



Report Title Complaints Report

Report of Assistant Director of Corporate Services

Report to People and Places Committee

Date 14 May 2024

Item Number 12

Action For Approval

Executive Summary

The status and profile of Customer Complaints has significantly increased in the last 3 years. Previously officers have reported on Complaints performance in late July/early August as part of the Customer Care Report, however we are bringing information to this Committee meeting for the following reasons:

- Timing of the Complaint Code submission.

- To report on year-end performance.
- To report on the outcome of the Internal Audit.

The Customer Care Report to the next Committee will still contain qualitative data and lessons learned from complaints, but this report contains the following sections.

Section 1- A summary of officers' assessment of compliance with the Ombudsman's Complaint Handling Code. This includes an explanation of where we do not comply. The full assessment is at **Appendix A**. This has resulted in some changes to policy at **Appendix B**.

Section 2- Analysis of complaint handling performance during 2023/24.

Section 3- Detail on Southway's Complaints Improvement Plan. The full document is available at **Appendix C**.

Recommendations

1. **Approve** the assessment of compliance with the Ombudsman Complaints Handling Code (**Appendix A**).
2. **Comment** on performance and planned service improvements.

3. **Approve** amendments to the Complaints Policy set out in **section 1.7** and **Appendix B**.

1. Ombudsman Complaint Handling Code

- 1.1 The Ombudsman introduced the Complaint Handling Code in 2020. The intention was to standardise the approach to complaint handling and improve practice across the sector.
- 1.2 In March 2022, the Ombudsman launched an extended Code, requiring Housing Associations to complete an annual self-assessment, report it to their Governing body, and rectify any areas of non-compliance by the 30 September.
- 1.3 Further amendments were introduced from 1st April this year. Committee received notification of what these were likely to be at their November 2023 meeting and approved a revised policy in anticipation.
- 1.4 The most notable change is that the Code is now statutory, meaning that landlords are obliged by law to follow its requirements. The Social Housing (Regulation) Act 2023 places a duty on the Housing Ombudsman to monitor compliance with the Code and ensure that all landlords meet the standards set out in it.

1.5 We now need to submit the self-assessment annually to the Ombudsman. This has been aligned with the Regulator of Social Housing’s requirements for the publication and submission of Tenant Satisfaction Measures (TSM) outcomes, which is 30th June 2024. Following submission, the Ombudsman may investigate issues of non-compliance proactively without a complaint being made.

2023/24-Self Assessment

1.6 Officers have completed the self-assessment which is attached at **Appendix A**.

In November, Committee approved an amended policy and self-assessment following a review by the Ombudsman. Even though this was based on the previous code most of the clauses still apply. We have made the following changes to policy to improve compliance with the revised Code:

Section	Amendment
1	Statement on Southway approach to Complaints.
4.3	Commitment to include details on how to complain for people who provide negative survey feedback.

4.5	Commitment to treat complainants with fairness and respect.
5.1 and 5.2	Sets out responsibility of all Southway Staff to deal with complaints and work collaboratively with the Complaints Team.
5.4	Commitment to dealing with a service request that has been complained about.
6.9 and 6.16	Commitment to provide the contact details of the Ombudsman if response time is extended.
7.3	Addition of steps we may take if we uphold a complaint.
7.4	Explanation that remedies will reflect the impact of the issue that complained about and that we will adhere to the Ombudsman's guidance.

1.7 There are two areas of non-compliance with the code:

- We do not have an unacceptable behaviour policy. We have related policies, such as Violence Against Staff and a section of the Complaints Policy relating to unreasonable complaints. Officers will produce a standalone policy by the end of July.
- We did not issue all Stage 1 and Stage 2 Complaints responses within policy timescales. See Section 2.1 for further details.

2. Complaints Performance 2023/24.

2.1 The table below shows Stage 1 and Stage 2 complaints responded to in time by Quarter during 2023/24. Southway's target is 90%:

Quarter	Number of Stage 1	% Completed in time	Number of Stage 2	% Completed in time
Q1	29	66%	8	63%
Q2	26	96%	11	91%
Q3	27	81%	4	100%
Q4	58	79%	12	75%

2.2 Committee should note the following:

- The improved performance during Quarter 2 (and into the early part of Quarter 3) was due to the higher profile given to complaints and the training provided to managers in March 2023.
- During this period there was work to improve processes, and support managers who handle complaints.
- In December 2023, Southway's website provider carried out work to upgrade the website. This caused some online forms, including the complaints form, to stop functioning. Tenants could still register their

complaint, but it did not come through to the Southway inbox. By the time, the problem was identified we had a significant backlog of complaints. We have now dealt with these, but it meant there was a high volume at the time of year we usually receive the most complaints, impacting on performance in Q4.

2.3 Most complaints received are dealt with by our Assets and Property Services teams. This reflects the higher volume of customer transactions that they undertake. Their performance is included in the table below:

Quarter	Number of Stage 1	% Completed in time	Number of Stage 2	% Completed in time
Q1	16	63%	4	50%
Q2	13	100%	6	100%
Q3	17	82%	4	100%
Q4	35	74%	4	50%

Committee will note that their results are broadly in line with the rest of the organisation, . There have, however been issues with the quality of responses. See **Section 3** for more detail.

2.4 There is a Corporate Management Group meeting on 15th May which will include all managers that handle complaints. They will be reminded of the importance of providing responses in time, particularly considering the legal status

of the Complaints Handling Code. In some cases, we are missing the target because officers are not agreeing extensions with complainants, as allowed in the policy, so this will be reiterated.

2.5 The Tenant Satisfaction Measures introduced by the Regulator (see **item 6**) contain additional indicators for Complaints responded to on time, with the number of complaints relative to the size of the organisation,

2.6 Whilst we do not have the full TSM dataset for all organisations we have been able to benchmark using data provided by Housemark. The data is in the table below, and includes the sector median position at the end of Quarter 2:

Quarter	No of Stage 1 Complaints per 1000 homes	Median	No of Stage 2 Complaints per 1000 homes	Median
Q1	5.55		1.18	
Q2	4.88	19.43	1.51	1.10
Q3	4.88		0.84	
Q4	11.44		2.52	

2.7 This shows that we receive a lower-than-average number of Stage 1 complaints, but a higher-than-average number of Stage 2 responses. The reasons for this, and practical solutions are summarised in **Section 3**.

Ombudsman Ruling:

2.8 We received 5 Ombudsman rulings during 2023/24, down from 9 in 2022/23. Due to the time lag in receiving Ombudsman rulings there is not a direct link between the number of rulings, and the number of complaints we receive in a year.

When the Ombudsman makes a ruling, they fall into one of the following categories.

Categorisation	Definition
Severe Maladministration	Single significant failure in service or a series of significant failures in service which have had a seriously detrimental impact on the resident. Where multiple findings of maladministration have been found on separate points of complaint, the cumulative effect of this may result in an overall finding of severe maladministration
Maladministration	Failure which has adversely affected the resident and will often include, <ul style="list-style-type: none">• several independent service failures• service failures accumulating over a period of time.• the landlord failing to provide a service, put things right, or learn from outcomes.
Service Failure	A single or very limited number of minor failings in the landlord's service delivery which have had a minimal detrimental impact on the resident.
No Maladministration	Landlord has acted in accordance with its obligations, and relevant policies/procedures.

2.9 All the rulings were adverse, please see glossary for explanation of categorisations of rulings. Details are included in the table below.

Date to Ombudsman	Date of Ruling	Ombudsman's judgement	Compensation paid	Summary and Lessons Learned
January 2023	29/06/23	Severe Maladministration -Damp and Mould Maladministration -Complaint Handling	£2300	Ombudsman felt Southway had been dismissive of issue. Complaints responses took too long and were of poor quality. Introduced quality control checks on complaint responses.
May 2022	31/07/23	Service Failure- Repairs Maladministration -Damp and Mould	£850 -would potentially have been more but we had already paid voluntary compensation	Ombudsman felt that repairs had taken too long and had not been properly co-ordinated. Communication with the tenant was inconsistent. Better co-ordination of complaint responses when dealing with complex complainants. More emphasis on resolving issues prior to sending evidence to Ombudsman
April 2023	27/10/23	Maladministration -Damp and Mould	£1050	Similar themes to other complaints. Complaint responses not timely

		Maladministration -Complaint Handling		Amended policy to ensure that if a member of staff is absent for a prolonged period the complaint is reassigned immediately
August 2022	22/11/23	Service Failure for Complaint Handling and ASB (Anti-Social Behaviour) Case Handling	£250	Ombudsman felt the overall case had been handled within expected standards but ordered compensation for delays.
Nov 2022	18/01/24	Maladministration Complaint Handling Pest Infestation Record Keeping	£2250	Ombudsman was critical of the way records were kept which led resident to believe she was entitled to Right to Buy, when in fact she was not. Review of the way data is presented to Ombudsman. Training on Information Management for all staff planned

2.10 The fact that all the findings have been adverse is a cause for concern. Last year the Ombudsman published a list of Housing Associations with more than 50% of adverse rulings in 2022/23. Southway's figure was 60%, but now is 100%, albeit with a lower number of judgements.

- 2.11 We currently have 7 complaints that are awaiting Ombudsman rulings, some of which are over 12 months old.
- 2.12 We know that the trend over the last couple of years has been for the Ombudsman to issue more adverse rulings and higher compensation. They have also recently consulted on their fee structure suggesting that Associations with a higher proportion of adverse rulings should pay more.
- 2.13 Given the increased powers of the Ombudsman, the higher level of fines and the inclusion of Complaints Handling in the new Regulatory Standards, it is imperative that we improve.

3. Complaints Improvement Plan

- 3.1 Southway has a staff Complaints Improvement Group, chaired by the Assistant Director- Corporate Services, comprising members of the Hub Complaints Team, Property Services, Governance and Business Intelligence.
- 3.2 The group oversee a Complaints Improvement Plan, which is reviewed by the Executive on a quarterly basis. It also meets the requirement of the Ombudsman's Complaint Handling Code that organisations have a Service Improvement Plan. It is attached at **Appendix C** for Committee approval.

3.3 The Plan contains actions from the Internal Audit that took place in February 2024. The Audit gave a rating of Reasonable Assurance, an improvement on the Limited Assurance received for the last Complaints Audit in 2022. The Auditor noted the progress made, although there were several follow-up actions.

3.4 The plan aims to improve the quality of investigation and responses, particularly in Property Services. Many of the officers in the team have limited experience of this and other staff are undertaking quality assurance checks before complaint responses are issued. Committee will receive a further update at their next meeting.

Impacts

Legal	The Social Housing (Regulation) Act made compliance with the Complaint Handling Code a legal requirement. To read the full code, visit here .
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Financial/VFM

Membership of The Housing Ombudsman service is mandatory and is funded solely by landlords based on the number of homes that they own. The cost in 2023/24 to Southway was £33,000.

In March 2024, the Ombudsman launched a consultation on increasing fees. We are awaiting the outcome so that we know what the new cost for 2024/25 will be.

We have significantly increased our Compensation Budget in 2024/25 to £30,000. This reflects the higher amounts being ordered by the Ombudsman. We are moving to a system where compensation awards are made by a small group of Officers to ensure consistency and to adhere to the Ombudsman remedies guidance

Human Resources

Complaints are co-ordinated through the Customer Hub and there is a dedicated officer responsible for this, however complaint responses are written by individual managers and Heads of Service

Several actions in the Complaints Improvement Plan relate to staff training and competence to ensure we are issuing quality complaint responses that comply with the Ombudsman's expectations.

Governance	<p>The People and Places Committee has delegated authority for Complaints Policy and practice. The Chair of the Committee is the designated non-Executive lead, as required by the Complaint Handling Code.</p>
Equality and Diversity	<p>The Customer Care report to the next meeting of the Committee will contain complaints data broken down by Protected Characteristics</p> <p>The policy refers to Reasonable Adjustments we can offer to complainants.</p>
Risk	<p>Complaints is a high-risk area of the business. The Ombudsman and Regulator are working together closely and any systemic problems the Ombudsman identifies with complaint handling could be investigated by the Regulator.</p> <p>This has been recognised on the Significant Risk Register in the risk.</p> <p>Impact of low customer satisfaction with Southway's services.</p> <p>This is the 4th highest risk with a score of 16.</p>
Carbon Impacts	None
Customer Impacts	<p>Southway's Complaint Handling Code assessment will be made available to customers, along with the Service Improvement Plan.</p> <p>The Tenant Complaints Service Improvement Group is due to meet on 13th June and will review the Complaints Improvement Plan.</p>

Background Documents

Internal Audit of Complaints Handling, undertaken by TIAA,
presented to Audit and Risk Committee, 27 February 2024

Appendices

Appendix A- Complaint Handling Code-Self Assessment

Appendix B- Revised Complaints Policy

Appendix C- Complaints Improvement Plan

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