



MONEY CLAIMS: RESEARCH SUMMARY

A qualitative insight study for HM Courts and Tribunals Service exploring views and experiences of submitting and defending money claims

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1. Research background, objectives and method

HM Courts and Tribunals Service administers the justice system in England and Wales (i.e. the criminal, civil and family courts and tribunals). It is introducing changes to the way that some of its services are delivered and is seeking to better understand the customers' experiences to ensure that their needs inform the delivery of service improvements. This report describes the results of qualitative research to explore user's experiences of HM Courts and Tribunals Service money claims processes.

Currently, if an individual believes someone owes them money and decides to take court action, they can submit a money claim using one of three channels:

- Submitting a claim online through the Money Claim Online (MCOL) tool;
- Filling in and sending a paper form to be processed via the County Court Money Claims Centre (CCMCC);
- Filing a claim through the automated Claim Production Centre (or Bulk Centre).

In March 2012, HM Courts and Tribunals Service moved the processing of paper form claims from local county courts to a single business centre which is supported by a contact centre which handles all public queries. Together, the business and contact centres are called the County Court Money Claims Centre (CCMCC). A key aspect of this research was to explore users' experiences of using the new CCMCC to identify where the process could be improved in the future and to identify implications for the future roll-out of further business centres.

Aligned with the wider Government move towards 'Digital by Default', HM Courts and Tribunals Service is aiming to encourage a larger proportion of its customers to use the Money Claim Online (MCOL) service. A second key aspect of this research was to better understand customers' online experiences so as to identify what barriers (if any) exist for users to access services online.

It is worth stating here that in its first year of operations, CCMCC has dealt with over 2 million items of work and issued more than 372,000 claims.

1.1 Objectives

The key aims of the research were to:

- Explore customers' experiences and views of different services for submitting/defending money claims and identify areas that customers find problematic that could be improved to deliver better services.
- Understand why customers choose to use these services, and what role their knowledge, awareness and expectations play in these decisions.
- Examine factors that encourage customers to access online services and understand what barriers (if any) exist for users to access services online; exploring how and if any barriers could be overcome.
- Develop customer understanding to help support future change around development of online services, business centres and contact centres as well as exploring issues that may arise from looking at the end-to-end customer experience.
- Gather customers' views and feedback on current information materials and find out who customers go to or trust for advice when their issue first arises

1.2 Method

HM Courts and Tribunals Service commissioned GfK NOP to conduct qualitative research to explore the experiences of those who had submitted and/or defended a money claim between April and October 2012. The research was conducted in two stages; the first stage comprised of workshops, face to face interviews and telephone interviews with HM Courts and Tribunals Service staff and stakeholders. The second stage involved face-to-face and telephone in-depth interviews with customers, including those claimants with specific needs, such as disabilities. Overall, **81** interviews were conducted with customers, which comprised **seven** face to face pilot interviews, **70** telephone interviews with claimants and **four** face to face interviews with claimants with specific needs. Each interview lasted one hour on average.

1.3 Analysis

Researchers conducted detailed content analysis to analyse the qualitative data. Responses were thematically mapped onto a coding framework, enabling researchers to draw out key themes, examine differences between the different claimants, and identify interesting verbatim quotations. Researchers then cross-examined emerging findings to draw out the main issues and ensure that findings reflected participants across the sample.

1.4 Sample design

The sample included participants using all three channels when submitting or defending a claim - MCOL, CCMCC or the Bulk Centre. As outlined in Table 1, the sample included;

- Solicitors acting on behalf of a client or for the interest of their own firm of solicitors;
- Customers representing themselves; and
- Customers who employed a solicitor to act on their behalf.

Table 1: Breakdown of sample

	MCOL	CCMCC	Bulk Centre
Legal professionals	14	14	9
Unrepresented claimants e.g., made claim by themselves	7	9	
Represented claimants e.g. used a solicitor	6	7	
Defendants	9	6	
Sub total	36	36	9
Total		81	

1.5 Recruitment

Recruitment was carried out using an 'opt-in' approach. Letters were sent out to a selection of money claims customers who had received a judgment on their case within the last 9 months (since April 2012), asking them to phone or email their details to the research agency if they wished to take part in the research. Once they had given their details, they were then contacted by GfK appointed recruiters who administered a screening questionnaire to establish the type of user they were (e.g. legal professional or individual defendant) and arrange a time and date to carry out the interview.

1.6 Strengths and limitations of the qualitative approach

A powerful research tool, qualitative research enables a detailed exploration of specific issues and allows a carefully selected sample of respondents to express their views using their own words. Unlike quantitative research, qualitative studies usually involve a small sample of individuals. Consequently, qualitative research cannot be used to make generalisations about the population at large. Given the self-selective nature of recruitment, findings from this research cannot be seen as representative of the general population.

1.7 Terms of reference

Several terms are used to describe the different types of participants. Those making claims are referred to as '*claimants*' whilst those defending claims are referred to as '*defendants*'. The term '*customer*' refers to any users of the Money Claims service, including both claimants and defendants. *Customers* can include private individuals making claims by themselves or via a solicitor, and businesses and legal professionals (e.g. solicitors). *Claimants* include both private individuals and businesses and sometimes these cannot always be separated because of the nature of the claims discussed in the interviews. Where possible, the views of legal professionals are presented separately. *Claimants* may include solicitors, but in the main these are representatives of claimants or defendants.

2. Awareness and knowledge of the money claims process

This section describes findings related to customer's awareness and knowledge of the money claims process.

Customers often came to the money claims service having initially searched the Internet for 'small claims', which is a term the majority of participants were familiar with. There was low awareness of the term 'money claims' or 'Money Claims Online'. Research participants used the money claims service to submit and defend a wide variety of claims. The types of claims varied from individuals making one-off claims to businesses submitting and defending claims on a more frequent basis.

Legal professionals tended to be familiar with both the paper and online money claims process, with prior experience of local courts and small claims in general. They were dealing with claims for a range of corporate clients and individuals to recover debt liabilities incurred by both individuals and businesses. Their attitudes towards the money claims system were to some extent driven by perceptions of, and a preference for, the previous local court system. The majority had been required to change their working habits to interact with the new system and many preferred the old way of working. Many also felt that the new system reduced the level of personal service they had received at local courts.

2.1 Information and guidance sources

Most **customers** were aware of the system as a result of previous use. First time users tended to have an awareness of some sort of ‘small claims’ system, but were unsure of what to expect from the process itself. Some understanding of the system had been gleaned from popular “fly on the wall” shows such as ‘Cowboy Builders’.¹ There was a general understanding that ‘small claims’ refers to claims under £5,000², which, as most participants were aware, can be submitted without the need for a solicitor or any legal representation. Indeed, for many, the cost of using a solicitor would vastly outweigh the value of their original claim and therefore put them off submitting a claim.

Prior to making the claim or defending it, many sought advice from family and friends with legal training or who may have knowledge of the process. Others had used a search engine to look up ‘small claims’ and possibly visited Ministry of Justice (MoJ) or GOV.UK websites. It should be noted that many participants had submitted their claim many months previously, prior to the GOV.UK website going live in October 2012, and so recollection of the specific websites they had visited was quite low. However, it was clear that there was little recognition of MoJ as having ownership of the money claims online form or information and guidance.

2.2 Motivations for choice of channel

Both practical and emotional factors played a part in customers’ choice of channel for their money claim. Practical factors around the preference for **paper** submissions included:

- Being unaware that an online submission is an option; especially if they have been given a form by a 3rd party e.g. Citizens Advice Bureau;
- A general dislike of reading documents on screen;
- A lack of high quality internet connections in rural areas;
- Capacity of paper forms to allow more space for detailing particulars of claim and providing more evidence with attached documents;
- Being able to complete the paper form at their convenience, returning to it whenever they can; something they perceive is not possible with the online form.

Emotional factors that pushed customers towards paper claim forms were to do with fear of the unfamiliar and discomfort with operating in an online sphere.

Defendants tended to receive notification of the claim by letter and there was little awareness that they could respond to the claim online. Consequently, there was a tendency to conduct their defence using a paper-based form. There was also perception amongst a few that legal documents have to be signed and they believed this was not possible with an online form.

¹ <http://www.channel5.com/shows/cowboy-builders>

² This research took place before the limit was increased to £10,000 in April 2013

Most **claimants** who chose to use the **online form** found it easy and convenient to use. Those familiar and comfortable with working in an online environment regarded it as a normal way of communicating. This was particularly true for younger people and those who work in offices and are used to using the internet in their daily lives.

Legal professionals in the sample comprised an even split of online and paper users on the basis of a recent case they had dealt with. However, it was clear that many were using both systems in their professional capacity, so were able to comment on what they perceived to be the pros and cons of each system. Organisations using paper forms to submit claims typically did so because their Case Management Systems were set up to print onto paper forms. Although for some organisations, a paper based approach was used because that is how the organisation has always operated.

However, a number of organisations using MCOL tended to find the system quicker and more efficient than the paper based approach.

3. Customer experience of the money claim process

Paper and **online claimants** reported that the N1 claim form – the main claim form by which MCOL & CCMCC claims are made³ - was simple and straightforward to complete. However, those with less knowledge of completing official forms and first time users of the process were more likely to feel intimidated by the form. A number of participants reported difficulties in being able to find guidance to help them complete the form, both on paper and online.

3.1 Submitting the claim

The **online form** was generally seen as a quick and efficient way of submitting the claim. However, there were a number of issues that caused customers to become frustrated:

- **Character limitations:** the form limits the number of characters available to input the claim details, which means they cannot add as much useful information as they would like which could help their claim;
- **Technical problems:** a few participants found that the online form ‘timed out’ which meant they lost their work and the consequence for some was that they reverted to using the paper form;
- **Automatic interest calculator:** some claimants found calculating the interest online difficult and were confused as to why the system did not automatically calculate it for them.

The three overarching problems that claimants experienced when submitting their **paper forms** to the CCMCC were:

- **Returned Forms:** A number of claimants had their claim forms returned to them following submission, with a few having them returned on more than one occasion. Problems included: people not submitting the correct number of copies; errors in the

³ <http://hmctsfinder.justice.gov.uk/courtfinder/forms/n001-eng.pdf>

form details (e.g. putting defendant's address in the incorrect box); incorrect fees attached or fees not being attached to the claim at all.

- **Lost and delayed post:** A key issue when submitting the claim forms (and other correspondence throughout the process) to the CCMCC was lost or delayed post. This was the case both for standard post and recorded delivery with a number of claimants reporting that their forms had been lost or misplaced.
- **Tracking and Notification:** Some paper claimants found it difficult to track the progress of their claim. This was partly linked to the delay that they experienced in the processing of post at CCMCC and in extreme cases this had caused delays of up to ten working days. Until the form has been processed by CCMCC, call centre staff are unable to help the claimant as the case does not exist on the system. The inability of call centre staff to help customers track their claim resulted in frustration amongst customers.

A small number of **online claimants** stated that errors on their **online form** meant they had had to re-submit the form and re-pay the fee to be able to do so, although this seems to be because of confusion as to how the system worked rather than being told this was the case. There was a perception that the online form does not have any 'human checks' in place to keep an eye on vexatious or spurious claims or to detect inaccuracies; consequently some cases are processed to a late stage before problems are identified⁴.

3.2 Defending a claim

It is pertinent to note the potential issues concerning recruitment of money claims defendants using an opt-in approach described earlier in the recruitment section. Defendants who have had judgments against them may not have wanted to take part for a number of reasons (e.g. embarrassment or distrust of the research motives). It is important to bear in mind that the findings described here reflect a sample of only **15 defendants**.

Overall, the defendants were not surprised at receiving the claim against them as they had normally been arguing or debating with the claimant about the money for some time. The majority of **unrepresented defendants** were private individuals and small businesses who, upon receiving notification of the claim against them, decided to represent themselves and avoid using solicitors. They tended to be quite knowledgeable about their rights or have a reasonable level of awareness about the 'small claims' system which meant they were confident that they could defend the claim themselves.

Represented defendants employed legal professionals to conduct their case because:

- Their insurance company had appointed a solicitor for them following a road traffic accident or collision or they had discovered that the cost of using a solicitor was covered by their home insurance;
- They felt the claim was too serious or involved too much money for them to risk defending it themselves and getting it wrong;
- They lacked the knowledge or confidence to defend the claim themselves.

⁴ In reality human checks would not eradicate vexatious or spurious claims as this is a judicial decision

4. Going to court

Once a case is at the point where it needs to go to court then the claimant and defendant are sent an allocation questionnaire to establish where the case should be heard and identify any days on which the parties are unable to attend court. Two key issues arise at this stage that can cause surprise and anxiety:

- **Additional fee requirement:** some claimants were surprised to find that they were obliged to pay further fees at this stage to take the case to court and felt this should be made clearer at the outset.
- **Court allocation in favour of defendant:** many claimants were annoyed that the court was allocated in favour of the defendant. This was an issue if the two parties lived in different areas. The claimants felt this unfairly favoured the defendant and resulted in extra travel costs and time off work.

Three issues emerged as key at the point of receiving the court date and going to court:

- **Length of time until court appearance:** A number of participants were surprised by the length of the delay between receiving notification of the court date and the actual date itself with some people waiting in excess of six months.
- **Lack of communications:** Some participants become anxious at a lack of communication following on from the initial flurry of letters and forms. This was especially the case where a long gap occurs between the allocation and the hearing.
- **Perception that defendant is favoured:** The length of time between the allocation of the court date and the hearing caused some claimants to feel that defendants were given an unfair length of time to respond to the claim against them. The consequence for some claimants was that the defendants responded to the claim very late on, giving the claimant less time to prepare themselves before going to court.

5. Customer needs during money claim process

Help and guidance used by paper and online users fell into three different categories throughout the process:

1. Contacting the call centre: For those participants who tried to contact the call centre, four key problems were raised⁵:

- Phones not answered quickly enough /going to voicemail;
- Inability to get through because the phones were engaged;
- Inability to contact other services such as local court;
- A lack of awareness about where to go and complain.

2. Call centre staff: Participants were not always clear whether they had contacted their local court or the call centre. This lack of awareness is perhaps a problem in itself.

The three key issues around contacting the call centre were:

- The inability of staff to offer advice and frustrations around what constitutes 'advice' as opposed to 'legal advice'. Some participants felt that the staff did not differentiate

⁵ It is worth bearing in mind that the average abandonment rate is 5% and since August 2012 the average call waiting time is two minutes

between the two and more often than not decided to give no advice rather than risk mistakenly giving legal advice;

- The inability of staff to be able to track the progress of a claim;
- Some participants found that some members of staff were unable to help them track down appropriate guidance to assist them with filling out forms.

3. Guidance: Many participants found it hard to recall the specific guidance they used given the length of time that had passed. However, it has been possible to pull out some overarching themes relating to usefulness of the guidance:

- *Simpler language:* The majority of participants reported no problems with the language used, although this was not the case for everyone with some requiring simpler language in the guidance.
- *Finding the guidance:* The main complaint that both paper and online claimants and defendants reported was in difficulties experienced in finding the specific guidance they needed online.
- *Branding:* One key issue around the provision of guidance is the lack of 'brand awareness' of the MoJ or GOV.UK site. It was not particularly clear to participants that they should have used the MoJ and GOV.UK websites to find guidance around the money claims process, especially as it was not always the top result when the search term 'small claims' was used.

6. Legal professionals' experience of money claims process

Legal professionals were much more engaged in the money claims process and their views were driven by the experience of moving to a central administrative system. The majority were resistant to this change and expressed a desire to see a return to the local court system, so it is important to bear this in mind in the context of the findings.

6.1 MCOL and CCMCC

The main issues that solicitors raised around the money claims process, covering both MCOL and CCMCC included:

- ***Lost, misplaced or delayed correspondence:*** similar to individual claimants, lost and delayed post causes problems for legal professionals, including management of client expectations, additional time and resources needed to rectify problems caused by any delays.
- ***Court allocations:*** for some legal professionals the key problems in a claim occur once a defence is entered and the case transfers to the local court as it can result in case files going missing for several weeks or months, in some cases.
- ***Lack of advice from call centre staff:*** legal professionals found that call centre staff did not always differentiate between 'advice' and 'legal advice'. Some legal professionals have been so disappointed by their experience with the call centre that they no longer use it.

6.2 Experience of MCOL

Legal professionals were on the whole more positive about the **online** process than the paper process. The key drivers of the positive elements are:

- The perceived speed of the submission
- The lack of multiple forms that CCMCC requires
- The ability to track the claim progress

However, there were two key frustrations around the **online** system:

- *Reversion to paper*: for those organisations who have moved to an online process it was confusing as to why the entire process does not get conducted online, as part of the process reverts to paper and requires a wet signature.
- *Form limitations*: the MCOL form was perceived to have two key limitations: firstly, it only allows a limited number of characters for the particulars of claim; and, secondly, it only allows attachments of a limited size. The consequence of these limitations was that for complex cases or those involving large attachments, the claim had to be submitted on paper.

7. Recommendations for improvements

In commissioning this research, HM Courts and Tribunals Service sought to better understand its customers' experiences of the money claims process so that their views could inform delivery of service improvements. The research summarised in this report provided detailed feedback from customers about their needs, experiences, awareness and knowledge of the online process and CCMCC, and direct feedback from HM Courts and Tribunals Service staff and other stakeholders.

Insights from the findings of this research broadly fit into the following categories:

- Overcoming the barriers to moving customers online;
- Guidance and information about the money claims process;
- Website branding, navigability and features;
- Communications and updates during the process;
- Administration and measures to reduce the time taken for claim processing.

The findings of this research have been shared with HM Court and Tribunals Service and have already helped them to identify a number of potential improvements to the money claims processes. Where feasible, these changes will be incorporated into the money claims process, potentially leading to an enhanced experience for future money claims customers, stakeholders, and staff.