



## Housing Ombudsman, Annual Report 2022/23

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<b>Lead Member/Relevant Portfolio Holder</b>	<b>Councillor Pip Allnatt</b> , Portfolio Holder for Housing and Landlord Services (Leader of the Council)

<b>Corporate Priority:</b>	High Quality Homes and Landlord Services
<b>Relevant Ward Member(s):</b>	All
<b>Date of consultation with Ward Member(s):</b>	N/A
<b>Exempt Information:</b>	No

### 1 Summary

- 1.1 It is important that the Council has clear and effective arrangements in place to manage customer feedback and complaints. As a Landlord, the Council is accountable to the Housing Ombudsman, who is able to consider complaints from tenants in instances where the Council's complaints procedure has been exhausted, or, where the complainant feels the Council has not managed a complaint appropriately.
- 1.2 Each year, an annual review of complaints is undertaken by the Housing Ombudsman. The 2022/23 annual review report has recently been published. This report sets out the content of the annual report and provides context regarding the complaints and the way in which complaints are managed by Melton Borough Council.

### 2 Recommendation

#### That Scrutiny Committee:

- 2.1 Considers the report and provide comments for consideration by Cabinet.

### **3 Reason for Recommendations**

- 3.1 The Council has a proactive, positive and transparent approach to complaints handling. It is important that the annual report and associated context is presented to the Scrutiny Committee and for any comments or feedback to be provided to Cabinet.

### **4 Background**

- 4.1 The Council received notification on Thursday 12 October that the Housing Ombudsman would be issuing their annual landlord performance reports for complaints they have determined for each local authority on Tuesday 17 October (Appendix A).
- 4.2 The notification letter drew attention to the fact that the Council has a 55.6% maladministration rate from nine findings during 2022-23.
- 4.3 The letter suggested that there may be issues with complaints handling within the organisation, that the rate of maladministration is concerning, and that improvement needs to be made to resolve complaints more effectively. This is a position we strongly refute.
- 4.4 The letter did not state which cases formed these statistics, and the report was not provided. Officers requested clarification from the Ombudsman prior to the publication of the report but have not received any further information. Officers have extracted the information from complaints records as set out below, detailing the outcome and corrective action taken in all cases determined by the Housing Ombudsman during this time, and have provided some further information later in the report.
- 4.5 The letter from the Housing Ombudsman notes that its annual reports are an important part of promoting openness and accountability in service areas and complaints handling, as well as identifying potential areas for learning. The Housing Ombudsman also urges landlords to consider learnings from complaints across all landlords, as they provide opportunity for wider sector improvement.
- 4.6 The Council agrees with this and welcomes the opportunity for openness and accountability in relation to all areas of performance and opportunity for improvement. The Council has referred to a number of sector learning [reports](#), for example, a focus on damp and mould, to inform its own policy and practice.
- 4.7 The Housing Ombudsman also recognises the challenging operating environment for the sector. While there are separate and sometimes conflicting pressures placed on landlords and their finances, a positive complaints handling culture is vital to ensure residents are treated fairly and reasonably. Again, the Council agrees with this.
- 4.8 It should be noted that this report relates only to Housing Ombudsman matters and not the Local Government and Social Care Ombudsman matters.

### **5 Main Considerations**

#### **5.1 The Housing's Ombudsman Report**

- 5.1.1 The Housing's Ombudsman's website states the following:

"We are committed to openness and transparency. An important part of this is using our data to provide residents with more information and insight and learning for landlords to improve their services.

Our 2022-23 individual landlord performance reports have been published for landlords with five or more cases determined between 1 April 2022 and March 2023. We have taken

care to ensure the data is accurate by clearing it with landlords in advance. For a detailed explanation of the data in the reports, read our guidance.

We have not created individual reports for landlords with fewer than five determinations as meaningful performance interpretation is not possible. If a landlord does not have an individual report or is not listed in that table, we did not make a formal determination for them in 2022-23”

- 5.1.2 The Council has had 4 cases determined in this period. It is unclear why an individual report has been published for Melton Borough Council based on the ‘threshold of five cases’ applied by the Ombudsman to enable meaningful data interpretation. However, the Council wishes to be open and transparent about its performance and is keen to ensure that this can be considered in full by the Scrutiny Committee.
- 5.1.3 The Council also tried to seek clarification about the data from the Ombudsman prior to the publication of the report but did not receive a response. The Council has therefore been unable to see, discuss or clear the report in advance.
- 5.1.4 The published report states that there were 10 findings for Melton Borough Council rather than the 9 set out in the letter.
- 5.1.5 The Council intends to raise a further query with the Ombudsman about the accuracy of the data. No case references have been provided and so the Council has attempted to reconcile the information for this report to provide as much information to committee members as possible.
- 5.2 **Complaints likely to have been considered:**

Case Details	Outcome	Corrective Action Taken
<p>Complaint about rent and service charges</p> <p><i>Ref: 202000883</i></p> <p><i>Received</i> 13.10.21 <i>Decision</i> 20.05.22</p>	<p>In accordance with paragraph 54 of the Housing Ombudsman Scheme, <b>there was service failure</b> by the landlord in its handling of the related complaint</p>	<p>There were minor case specific actions relating to communication required by the Housing Ombudsman which were all complied with immediately after the decision.</p> <p>There were no findings that suggested wider issues outside of the case.</p>
<p>Complaint about repairs to tenant’s property</p> <p><i>Ref: 202111698</i></p> <p><i>Received</i> 20.12.21 <i>Decision</i> 17.08.22</p>	<p>In accordance with paragraph 54 of the Housing Ombudsman Scheme, <b>there was service failure</b> in the landlord’s response to Ms X’s reports of damp and mould in the property.</p> <p>In accordance with paragraph 54 of the Housing Ombudsman Scheme, <b>there was service</b></p>	<p>The findings in this case related to communication by the Council in respect of two items of repair. Compensation was paid in this respect and the tenant engaged with to confirm any outstanding repairs with dates of completion.</p> <p>There were no findings that suggested wider issues outside of the case.</p>

	<p><b>failure</b> in the landlord's response to Ms X's reports of repairs needed to her front door In accordance with paragraph 54 of the Housing Ombudsman Scheme, <b>there was no maladministration</b> in the landlord's response to Ms X's reports of repairs needed to her windows</p> <p>In accordance with paragraph 54 of the Housing Ombudsman Scheme, <b>there was service failure</b> in the landlord's response to Ms X's reports of pests in the property.</p> <p>In accordance with paragraph 54 of the Housing Ombudsman Scheme, <b>there was no maladministration</b> in the landlord's response to Ms X's request for compensation for damage caused to her belongings.</p>	
<p>Complaint about classification of an unreasonable customer</p> <p><i>Ref: 202126131</i></p> <p><i>Received 8.3.22</i></p> <p><i>Decision 20.6.22</i></p>	<b>Complaint outside of jurisdiction</b>	N/A

5.2.1 The following case was also initially determined during this time, but both the resident and landlord requested a review which was not determined until May 2023. We are therefore unsure whether it has been included within the report, but in seeking to reconcile the numbers of findings, it is considered likely:

<b>Case Details</b>	<b>Outcome</b>	<b>Corrective Action Taken</b>
Complaint about repairs to the tenant's property	In accordance with paragraph 53(b) of the Housing Ombudsman Scheme, <b>the landlord has offered redress to the resident prior to</b>	The complaint identified where improvement could have been made in respect of one item of repair.

<p>Ref: 202125091</p> <p>Received 29.3.22</p> <p>Decision 29.2.23 (initial draft); 17.5.23 (review - unchanged)</p>	<p>investigation which, in the Ombudsman's opinion, resolves the complaint about its handling of the delays to repair his front and back doors satisfactorily.</p> <p>In accordance with paragraph 52 of the Housing Ombudsman Scheme, there was no maladministration by the landlord in respect of its handling of the resident's reports of a faulty boiler and his concerns about carbon monoxide emissions.</p> <p>In accordance with paragraph 52 of the Housing Ombudsman Scheme, there was service failure by the landlord in the way that it handled the associated complaint.</p>	<p>The Housing Ombudsman also commented on some wider areas:</p> <p><u>Self-Assessment of Complaints Policy</u> The Ombudsman noted that the Council's Corporate Complaints Policy was reviewed and refreshed in February 2023 and was reviewed against the Housing Ombudsman's complaints handling code and was compliant.</p> <p><u>Review staff training needs</u> Learnings were taken to ensure that staff recognise what is a complaint and treating it as such in line with the Council's Complaints Policy. All staff who deal with complaints received a detailed briefing on the revised complaints policy and housing ombudsman complaints handling code in February 2023. The revised policy includes greater clarity on what is a complaint and what is a service request. The updated policy has also been discussed in housing team meetings and at the housing away day with all housing staff.</p>
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### 5.3 Cases unlikely to have been considered.

5.3.1 There was one further case that the Ombudsman contacted the Council about during this time (ref 202126287). The Council explained to the Housing Ombudsman that the case had not progressed through the Council's internal process following an enquiry form the Housing Ombudsman. No further correspondence was received.

## 6 Terminology

6.1 The Housing Ombudsman uses the term 'finding' when making decisions. This is not the same as a case, and a case may have multiple findings within it.

6.2 The Housing Ombudsman then uses two main terms within the findings: 'service fault' and 'maladministration'. The Housing Ombudsman's website defines maladministration as:  
"A formal decision by the Ombudsman that a landlord has failed to do something, done something it shouldn't have or, in the Ombudsman's opinion has delayed unreasonably"

6.3 An explanation of the findings that the Housing Ombudsman can make is also provided:  
"Where our investigation finds evidence of a service failure, we will make one of the following findings:

**Maladministration** – this could be a finding of service failure, maladministration or severe maladministration, depending upon the seriousness of the failure and the impact on the resident.

**Reasonable redress** - There is evidence of service failure or maladministration however the landlord has identified and acknowledged this, either as part of our early resolution

process or on its own initiative. It has taken steps, and/or made an offer of compensation, that puts things right.

A finding of no maladministration is made where the evidence demonstrates that the landlord acted in accordance with its obligations and there is no evidence of any significant failing or detriment to residents.”

- 6.3.1 The information suggests that the findings of ‘service failure’ listed in section 5 of this report are categorised by the Ombudsman as a form of maladministration.

## **7 What the Ombudsman figures show**

- 7.1 The published annual report from the Housing Ombudsman can be found here: [Landlord-Report-Melton-Borough-Council.pdf \(housing-ombudsman.org.uk\)](#). It provides information about complaints it has considered about Melton Borough Council in 2022/23 and provides a comparison across the housing sector.
- 7.2 In short, the figures show that:  
The Housing Ombudsman has made 4 determinations (cases), and within those it has made 10 findings, of which 5 were maladministration findings. The Ombudsman also notes it has made 2 recommendations and made 8 orders (for example, apology, payment of compensation). It confirms that in total, the Council has been required to pay £550 in compensation to tenants.
- 7.3 The Housing Ombudsman’s Report states that the maladministration rates is 56%. Based on the figures within the report it appears that this should be 50%. The Council intends to query this with the Housing Ombudsman.
- 7.4 By comparison, the national maladministration rate is 55% and the report notes that this Council has performed similarly when compared to similar landlords by type and size.
- 7.5 The Housing Ombudsman has published a [list of 91 landlords](#) across the country with a maladministration rate of 50% or more in 2022/23. Melton Borough Council is included within this list.

## **8 How this feeds into the overall complaints statistics**

- 8.1 The [Corporate Performance and Progress Report](#) for quarter 4 of 2022-23 was taken to Cabinet in July 2023 which set out the annual statistic for complaints.
- 8.2 There was a total of 107 complaints received in this period for the Housing and Communities directorate, of which 14 were upheld. It should be noted that the Housing Ombudsman complaints referred to above will not have been considered during this time (likely the year before), but it does provide an insight and contextual background into generally how many of these cases progress further.
- 8.3 Please note this data does not consider other service areas, nor does it consider complaints referred to the Local Government and Social Care Ombudsman.
- 8.4 Our figures show that the majority of complaints are investigated by the Council and either not upheld or are resolved by the Council internally. Only a very small number progress to the Housing Ombudsman, and of the findings made, half were found to be fault. This is shown in more detail in the table below:



2022/23	No.	%
<b>Total number of complaints for Housing &amp; Communities</b>	107	100%
<b>Complaints upheld by the Council</b>	14	13.1%
<b>Complaints referred to the Housing Ombudsman</b>	5	4.7%
<b>Complaints determined by the Housing Ombudsman</b>	4	3.7%

## 9 Conclusion

- 9.1 The Council takes its responsibility as a landlord seriously and officers continually take learnings from complaints striving to continuously improve. Complaints are discussed as part of performance reporting (both to senior officers and members) across all directorates. The Housing Leadership Team review complaints relating to the directorate to identify trends and consider any learning and improvement required.
- 9.2 As an example of how this is embedded into day to day housing work, the Quarter 4 performance report noted an increase to 15 complaints received on Housing Repairs in quarter 4 from four the previous quarter. The majority of the eight upheld complaints at stage 1 of the complaints process in this quarter related to the quality of service provided. Further analysis of these complaints and lessons learned shows that there had been an issue with contractor performance in the quarter. Action was subsequently taken to ensure improvement including:
- a) Council staff attendance at contractor training sessions.
  - b) Request to contractor to notify customers of any appointment changes required as a result of staff sickness.
  - c) Request to contractor to improve appointment booking arrangements
  - d) Joint working between the council and contractor to ensure kitchen refurbishment works are completed within required timescales.
  - e) Formal discussion through contract management arrangements.
- 9.3 The headline figure of 55.6% findings being maladministration suggest a potentially serious issue, but it needs to be considered that this is in the context of only 4 cases, and the context of the cases, where communication and complaint handing were the reasons for these findings. Improvements have been made, largely through the introduction of a new customer feedback and complaints handling policy, supported by briefings to all staff who deal with customer complaints.
- 9.4 Whilst statistics can be useful, they are not particularly helpful or useful when the dataset being scrutinised is so small, and not uniform across the authorities being compared. An authority may have 100 findings with 20 findings of maladministration showing a 20% rate. Statistically this appears better, but clearly 20 findings is significantly worse than 3. The Housing Ombudsman themselves recognise on their website that they have not created reports for landlord with fewer than 5 determinations as “meaningful performance interpretation is not possible”.
- 9.5 Notwithstanding that, the Council takes all findings very seriously and acts upon them.

- 9.6 When reviewing this in the context of the total number of complaints for 2022-23, a rate of 1.9% of those cases finding maladministration is not considered to indicate any fundamental underlying issues. The wider context suggests that the Council has robust, efficient and proper measures in place to deal with complaints in a positive, pragmatic and proactive manner. The Council has embraced a culture of positively addressing issues that arise and learning and improving each time.
- 9.7 Earlier this year, the Council updated its [Corporate Complaints Policy](#) which is compliant with the Housing Ombudsman's code of practice, and the self-assessment against this Code was published on the [Council's website](#).
- 9.8 Officers would like to assure members that complaints are dealt with effectively and properly. The Council welcome complaints and feedback from our customers and tenants and is committed to using the complaints process as a learning experience and, where appropriate, the Council will put things right.

## **10 Options Considered**

- 10.1 This report has been published as a late report due to the timing of the report from the Housing Ombudsman. It is considered important to provide this to the committee at the earliest opportunity.

## **11 Consultation**

- 11.1 Openness and transparency on this matter is an important part of being an effective landlord. Feedback from the Committee is welcome.
- 11.2 There has been no formal consultation in developing this update report. A query to the Housing Ombudsman was made prior to publication of the Ombudsman report, and the Council awaits a response.
- 11.3 When determinations are made by the Ombudsman, they are brought to the attention of the relevant Portfolio Holder. They are also reported to Cabinet through update reports.
- 11.4 The Housing Ombudsman is currently consulting its new complaints handling code. The Council will respond to this consultation. It is proposed that the new code will become statutory from 1 April 2024. The Council will need to embed any changes arising from the new code into its policy, processes and practice.

## **12 Next Steps – Implementation and Communication**

- 12.1 Any feedback from the Committee will be considered and shared with Cabinet.
- 12.2 The Council has recently appointed a Customer Insight Officer, who is reviewing all complaints across the council over the last two years. This will allow for a greater focus on trends and an increased focus on tracking and embedding learning and improvements. Feedback from the Committee will also be fed into this process.
- 12.3 Landlords are required to update and publish a complaints handling self-assessment on an annual basis. This will next be completed and published by the end of December 2023, and will be reported to Cabinet. The self-assessment and report will also be linked to this report to ensure consistency and transparency.

## **13 Financial Implications**

- 13.1 There are no financial implications arising directly from the report, however it should be noted that complaints and the associated remedies can lead to direct financial implications as a result of compensation or the cost of rectifying poor service provision. The Housing



Ombudsman report records that in 2022/23, the Council was ordered to pay a total of £550 in compensation to tenants.

**Financial Implications reviewed by: Director for Corporate Services**

**14 Legal and Governance Implications**

14.1 There are no legal implications arising directly out of this report.

**Legal Implications reviewed by: Assistant Director for Governance & Democracy (Monitoring Officer)**

**15 Equality and Safeguarding Implications**

15.1 None arising directly from this report.

**16 Data Protection Implications (Mandatory)**

16.1 None arising directly from this report.

**17 Community Safety Implications**

17.1 None arising directly from this report.

**18 Environmental and Climate Change Implications**

18.1 None arising directly from this report.

**19 Risk & Mitigation**

Risk No	Risk Description	Likelihood	Impact	Risk
1	Full investigations undertaken by the Ombudsman resulting in a finding of fault – associated remedy and reputational risk	3	2	Low

		Impact / Consequences			
		Negligible	Marginal	Critical	Catastrophic
Likelihood	Score/ definition	1	2	3	4
	6 Very High				
	5 High				
	4 Significant				
	3 Low		1		
	2 Very Low				
	1 Almost impossible				

Risk No	Mitigation
1	<p>Where recommended by the Ombudsman, a review of internal practices may be required if failings or opportunity for learning identified.</p> <p>Openness and accountability as core features of complaints handling culture.</p>

## 20 Background Papers

- 20.1 [Customer Feedback and Complaints Policy](#)
- 20.2 [Complaints Handling Code Self-Assessment \(current\)](#)
- 20.3 [Annual Housing Ombudsman Report 2022/23](#)

## 21 Appendices

- 21.1 Appendix A: Housing Ombudsman notification letter to Melton Borough Council