

<b>Forum</b>	YHL Board
<b>Meeting date</b>	29th May 2024
<b>Report title</b>	Annual Complaints Performance and Service Improvement Report April 2023 to March 2024
<b>Ask</b>	For Approval
<b>Report author</b>	Sarah Lee, Head of Customer Experience Delivery

## Summary

The Annual Complaints Performance and Service Improvement Report provides the YHL Board with performance information and assurance that Yorkshire Housing (YH) are compliant with the Housing Ombudsman’s Complaint Handling Code and the requirements of the Regulator of Social Housing’s (RSH) new Consumer Standards, particularly the Transparency, Influence and Accountability Standard that has a specific emphasis on complaints.

Homes and Places Committee receive quarterly complaints report to ensure that complaints are visible within the governance structure and that assurance is provided on an ongoing basis. This annual report to YHL Board is in addition to the regular updates to HPC. It has previously been reviewed by HPC outside of their normal meeting schedule (May 2024) and they recommend its approval to YHL Board.

This annual report provides an in-depth oversight into complaint handling performance at Yorkshire Housing for the period April 2023 to March 2024, the service improvements made and provides insight into the priority areas of focus for the year ahead. Complaints volumes have increased significantly in line with industry trends. Despite the 59% growth in complaint volumes year on year, Yorkshire Housing have reacted quickly and minimised impact on resolution timescales resulting in a stable performance for 2023/2024.

YHL Board has also received the revised self-assessment against the Housing Ombudsman Complaints Handling Code that was announced in February 2024 (Appendix 2). This self-assessment requires approval and will then be published on the YH website ahead of the June deadline. The self-assessment was reviewed by the Homes and Places Committee on 15th April 2024 and is recommended to the YHL Board for approval.

There has been one amendment made to the self-assessment since approval at the Homes and Places Committee. This is to rename the Customer Feedback Policy the Complaints and Feedback Policy. This change was made following feedback from Homes and Places Committee and Lisa Bradley, the Board lead for complaints who was in attendance and a subsequent discussion with our Customer Voice and Review Committee who supported the change.

## 1. Recommendations

### 1.1. The Board is asked:

1. To REVIEW and APPROVE the Annual Complaints Performance and Service Improvement Report March 2023 to April 2024.

2. APPROVE the revised self-assessment against the Housing Ombudsman's complaint handling code February 2024 (Appendix 2).

## **2. Background**

- 2.1 Each year, we publish information about the complaints and compliments we receive, including the number, nature and outcome.
- 2.2 We review the outcomes of all complaints. The lessons learned are used to improve the quality and focus of our services. Our approach to complaints enables us to continually improve what we do, and the way we do things, to develop our organisational strength.
- 2.3 Complaints and the learning from them is a key part of our wider customer voice activities where we listen to and act on what matters to our customers.
- 2.4 This report provides the key statistics about the customer complaints recorded by Yorkshire Housing from 1st April 2023 to 31st March 2024 and some examples of how we have learnt and implemented service improvements through what has been an incredibly challenging year. It also highlights our areas of focus for the year ahead.

## **3. Regulatory Impacts**

- 3.1 The main areas to highlight from 2023/2024 are:
  1. The Housing Ombudsman Service shared the new Complaint Handling Code at the end of February 2024 following a consultation exercise in October 2023. The new Complaint Handling Code became statutory from 1st April 2024, meaning that landlords are obliged by law to follow its requirements.
  2. Housing providers are required to review their complaints policies by 1st April 2024, refresh their self-assessments against the new code and publish these by 30th June 2024.
  3. This year has seen changes in regulatory requirements with the introduction of the new Consumer Standards. In the Transparency, Influence and Accountability Standard, the RSH places specific requirements on providers to:
    - Ensure complaints are addressed fairly, effectively, and promptly.
    - Ensure their approach to handling complaints is simple, accessible and publicised.
    - Provide accessible information to tenants about:
      - How tenants can make a complaint about their registered provider.
      - The registered provider's complaints policy and complaints handling process.
      - What tenants can do if they are dissatisfied with the outcome of a complaint or how a complaint was handled, and the type of complaints received and how they have learnt from complaints to continuously improve services.

3.2 The Housing Ombudsman shared in their annual report 2023/2024 that it was “another record year in complaints”. They reported:

- A 91% increase in cases with them in the first nine months of 2023/2024 (compared to the same period last year).
- A maladministration rate of 72% by Quarter 3 (vs 59% in 2022/2023).
- Compensation of £3.7m by Quarter 3 (vs £1.1m for the whole of 2022/2023).
- More than 14,000 remedies following investigations by Quarter 3 (in comparison to 6,500 in the prior year).
- The Housing Ombudsman advised that the year ahead will be pivotal for the housing sector with the commencement of the Social Housing (Regulation) Act, proactive consumer regulation and the legal duties to comply with the Ombudsman’s Complaint Handling Code.

#### **4. Readiness Activity**

4.1 In preparation for the changes, Yorkshire Housing created a centralised complaints team in September 2023. This was subsequently complemented by an interim Director and specialist lead plus additional complaint handlers. This will allow YH to meet demand and to manage the reputational and financial risks associated with complaints handling, while also ensuring a customer obsessed approach.

4.2 We have now recruited a permanent Head of Customer Experience Delivery, Sarah Lee. Sarah reports to our recently appointed Executive Director of Customer Experience and will lead the complaints teams, action plan and provide stability over the long term.

4.3 We selected the YHL Board lead for complaints in January 2024 during the Board appraisal process and are beginning to see the positive impact this role has across the governance structure. Lisa Bradley’s role is to support a positive complaint handling culture and ensuring the Board receives regular information on complaints that provides insight on Yorkshire Housing’s complaint handling performance. We have shared relevant information with Lisa, and she has access to information and colleagues to help her fulfil this role.

4.4 The volume of YH complaints has continued to rise this financial year in line with the rest of the sector. We received 1,228 complaints in total compared to 771 in the previous year, with the last quarter being particularly challenging due to a surge in Stage 1 complaints. This theme is consistent across the sector and one that has been acknowledged by the Housing Ombudsman.

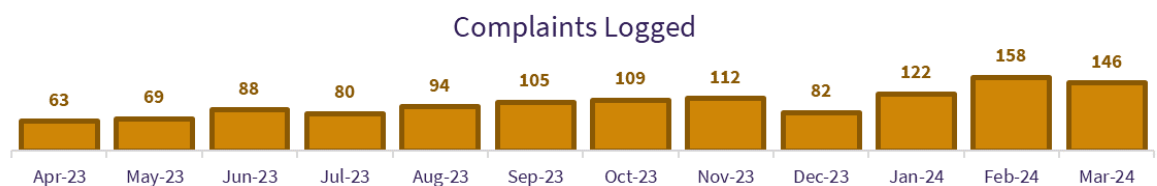
4.5 Despite this surge in volume, performance of complaints resolved at Stage 1 has improved from 84% in 2022/2023 to 86% in 2023/2024 as the team gain in confidence and improve the quality of Stage 1 resolutions.

4.6 As part of our service improvement process a Housing Ombudsman Service internal risk rating matrix has been introduced to ensure that each complaint case (with the Housing Ombudsman Service) is risk assessed. This is driven by data and objective criteria laid out in the Housing Ombudsman Service Complaint Handling Code, previous Housing Ombudsman Service decisions and relevant published Housing Ombudsman Service Spotlight Reports.

- 4.7 We are starting to see how our judgement compares to the Housing Ombudsman Service determinations, and we will continue to review and improve as we receive more determinations.
- 4.8 We have enhanced the style and format of responses to the Housing Ombudsman Service to make it as easy as possible for the HOS to follow and reach a decision as part of improving our service.
- 4.9 The Complaints and Feedback Policy and procedures have all been re-written and the team trained to ensure compliance with these important documents on each case. The key changes made are to ensure that we are meeting the new Housing Ombudsman Service requirements and including the necessary quality checks and wrap around customer care.
- 4.10 There has been a relentless drive on providing improvements when communicating with customers at the start of the complaints process, during and after the complaint is either closed or escalated to the Housing Ombudsman Service.
- 4.11 Complaint colleagues have been set clear objectives in line with the Housing Ombudsman Service Complaint Handling Code and will be expected to demonstrate how they are delivering against those requirements which are being recorded, monitored and celebrated.
- 4.12 YH did not record the complaints it refused to accept in 2023/2024, however this is now in place for the new code effective 1st April 2024 and a summary of the types of refused complaints will be included in the Annual Report 2024/2025

## 5. Complaints Performance

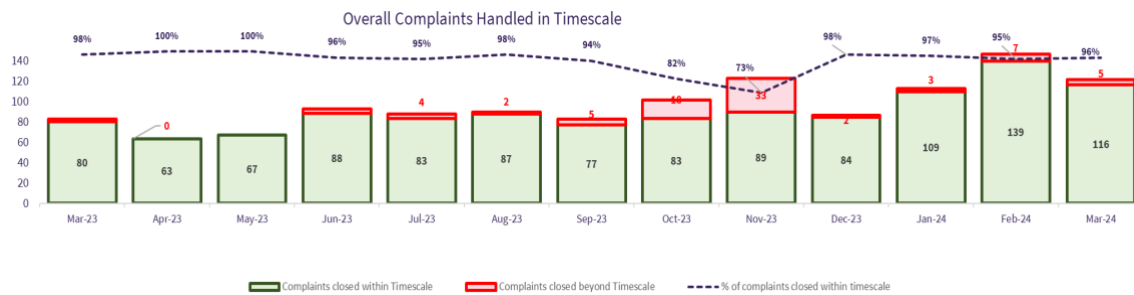
### Volumes



- 5.1 From April 2023 to March 2024, 1,228 complaints were logged. This is an increase of 457 (59%) compared to 2022/2023.
- 5.2 The make-up of the complaint drivers is proportionally similar quarter on quarter. Repairs continue to dominate customer dissatisfaction with 61% of the annual volume of complaints being repair related.
- 5.3 As a result of the HOS promotion of complaints stopping in April, it is anticipated that this increasing trend will continue into summer months before volumes level out and stabilise.

- 5.4 As part of our service improvement plan, we have invested in increasing the size and skills of our Complaints Team to support this surge in demand and have built a robust capacity planning tool to support effective forecasting, supply and demand planning for the future.

## Timescales



- 5.5 The unprecedented growth in complaint volumes has impacted completion timescales, but reacting quickly and sustainably has minimised the impact significantly.
- 5.6 The number of complaints closed in timescale declined to its lowest point of 83% in Quarter 3. This was due to a technical issue with a complaint inbox. The issue is now resolved, and controls are in place to prevent recurrence.
- 5.7 Performance has since recovered and for Quarter 4, 96% of complaints were closed within timescales, bringing the average for the year to 93%. It is recognised that further improvement is needed, and this is a priority across YH.
- 5.8 Our ambition is to resolve over 95% of cases at Stage 1. We have seen a small improvement over the last quarter in the number of complaints resolved at Stage 1 with a result of 90% for Quarter 4. The result for the full year 2023/2024 is 86% compared to 84% in the previous financial year.
- 5.9 Over the full year of 2022/2023, 186 Stage 2 complaints were raised. The main reasons for progression from Stage 1 to Stage 2 were due to:
- Not fully addressing all elements at Stage 1.
  - No or poor communication with customer after their Stage 1 complaint.
  - Poor follow up on agreed actions or repairs from Stage 1.
  - Examples of some outcome letters not delivering the resolution in the right way and / or tone.
  - Compensation levels not being right.
- 5.10 Complaints relating to repairs dominate Stage 2 complaints at 55% of the total. The Complaints team continues to work closely with the Head of Repairs and her team to improve our communications with customers, updating customers about their repairs journey and ensuring that promises are kept with agreed actions being delivered on time.
- 5.11 There has been a continued theme in relation to the complexity of complaints where we require a multi-service / team approach and additional customer support to reach the right resolution.

5.12 In response we have invested in an additional three dedicated resources into the Repairs Team to focus on customer care, effective communication and follow-up for the complex repair's complaints. This will also tackle the key reasons for complaints escalating to Stage 2. Repairs have also been brought in house rather than have external contractors complete the work.

## **6. Housing Ombudsman Complaints**

6.1 Providing support to those complainants that have escalated their cases to the Housing Ombudsman continues to be a priority. We want to be able to demonstrate that the cause of dissatisfaction has been fully resolved and more importantly the trust is being re-built with the customers.

6.2 We have 15 cases currently with the Housing Ombudsman Service for investigation and determination, and we are actively risk assessing each case. These cases are from complaints raised between October 2020 and May 2023.

6.3 We have received 16 determinations from the Housing Ombudsman Service this year compared to 12 last year. One determination received in Quarter 1 was a severe maladministration. The determination was in reference to a case from 2021. The results of the remaining determinations plus the one publication can be seen in Appendix 1.

6.4 A full review on the severe maladministration case was undertaken, led by a dedicated taskforce. Numerous learning workshops were held with relevant parts of the business to identify key actions that would prevent a reoccurrence in the future. Where relevant, solutions have also been built into the Salesforce programme design.

6.5 The severe maladministration case and the subsequent actions taken were discussed in full at the Homes and Places Committee meeting on 12th February 2024.

6.6 During this period Yorkshire Housing did not receive any findings of non compliance with this code by the Ombudsman.

6.7 YH received a landlord performance report from the Ombudsman during this period and this has been included in Appendix 1.

## **7. Remedies**

7.1 The value of compensation is increasing each quarter, this will continue as the Complaints Team deploys the appropriate remedies to “do the right thing, not the easy thing”.

7.2 As part of our service improvement plan, we have improved our remedy guide to provide a structured and consistent approach to resolving complaints as early as possible. We continue to offer other personalised resolutions to our customers as well as sincere apologies these include:

- Flowers
- Rent Credits
- Shopping Vouchers

- 7.3 We are monitoring spend on compensation against budget and for the 2023/2024 financial year, a total of £161,605 was paid out in comparison to £52,826 paid during the previous financial year. YH has increased its budget requirements for 2024/2025.
- 7.4 A new Compensation Policy has been developed and discussed with customers who have recent lived experience of the complaints process. This is scheduled for discussion and approval at HPC on 17th July 2024.
- 7.5 A remedies guide has also been developed, and together with the internal compensation guide, these have been useful tools to help the Complaints Team determine the right levels of compensation.
- 7.6 This will ensure better solutions are offered to customers to resolve their complaints and ensure fewer complaints are escalated. The guide has been developed using the Housing Ombudsman Remedy Guide as guidance.

## **8. Customer Voice**

- 8.1 The Complaints Forum is being refreshed. We are working with the Customer Engagement Team to involve customers that have recent lived experience of the complaints process to help shape it for the better in future.
- 8.2 These voices have influenced the revised Complaints and Feedback Policy and ensured compliance with the revised Housing Ombudsman's Code of Practice in February 2024.
- 8.3 We continue to work closely with the Customer Voice and Review Committee and Customer Engagement and Insight team to ensure we hear our customers voices and use them to improve our approach to customer service, address customer concerns and drive improvement.

## **9. Lessons Learned**

- 9.1 Our new Lessons Learned tracker captures any short, medium and long-term learning from each complaint and records the improvements we need to make relating to people, procedure and technology to improve customer experience.
- 9.2 The Lessons Learned tracker focuses on the impact on the customer, what we should keep doing, what we should do differently and any preventative actions for the future. It will also help identify systemic issues across the business.
- 9.3 The tracker is a recent addition to our complaint handling process and will continue to be evolved. This will help us to move to route cause analysis and targeted problem solving at an organisational level.
- 9.4 We are working with the Head of Data and Performance to build an automated, AI driven approach to the lessons learned process. This will remove manual input from the complaint handlers and provide more robust insight. Once this is in place, we will share the learnings from complaints with our customers via the website and share internally with leaders to problem solve with complaint prevention in mind.

- 9.5 Specific learning from complaints is being monitored, reported, and shared amongst teams and individuals. There is more to do to embed this as a true continuous improvement tool, which is supported by a learning culture right across Yorkshire Housing. This is a key priority for our new Head of Service in complaints who has already started work on creating the systems and practices to support it. This will be further enhanced with the Root Cause Analysis introduction.
- 9.6 Specific learnings to improve our complaint handling processes have been fed into the new Customer Relationship Management Project Team for the build ahead of the launch on 9th July.

## 10. What's next, gaps and areas for improvement

- 10.1 Significant change has taken place, and the complaint handling service is being stabilised. We are continuing to embed the recent changes to ensure sustainment whilst also building upon these for our next phase.
- 10.2 We have developed a Complaints Action Plan to ensure that progress continues. This is reported to the Executive team quarterly. The plan includes a focus on the following areas where we need to be more robust:
- Satisfaction with complaint handling - we need to share our customer satisfaction with our customers to ensure transparency.
  - Benchmarking – Homes and Places Committee have specifically asked YH to show how our performance compares to similar sized organisations. We will use the Tenant Satisfaction Measures to do this. This will be available from Autumn 2025.
  - Learning tracker – we need to have less reliance on the team to track and monitor learning and move to an automated, AI powered dashboard that will fuel impactful change across the business.
  - Accessibility – we recognise that we can improve our approach to ensuring that we know our customers and personalise our approach and this is a priority for the year ahead.
  - Customer data and vulnerability – we now have up to date customer data including information on vulnerabilities that have been shared via our Tenant Satisfaction Measures data. We need to ensure that the information we hold is used to improve our approach to become truly customer obsessed.

## 11. Building Operational Foundations

- 11.1 The new Head of Service brings proven expertise in building effective complaints functions. She is creating the right frameworks, capabilities and ways of working to ensure the complaints team is operating on stable foundations. The key priorities for this are:
- **Resource planning, forecasting and scheduling** – building the tooling that enables us to have the right sized team, and anticipating peaks and troughs before they cause impact.
  - **Training and onboarding** – bespoke, professional onboarding material that is delivered by qualified trainers.



- **Quality** – setting high standards and implementing a Quality Assurance model that breeds a positive coaching and continuous improvement culture.
- **Communication** – setting an effective communication rhythm to ensure that changes across the business are communicated effectively to the Complaints team.
- **Operating Model** – continuing to evolve the operating model for how complaints are handled across YH. Including clear accountability, service level agreements across the business, hand-off reductions and increased multi-channel usage for customers.

## 12. Key Implications

12.1 The key implications arising from this report are as follows:

Type	Description
Business Strategy	The new complaints capability is being developed to become customer obsessed and addressing the key priority in the Business Strategy.
Financial	Compensation costs are increasing as expected relative to the industry. As our customer obsessed approach matures, then we should expect the levels of financial compensation to normalise.
Value for Money	The Yorkshire Housing complaints management capability still represents value for money and is an essential element of our Customer Obsession Strategy.
Governance / Regulatory / Legal	The new Complaints and Feedback Policy has been refreshed to meet the requirements of the Housing Ombudsman’s new Complaint Handling Code Feb 2024. A revised self-assessment has been completed and full compliance reported to the Homes and Places Committee, 15th April 2024 and attached to this paper for approval at Appendix 2. A self-assessment against the new consumer standards demonstrates full compliance with the Transparency, Influence and Accountability Standard, April 2024.
People	The People and Culture Strategy previously approved by the YHL Board is a key element in driving the changes to the team capacity and capability.
Diversity and Inclusion	Equality, Diversity and Inclusion data will be used to ensure our teams are more responsive to the needs of the customer. It will also map the demographics against our customer profile.
Customers	We have recruited to the new Customer Forum to ensure we have customer voices working together to improve the complaints handling service.
Environmental and Social Sustainability	N/A
Other	N/A

### **13. Risk**

- 13.1 A new risk matrix has been developed to more accurately assess the risk of each Housing Ombudsman complaint. The Executive Director Customer Experience will ensure any relevant risks are added to the Risk Registers. Any changes will be reported to the Audit and Risk Committee and YHL Board in the usual way.

### **14. Further Information**

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### **15. Appendices - both displayed on our website**

Appendix 1 – Housing Ombudsman Determination Breakdown, Landlord report and publication.  
Appendix 2 – Housing Ombudsman Complaint Handling Self-Assessment 2024