does not reduce satisfaction, but may, in fact, increase satisfaction in comparison with those customers who consider complaining but did not do so.

All 66 customers who considered complaining, but who did not actually do so, were asked why this was. Reasons for not complaining varied and there was no one reason that was mentioned by most customers. The two reasons for not complaining mentioned by most people were ‘to give them (IPC) more time/another chance’ and because the customer was too busy and had not got around to doing so yet. Other reasons for not complaining included because the problem had been resolved. Four customers did not complain because they did not know how to and three customers did not complain because they were worried what would happen as a result.
6.8 Summary

Seven per cent of customers had made a complaint to IPC. Customer representatives were significantly more likely to have made a complaint to the than current pensioners. However, this is more likely to be linked to the number of times a customer has contacted IPC rather than anything inherent in being a representative, as customers who had contacted six or more times since 1 January 2006 were also more likely to have made a complaint.

Customers for whom English was not their first language were also more likely to make a complaint, than customers for whom English is their first language. This appears to be linked to the fact the these customers were more likely to be contacting with a problem with their pension payment, which is likely to require a decision, and customers contacting about this were less likely to be satisfied.

Two-thirds of all customers who have made a complaint did so this year. The telephone was the most common method for making a complaint, with postal contact being used by the majority of the remaining complainants and six customers said they had complained by writing an E-mail. Telephone was also the most common method used by IPC to respond to complaints, followed by letters as the second most common method. Three customers said they had received a reply to their complaint via E-mail.

While customers who had made a complaint to IPC were less likely to be satisfied with the service overall, customers who had considered making a complaint but had not, were even less likely to be satisfied.
Appendix A
Technical report

During the summer of 2006 a survey of customers contacting the International Pension Centre (IPC) was carried out to measure their experience of, attitudes towards and satisfaction with the service. The survey was designed to cover the population of contacts made by people who had first hand contact with IPC concerning a range of issues to do with their pension claim or other pensioner benefits.

Unusually for The Pension Service, IPC is also responsible for the payment of certain benefits to people of working age who live abroad, e.g. Incapacity Benefit and Industrial Injuries Benefit. Furthermore, IPC includes a Medical Benefits Section (Overseas Health Benefits) that is responsible for the administration of some of the health provisions of the European Union (EU) social security regulations on behalf of the Department of Health. However, the primary focus of this research was customers contacting about pension related issues.

A.1 Customers contacting the International Pension Centre

The survey was designed to cover the population of contacts made by people with IPC who:

- had first hand contact with IPC concerning a range of issues to do with their pension claim or other pensioner benefit;
- were not yet pensioners but who were calling to obtain advice on their pension status if they were either living abroad or if they were considering moving abroad in the future;
- were non-professional customer representatives and;
- were in receipt of retirement pension for some time and were contacting with a query or change of circumstances.
The population of contacting customers comprised all contacts initiated by customers through any channel, including contacts made in writing (either through a letter or completing a form), by telephone, or by e-mail. All ‘professional’ customer representatives were excluded from the research (e.g. Citizens’ Advice Bureaux, Solicitors making contact on behalf of a client, Members of Parliament (MPs) making contact on behalf of a constituent). These parties were excluded because it was felt that they would make contact on behalf of a number of different people and their responses would be an ‘average’ of all their contact with the UK Pension Service, rather than thinking about a specific case.

In summary, the following people were not included in the survey, on the basis that they were either covered by The Pension Service Customer Survey\(^ {20} \) or were not contacting about pension related issue:

- professional customer representatives;
- working age customers (unless contacting about their pension status if they were either living abroad or if they were considering moving abroad at a future date);
- working age customers who were contacting IPC to discuss medical issues (i.e. medical insurance); and
- customers of all ages contacting to notify the service of a death.

### A.2 Creating the sample frame

The sampling strategy objectives were to produce a representative contact sample, that was cost-effective, and which did not impose an unreasonable burden on IPC staff. Customers’ main access to IPC is by calling a national phone number (+44 191 218 7777). Customers can also write to IPC or send an e-mail via The Pension Service website.

#### Recording customer’s details

To ensure that the sample of contacting customers for this survey was as representative as possible of the range of contacts made with IPC, an extensive sample collation exercise was conducted. This involved all IPC staff dealing with telephone, postal and e-mail enquiries recording customer details during March 2006.

This element of the study was of critical importance. Should staff have not been rigorous in their collection of contact details the coverage of the sample would have been compromised. This non-coverage would have resulted in bias in the survey results. Attempts were made to facilitate automated electronic recording of customer details where possible.

Overall, IPC staff recorded approximately 11,000 customer details. However, information for all contacts was not available due to incomplete information and duplicate records. Consequently, population estimates below for ‘mode of contact’ are based on approximately 10,000.

Table A.1 Customer details recorded by International Pension Centre by mode of contact

<table>
<thead>
<tr>
<th>Mode</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>E-mail/postal</td>
<td>3,920</td>
<td>39</td>
</tr>
<tr>
<td>Telephone and not known¹</td>
<td>6,133</td>
<td>61</td>
</tr>
<tr>
<td>Total</td>
<td>10,053</td>
<td>100</td>
</tr>
</tbody>
</table>

¹ Includes 38 cases where mode of contact is not known.

After address and telephone number cleaning, 5,283 pieces of sample were available. All of these were sent advance letters (see Appendix B for a copy of the letter).

Table A.2 Sample available by mode of contact

<table>
<thead>
<tr>
<th>Mode</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>E-mail/postal</td>
<td>1,497</td>
<td>28</td>
</tr>
<tr>
<td>Telephone and not known¹</td>
<td>3,786</td>
<td>72</td>
</tr>
<tr>
<td>Total</td>
<td>5,283</td>
<td>100</td>
</tr>
</tbody>
</table>

¹ Includes 11 cases where mode of contact is not known.

Selecting the ‘main’ sample

A ‘main’ sample of 3,350 was selected to allow for 2,500 pieces of sample to be available for interviewing at the start of fieldwork assuming a 25 per cent opt out from the advance letters.

The main sample to be issued replicated the proportions of ‘telephone’ and ‘postal and e-mail’ proportions in the original 10,000 as the cleaning process had disproportionately removed incomplete customer details from postal and e-mail contacts. From all 5,283 records available, the following steps were taken to select the ‘main’ sample to be issued:

- the sample was stratified by mode of contact (telephone/ postal and e-mail);
- both files were then sorted alphabetically by country within country group (UK, EU, non-EU);
- within each stratifier the ‘main’ sample was selected with a fixed interval and random start.
Table A.3  Main sample issued

<table>
<thead>
<tr>
<th>Mode</th>
<th>Population Percentage</th>
<th>Sample available</th>
<th>Main sample</th>
<th>Sampling interval</th>
<th>Reserve sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>E-mail/postal</td>
<td>39</td>
<td>1,497</td>
<td>1,306</td>
<td>1.14625</td>
<td>191</td>
</tr>
<tr>
<td>Telephone and not known</td>
<td>61</td>
<td>3,786</td>
<td>2,044</td>
<td>1.85225</td>
<td>1,742</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>5,283</td>
<td>3,350</td>
<td></td>
<td>1,933</td>
</tr>
</tbody>
</table>

A.3  Response rates

A total of 1,084 interviews were achieved between 19 July and 6 September 2006. A full breakdown of response is shown in Table A.4.

Table A.4  Response details

| Main sample issued                                | 3,350 |
| Removed Israel and Lebanon sample                | 21    |
| Office opt-out                                    | 902   |
| Sample issued to telephone unit                  | 2,659 |
| Invalid sample data                              | 800   |
| Invalid telephone number (e.g. incorrect and business numbers) | 388   |
| Deceased                                          | 13    |
| Moved                                             | 55    |
| Unknown at number                                 | 103   |
| No contact with IPC                               | 241   |
| Total valid sample with final outcome             | 1,627 |
| Full interviews                                   | 1,084 |
| Personal refusal to interviewer                   | 257   |
| Abandoned interview                               | 9     |
| Unavailable during fieldwork                      | 58    |
| Respondent long-term ill/incapable of interview   | 18    |
| Ten+ unsuccessful calls                           | 156   |
| No contact during fieldwork                       | 45    |
| Fieldwork response rate                           | 67%   |
| Overall response rate                             | 33%   |

1 Due to the conflict at the time, 21 customers living in Israel and Lebanon were removed from the issued sample. These cases are not included in the overall response rate calculation.

The fieldwork response rate (67 per cent) is calculated based on the productivity of valid and eligible sample. The definition of eligibility excludes; respondents who opted out; respondents who died; invalid or incorrect telephone numbers; unknown at number, customer has moved and customers who denied contacting IPC. The
Overall response rate (33 per cent) calculates the response rate as being the number of interviews by the number of cases issued.

The main factors for non-response in this survey were the high number of opt-outs (27 per cent) and invalid sample (24 per cent).

A.4 Weighting

Rim weighting was used to adjust for non-response in both ‘mode of contact’ and ‘county of residence group’. The proportion of ‘e-mail/postal’ and ‘telephone’ contacts in the achieved interviews was in line with, but not exactly matching, the proportions that were issued. Consequently, there is only marginal difference in non-response by mode of contact, which non-response weights were used to adjust for (Table A.5).

Table A.5 Comparison of mode of contact proportions – population, issued and achieved sample

<table>
<thead>
<tr>
<th>Mode of contact</th>
<th>Population %</th>
<th>Issued %</th>
<th>Achieved %</th>
</tr>
</thead>
<tbody>
<tr>
<td>E-mail/postal</td>
<td>39</td>
<td>39</td>
<td>37</td>
</tr>
<tr>
<td>Telephone and not known</td>
<td>61</td>
<td>61</td>
<td>63</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Base 10,053 3,350 1,084

The population estimate for mode of contact is available for 10,053 compared to the population estimate for country of residence which is only available for 8,343. Therefore, there were 1,710 customer details collected by IPC for which the customer’s mode of contacting IPC was known, but their country of residence was not. This is a result of being unable to match address details or from incomplete address information. Consequently, country population proportions have been adjusted based on the country distribution within mode of contact for the full 10,053 customers. These adjusted population proportions were used for non-response weighting as it was felt that although similar, they were slightly more accurate than the proportions based on 8,343.
Table A.6  Comparison of country of residence proportions – population, issued and achieved sample

<table>
<thead>
<tr>
<th>Country group</th>
<th>Population¹ %</th>
<th>Population² %</th>
<th>Issued %</th>
<th>Achieved %</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>16</td>
<td>15</td>
<td>15</td>
<td>9</td>
</tr>
<tr>
<td>EU</td>
<td>34</td>
<td>34</td>
<td>36</td>
<td>34</td>
</tr>
<tr>
<td>Non-EU</td>
<td>51</td>
<td>51</td>
<td>50</td>
<td>57</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Base</td>
<td>10,053</td>
<td>8,343</td>
<td>3,350</td>
<td>1,084</td>
</tr>
</tbody>
</table>

¹ Country of residence proportions based on 10,053 assuming that the 1,710 customers without country of residence information fall proportionately across all country groups within mode of contact.

² Country of residence proportions based on 8,343 customer contacts for which country of residence was known.

A.5 Questionnaire design

A copy of the questionnaire is available on the DWP website. The questionnaire included the following topics:

- methods used to contact and preferred method;
- internet and e-mail usage;
- contact with IPC (in particular by telephone and postal);
- whether sent documents and valuables;
- complaints;
- demographics.

Where applicable, the Pension Service Customer Satisfaction 2005 survey formed the basis of some topic areas.

A.6 Fieldwork and data processing

A.6.1 Fieldwork

All respondents were sent an advance letter on Department for Work and Pensions (DWP) headed paper four weeks before the start of fieldwork. This letter explained the purpose of the study, reasons for their inclusion in the research sample and the form the survey would take. These letters included a free post postcard for respondents to return if they did not wish to be contacted. The names and telephone numbers of both a researcher from BMRB and DWP were also provided for customers to contact. Contact details of everyone who opted out of the research were removed from the sample to be called.

All interviews were carried out using Computer Assisted Telephone Interviewing (CATI). Due to the international nature of this project, all customer details were assigned to an appropriate interviewing shift to ensure that they were only called during acceptable day time hours in their country of residence. Telephone staff in London worked the following shifts: 4am-8am, 9am-1pm, 1pm-5pm, 5pm-9pm and 9pm-midnight.

All fieldwork took place between 19 July and 6 September 2006, and was conducted by interviewers working on behalf of BMRB. Where the named respondent had been identified by an interviewer as not speaking adequate English to conduct the interview, a translator from Language Line was used to provide verbal translations for a shortened version of the questionnaire. Four interviews of this kind were conducted with one Spanish speaking customer and three German speaking customers. The final number of interviews was 1,084, giving a fieldwork response rate of 67 per cent (see Section A.3).

A.6.2 Data processing

Coding staff checked verbatim answers entered by interviewers at open and ‘other specify’ questions. Code frames were then produced in consultation with researchers at BMRB.

A.7 Multivariate analysis

In order to identify the factors that impacted upon customer satisfaction with IPC, three logistic regression models were created. The first two models looked at satisfaction with the most recent enquiry, while the third model looked at satisfaction with IPC overall. The two models looking at satisfaction with most recent enquiry were split between telephone contact and postal contact in order to examine factors that are specific to these methods of contacting IPC.

The logistic regression results show the explanatory power of different factors on the likelihood of customers being dissatisfied, when controlling for all other factors. The tables below show the odds ratios (as reported in Chapter 3), the change in probability and the level of significance.

Odds ratios

The odds ratios are calculated by taking the ratio of the odds of one group being dissatisfied compared to the odds of the reference group being dissatisfied. An odds ratio greater than one implies an increased likelihood of dissatisfaction. An odds ratio of less than one implies a decreased likelihood dissatisfaction. For example, the odds ratios in Table A.1 show that when looking at customers who have called IPC, customers who said their most recent enquiry has not concluded are

The reference group is indicated in each table by the characteristic with an odds ratio of (1.0).
five and a half times more likely to be dissatisfied, compared to the reference group of customers whose most recent enquiry has concluded.

**Change of probability**

The change in probability of being dissatisfied for each group compared to the reference category has been calculated in order to show the effect the factor has on the probability of being dissatisfied. The probability of a person in all the reference categories being dissatisfied is indicated by the odds ratio of the constant, calculated in SPSS. For example, in the first model, a person in all the reference categories has a 2.1 per cent chance of being dissatisfied. However, if their enquiry has not concluded this probability increases from 2.1 to 10.7 per cent chance of being dissatisfied.

**Significance**

Whether or not variables were included in the earlier models was based upon the statistical significance of their bivariate relationship with satisfaction, as reported in Chapter 4. However, the final models shown here only include variables that were also found to have significant effect on satisfaction in the multivariate analysis, all others were removed if not statistically significant. Variables that are statistically significant at the 95 per cent confidence level (i.e. less than ‘0.05’ statistical significance) are indicated by an asterisk in the tables.

The pseudo R square reported here (at the base of each table) is the Nagelkerke R square calculated in SPSS and indicates the extent to which the model explains the variance in dissatisfaction of respondents, with a maximum value of 1.0 indicating perfect explanatory power. The tables show that for the two models looking at the most recent enquiry, around one-third of the variance is explained, but for the model exploring overall satisfaction, around half of the variance is explained.

**Model 1 Customers corresponding by phone**

As reported in Chapter 3, the majority of customers’ most recent enquiries involved contacting IPC by telephone (71 per cent).

The variable being modelled is ‘level of satisfaction with the customers’ most recent enquiry’, for only those customers who telephoned IPC. For the purposes of this

---

23 The probability is calculated using the formula ORx/1+ORx where OR is the product of the appropriate odds ratio. For someone in all reference categories this is the odds ratio of the constant, also known as the base odds. In model 1, for someone in all the reference categories except that their enquiry has not concluded (whereas the reference category is that the enquiry has concluded), we multiply the base odds by the odds ratio to calculate x. Therefore, the change in probability (8.5 per cent) is the probability of the latter (10.7 per cent), less the probability of the person in the reference categories (2.1 per cent).

24 This means that there is less than a five percent chance that the variable of interest actually had no effect on dissatisfaction.
analysis, this variable is grouped into customers who reported being ‘very or fairly satisfied’ with IPC and customers who reported being ‘fairly or very dissatisfied’ with IPC in relation to their most recent enquiry. The model examines the effect of different factors on dissatisfaction when controlling for all other variables in the model. Table A.7 shows the odds ratios and change in probability of being dissatisfied for each group compared to the reference group and whether or not these differences were significant.

**Table A.7  Satisfaction with most recent enquiry for telephone contacts**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Odds ratio of being dissatisfied</th>
<th>Change in probability of being dissatisfied (%)</th>
<th>Statistical significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whether the enquiry has concluded</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Yes)</td>
<td>(1.0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>5.5</td>
<td>8.5</td>
<td>0.000*</td>
</tr>
<tr>
<td>Whether query was fully answered at the first call</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Yes)</td>
<td>(1.0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>4.1</td>
<td>6.1</td>
<td>0.000*</td>
</tr>
<tr>
<td>How easy customer found it to find the correct telephone number</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Easy)</td>
<td>(1.0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Difficult</td>
<td>2.9</td>
<td>3.9</td>
<td>0.001*</td>
</tr>
<tr>
<td>Whether had to correct any personal details</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(No)</td>
<td>(1.0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>2.6</td>
<td>3.2</td>
<td>0.002*</td>
</tr>
<tr>
<td>Whether called IPC four or more times during enquiry</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(No)</td>
<td>(1.0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>2.1</td>
<td>2.2</td>
<td>0.012*</td>
</tr>
<tr>
<td>Country of residence</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Rest of the world)</td>
<td>(1.0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>UK</td>
<td>1.8</td>
<td>1.7</td>
<td>0.085</td>
</tr>
<tr>
<td>EU</td>
<td>2.2</td>
<td>2.5</td>
<td>0.009*</td>
</tr>
</tbody>
</table>

Continued
Table A.7  Continued

<table>
<thead>
<tr>
<th>Variable</th>
<th>Odds ratio of being dissatisfied</th>
<th>Change in probability of being dissatisfied (%)</th>
<th>Statistical significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whether called back by IPC (Did not require or receive a call back from IPC)</td>
<td>(1.0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Called back by IPC – same person they had already spoken to</td>
<td>0.3</td>
<td>-1.5</td>
<td>0.008*</td>
</tr>
<tr>
<td>Called back by IPC – someone they had not previously spoken to</td>
<td>0.7</td>
<td>-0.6</td>
<td>0.431</td>
</tr>
</tbody>
</table>

R-square: 0.365
* = statistically significant

The two key factors shown here to affect a customer’s satisfaction with IPC when telephoning them are related to query resolution. Following on from this are other issues related to the amount of contact and ‘ease’ of contacting IPC. For example, whether or not the enquiry was fully answered at the first call and the number of times they called during the enquiry, as well as how easy they found it to find the correct telephone number. To a lesser extent, the likelihood of dissatisfaction was decreased by having someone the customer had previously spoken to at IPC call them back during the enquiry. Callers from the EU are more likely to be dissatisfied than those calling from the rest of the world, but when controlling for all other factors customers from the UK were not more likely to be dissatisfied compared to customers calling from the rest of the world.

The following variables were not included in the final regression model because they were not significant:

- whether the customer got through to IPC at first attempt (yes, no);
- length of time customer had to wait before call was answered (less than one minute, one minute or longer);
- whether the customer had to speak to more than one member of staff (yes, no);
- whether IPC was required to make a decision (yes, no);
- whether the customer has a long-standing illness, disability or infirmity (yes, no);
- whether gave IPC valuable documents during enquiry (yes, no).

It was not possible to include some variables in the analysis that were only asked of a subgroup of customers, such as whether or not customers had to repeat a lot of information if they spoke to more than one person.

25 Variables that did not have a significant effect on levels of satisfaction at the bivariate level are also not included in the multivariate analysis, such whether or not English is the customer’s first language.
**Model 2 Customers corresponding by post**

The second logistic regression model was created for customers whose most recent enquiry included writing a letter to IPC. As reported in Chapter 5, 37 per cent of respondents had written a letter to IPC since 1 January 2006. Various factors related to writing to IPC affect satisfaction, as discussed in Chapter 3 Section 1.2.3. However, some factors were based on too few customers to be included in this multivariate analysis report here.

As with the previous telephone model, the variable being modelled is level of satisfaction with the customers’ most recent enquiry. This is grouped into customers who reported being very or fairly satisfied with IPC and customers who reported being fairly or very dissatisfied with IPC in relation to their most recent enquiry.

Based on customers who wrote to IPC, Table A.8 shows the factors that had a significant effect on customers being dissatisfied with their most recent enquiry.

**Table A.8 Satisfaction with most recent enquiry for written contacts**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Odds ratio of being dissatisfied</th>
<th>Change in probability of being dissatisfied (%)</th>
<th>Statistical significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whether the enquiry has concluded</td>
<td>(1.0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Yes)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>3.6</td>
<td>14.5</td>
<td>0.000*</td>
</tr>
<tr>
<td>Length of time before customer got reply to letter</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Received a reply within one month</td>
<td>(1.0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Did not receive a reply</td>
<td>3.0</td>
<td>11.3</td>
<td>0.002*</td>
</tr>
<tr>
<td>Received a reply but it took longer than one month</td>
<td>1.6</td>
<td>3.7</td>
<td>0.238</td>
</tr>
<tr>
<td>Number of times customer wrote to IPC</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Once)</td>
<td>(1.0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Two or more times</td>
<td>2.6</td>
<td>9.2</td>
<td>0.003*</td>
</tr>
<tr>
<td>Whether sent IPC important or valuable documents and if so, whether clear how long they would be kept for</td>
<td>(1.0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Did not give IPC documents)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sent documents and clear how long they would be kept for</td>
<td>0.2</td>
<td>-5.4</td>
<td>0.021*</td>
</tr>
<tr>
<td>Sent documents and not clear how long they would be kept for</td>
<td>1.3</td>
<td>1.8</td>
<td>0.538</td>
</tr>
</tbody>
</table>

R-square: 0.272

* = statistically significant
As with customers who called IPC, whether or not their most recent enquiry had concluded was the main factor that effected satisfaction. Similarly, not getting a reply to their letter, having to write more than once and not being clear how long documents would be kept for, all contribute to an increased likelihood of being dissatisfied.

**Model 3 Understanding drivers of overall satisfaction**

A third logistic regression model was created to understand drivers of overall satisfaction with IPC (Table A.9). As discussed in Chapter 3, Section 2, there are many factors that influence overall satisfaction with IPC and consequently it is important to understand how these affect satisfaction when all other factors are controlled for.

The relationship between the variables being entered in the model is important when conducting any logistic regression. If an independent variable is too highly correlated with the variable being modelled it is not usually included. Whether or not the customer is satisfied with their most recent enquiry is highly correlated with whether or not they are satisfied with IPC overall (the two have a Pearson Correlation coefficient of 0.65 out of a possible 1.0; the latter indicates perfect correlation). For this reason, satisfaction with most recent enquiry was excluded from this model.

**Table A.9 Overall satisfaction with International Pension Centre**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Odds ratio of being dissatisfied</th>
<th>Change in probability of being dissatisfied (%)</th>
<th>Statistical significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whether IPC provided the customer with accurate information</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agree</td>
<td>(1.0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disagree</td>
<td>5.8</td>
<td>4.7</td>
<td>0.000*</td>
</tr>
<tr>
<td>Whether IPC dealt with enquiry promptly</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agree</td>
<td>(1.0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disagree</td>
<td>5.4</td>
<td>4.3</td>
<td>0.000*</td>
</tr>
<tr>
<td>Whether IPC told customer what would happen with enquiry</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agree</td>
<td>(1.0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disagree</td>
<td>4.1</td>
<td>3.1</td>
<td>0.000*</td>
</tr>
<tr>
<td>Whether the enquiry has concluded (Yes)</td>
<td>(1.0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>3.7</td>
<td>2.7</td>
<td>0.000*</td>
</tr>
<tr>
<td>Whether customer had to provide important or valuable documents (Yes)</td>
<td>(1.0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>2.9</td>
<td>1.9</td>
<td>0.000*</td>
</tr>
</tbody>
</table>

R-square: 0.491

* = statistically significant
These results indicate that the largest change in probability of being dissatisfied is with customers who ‘disagreed’ that IPC provided them with accurate information and that IPC dealt with the enquiry promptly. Not being told what would happen with the enquiry also affects the likelihood of dissatisfaction when all other factors are controlled for.

As with the previous two models, whether or not the enquiry had concluded increased the probability of being dissatisfied with IPC overall. However, it is worth noting that the change in probability here is smaller (around three per cent) compared to 14.5 per cent change when looking solely at customers who wrote, and 8.5 per cent change when looking solely at customers who telephoned IPC.

Providing IPC with important or valuable documents also increased the likelihood of a customer being dissatisfied. However, it is worth noting that the change in probability of being dissatisfied is small, around two per cent.

The following variables were not included in this final regression model because they were not significant:

• whether the customer lived in the UK;
• whether the customer had to correct personal details;
• the number of times a customer contacted IPC since 1 January 2006;
• whether IPC was required to make a decision;
• whether the customer agreed that IPC were easy to understand.
Appendix B
Fieldwork documents

Advance letter

Reference No: 45014577/<serial >

<Title><Name><Surname>
<Address 1>
<Address 2>
<Address 3>
<Address 4> <Postcode> June 2006

Dear <Title><Name><Surname>

I am writing to ask for your help. The UK International Pension Centre is part of the UK’s Department for Work and Pensions (DWP) and is responsible for calculating and paying the UK State Pension to those who are entitled to it. The UK International Pension Centre has asked BMRB, an independent research organisation, to carry out research to look at the service we provide to our customers. This letter provides some details about the research and tells you what to do if you do not want to take part.

How did we get your name?

Whether you are currently living in the UK or abroad, you recently contacted The UK International Pension Centre either on your own, or someone else’s, behalf. Your name has been randomly selected from a record of the people who contacted the Service around the same time as yourself.
What is the purpose of the research?
The purpose of the research is to find out what you think of the service that The UK International Pension Centre provides – what is good and what could be better? This will help the Department to make improvements to the service.

What will happen next?
BMRB may call you in the next couple of months to ask whether you would be willing to take part in an interview. The interview will be over the telephone and will take around 20 minutes. Everything you tell BMRB will, of course, be in complete confidence. No information that could identify you will be passed on to The UK International Pension Centre, the UK Department for Work and Pensions or anyone else.

What to do if you do not want to take part
I do hope that you will be able to take part in this important research. However, if you do not want to take part, please:

• return the enclosed postcard. It is free, no stamps are required.

If you return the postcard you will not be called to take part in the study.

Whatever you decide, your pension or benefit claim will not be affected in any way either now or in the future.

What to do if you want further information
If you have any further queries or want to discuss this research, you can contact the research team at BMRB on +44 (0)208 433 4349 or you can contact me, Vicky Petrie, on +44 (0)207 962 8555.

Thank you in advance for your help.

Yours sincerely

Vicky Petrie
Senior Research Officer
Department for Work and Pensions