

Legal & General Affordable Homes

# Annual Complaints and Service Improvement Report



February 2024

# Executive Summary

**Complaint management continues to be a key service priority for the Legal & General Affordable Homes (LGAH). Over the past year, the number of complaints made by customers have continued to increase. This is partly due to the growth in our housing stock and customers living in their homes for longer, which often results in wider service issues. However, when comparing the number of complaints as a percentage of stock size, the evidence is clear, complaints are disproportionately increasing. This has resulted in us seeing complaints increase to 5.3% as a percentage of stock managed compared to 1.4% in 2022.**

Overall, we received 220 Stage 1 complaints in 2023, of which 39 were escalated to Stage 2. There have been 7 complaints with the Housing Ombudsman Service (HOS), of which 2 received a determination. This resulted in one maladministration ruling.

The timescales for complaint resolution have improved however, this still remains high. Overall Stage 1 complaints were resolved within 23 days, which was 5 days quicker than in 2022. Stage 2 complaints were resolved within 31 days, 18 days quicker than in 2022.

This is partly due to the volume and the complex nature of some complaints, but also in agreement with the customer, we kept some complaints open post investigations being completed to ensure that all agreed actions had been resolved before we closed the case. This process will be reviewed in Q2 2024 linked to the Housing Ombudsman revised Complaint Handling Code, which is expected to instruct housing providers to track complaint actions after a formal response is sent.

Looking back over 2023, we introduced a new taskforce in Q3 2023 to focus on complaint management and other complex property related matters, in response to the growing levels of customer dissatisfaction. By the end of 2023, the team was well established within the business, and this resulted in improvements in timescales to resolve complaints, quality of responses and minimising the level of complaints escalating to Stage 2.

*Customer feedback has shown us that listening to customers problems, showing empathy, keeping in regular communication and promptly addressing all issues is vitally important for effective complaint management.*



Throughout the year, we have collected feedback through transactional surveys, and this has shown that 40% of customers who have complained are happy with the service provided. This was a new metric for 2023, and this score will now form the baseline for 2024.

Going into 2024, there are some key priority areas for us in improving our complaint service. There will be revised regulation linked to the Regulator of Social Housing Consumer Standards and the Housing Ombudsman Code of Guidance which will have an impact on complaint management. The creation of a permanent taskforce team will help address the increased demands, service review and levels of insights needed for the complaint service.

# LGAH customer commitment around complaint management

**We are committed to providing a complaint service which aims to promptly address customer dissatisfaction, investigate the cause of the issue, and to restore the level of service customers expect through taking ownership of any actions through to resolution.**

We offer customers a two-stage complaint process, and customers are able to access this through their preferred contact channel. When we accept a formal complaint we follow these key principles:

## Stage 1

- ✓ Customers will be provided with a single point of contact – the case owner (this is likely to be a Management Provider representative)
- ✓ We will acknowledge complaints within 5 working days
- ✓ We will provide a formal Stage 1 response within 10 working days (HOS guidelines)
- ✓ Where we need more time, this will be discussed and agreed with the customer
- ✓ We will track all actions through to completion, providing the customer with regular updates
- ✓ All outcomes will be reviewed by LGAH's Operations Director
- ✓ If the customer remains unhappy, they can escalate the complaint to Stage 2 without giving us a specific reason

## Stage 2

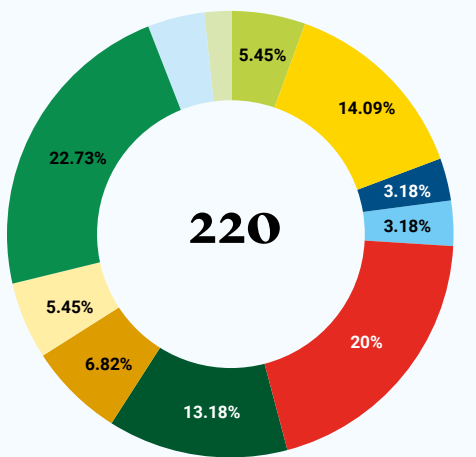
- ✓ All Stage 2 complaints will be handled by a senior LGAH staff member
- ✓ We will acknowledge the escalated complaint within 5 working days
- ✓ We will provide a formal Stage 2 response within 20 working days (HOS guidelines)
- ✓ Where we need more time, this will be discussed and agreed with the customer
- ✓ We will track all actions through to completion, providing the customer with regular updates
- ✓ All outcomes will be reviewed by LGAH's Operations Director
- ✓ We will provide details of the HOS service should the customer wish to escalate the issue further

LGAH complaint policy aligns to the Housing Ombudsman Complaint Handling Code of Conduct. This sets out good practice standards on how landlords should effectively respond to complaints, and within what timescale. As part of this we also complete an annual self-assessment against the Code to ensure we are compliant in all areas of effective complaint management. This self-assessment is available on our website [www.landgah.com](http://www.landgah.com).



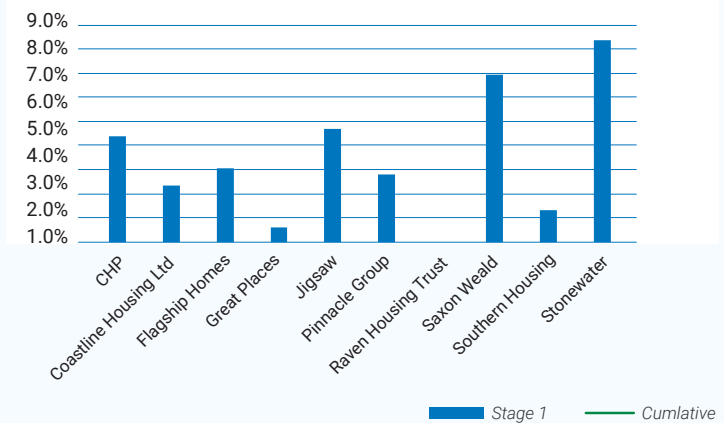
# Performance Insight for Stage 1 Complaints

Stage 1 complaints by type

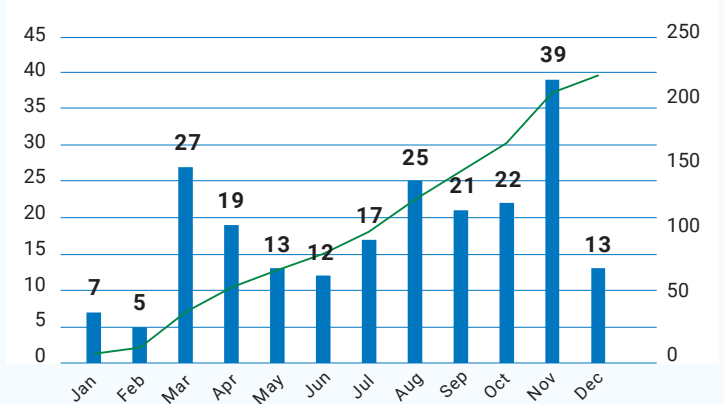


- Conduct of contractor
- Conduct of staff
- Damp and mould
- Defects
- Other
- Property related
- Rent and service charge
- Repair
- Sales complaint
- Tenancy/Leasehold matter
- Other

Complaint as a % of Management Provider stock

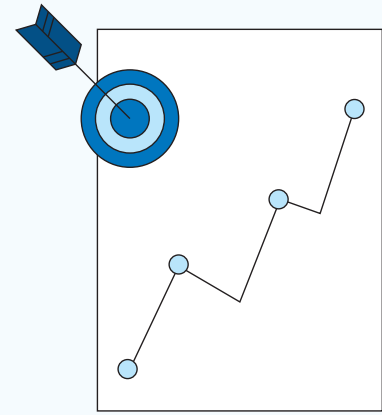


Stage 1 - 12 Months complaint trends



**There have been monthly spikes in complaints received, most notably in November 23. This was due to rent and service charge complaints which accounted for 18% of all complaints in that month.**

When comparing Stage 1 complaints over the past three years, there has been a consistent annual increase, however in 2023 we saw a higher-than-average increase. This is partly due to our increase in housing stock owned, older stock in management but also there has been increased awareness for customers on how to report a complaint. In addition, through the use of Brolly (our digital platform), this has increased visibility of all complaints managed by MPs, where they may have been gaps in previous years. It should be noted that an increase in complaints provides an opportunity to review areas of service failure and improvement.



# 2023 Performance at Stage 1

**LGAH has seen a 3.9% increase in Stage 1 complaints over the past 12 months relative to housing stock. The sector more widely has also seen an increase in overall complaints, with the Housing Ombudsman Service Q3 2023 report showing a 38% increase in referrals made into their service, of which 68% related to property conditions.**

**The table shows the the reason for all stage 1 complaints received:**

## Stage 1

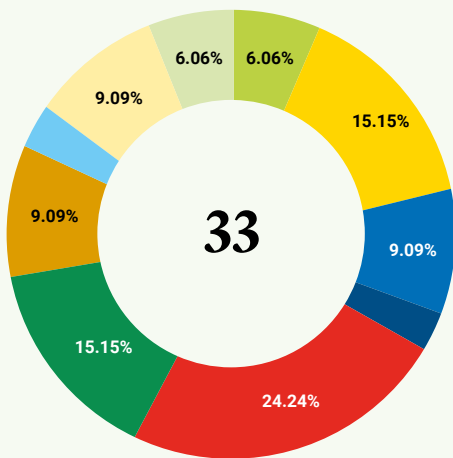
COMPLAINT AREA	NUMBER	AVERAGE DAYS TO RESOLVE	% UPHELD
Appealing a Decision	3	11	33%
Conduct of contractor	7	14	86%
Conduct of staff	7	26	43%
Damp and Mould	9	32	89%
Defects	50	36	78%
Other	12	21	83%
Property Related	16	20	94%
Rent and Service Charge	44	12	61%
Repair	31	17	84%
Sales Complaint	12	30	58%
Tenancy/Leasehold matter	29	22	62%
<b>TOTAL</b>	<b>220</b>	<b>23</b>	<b>73%</b>

Our average time to close Stage 1 complaints was 23 days. Rent and service charges have seen the largest complaint increase and this has been as a result of value for money concerns from customers, where cleaning and grounds maintenance services have not been provided. There have also been challenges related to the annual price increase of service charges linked to the high inflationary environment.

Considering the increased levels of Stage 1 complaints received, we have reduced the average time to resolve complaints by 5 days compared to 2022. The reason this resolution time is not lower was due to a number of complex cases remaining open through to full resolution, as agreed with the customer, to ensure all matters were addressed effectively and the customer was satisfied with the outcome. Following the HOS recent consultation on their revised Complaint Handling Code, there is an expectation that targets for formal complaint responses are met (10 working days for Stage 1 complaints) so LGAH in Q1 2024 will revise its approach and Broolly reporting to reflect this requirement. This will result in resolution actions continuing beyond the Stage 1 final response letter and the importance of ensuring these are effectively tracked and closed down.

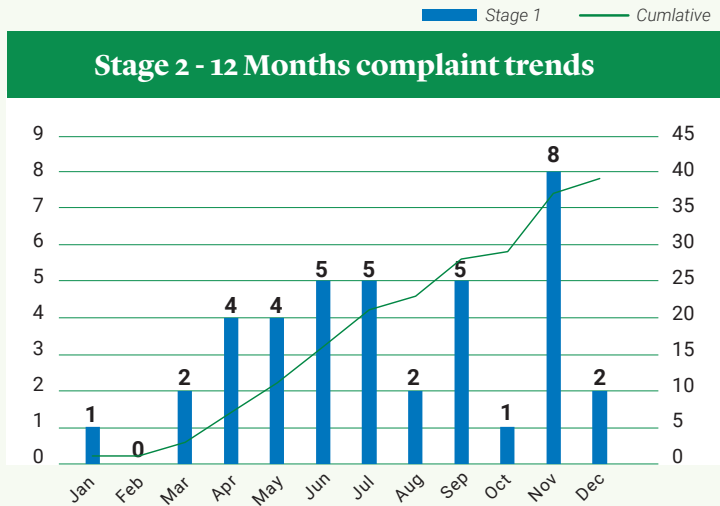
# Performance Insight for Stage 2 Complaints

Stage 2 complaints by type



- Appealing a decision
- Conduct of contractor
- Conduct of staff
- Damp and mould
- Defects
- Property related
- Rent and service charge
- Repair
- Sales complaint
- Tenancy/Leasehold matter

Stage 2 - 12 Months complaint trends



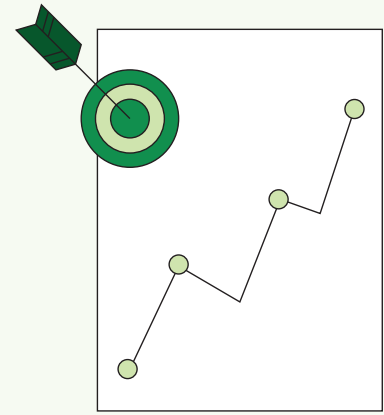
Overall Quarterly Trend - All complaints

	Q1	Q2	Q3	Q4
<b>New cases (Stage 1)</b>	39	44	63	74
<b>Stage 2 escalations</b>	3	13	12	11
<b>Housing Ombudsman Referrals</b>	0	2	0	0

**A high proportion of Stage 2 escalations were linked to rent and service charge concerns and this accounted for the spike in Nov 23 where 38% of Stage 2 escalations were linked to this concern. Outside of this complaint type, there were no immediate correlations between complaint escalations and the type of concerns raised by customers.**

In addition, a high proportion of Stage 2 escalations in June and July were linked to cleaning and grounds maintenance issues, where contracts were not put in place, and timescales were not met for mobilisation which resulted in further customer frustration.

In Q4, this resulted in the taskforce putting in place further checks to ensure agreed actions were completed and customers informed to minimise the level of escalations. This did have a positive effect, outside of rent and service charge matters.



# 2023 Performance at Stage 2

**Of the 220 complaints received, 39 were escalated to Stage 2 of the complaints process. Although high in comparison to 11 Stage 2 escalations in 2022, we saw a 3% reduction in escalation requests, which is positive in demonstrating the ability to effectively resolve complaints at the initial stage. This was a particular focus within Q3 and Q4 2023 where the level of escalations significantly reduced as a result of our taskforce becoming more established and having a closer oversight of Stage 1 complaint responses, both internally and through our Management Provider network.**

## Stage 2

COMPLAINT AREA	NUMBER	AVERAGE DAYS TO RESOLVE	% UPHELD
Appealing a Decision	1	9	100%
Conduct of contractor	1	9	100%
Conduct of staff	4	28	25%
Damp and Mould	2	8	0%
Defects	4	21	75%
Property Related	5	34	80%
Rent and Service Charge	9	13	22%
Repair	5	66	80%
Sales Complaint	2	30	50%
Tenancy/Leasehold matter	6	54	67%
<b>TOTAL</b>	<b>39</b>	<b>31</b>	<b>53%</b>

The average time to resolve all Stage 2 complaints was 31 days, which was an 18-day reduction compared to 2022 figures. This timescale is in addition to the Stage 1 timescale which is monitored separately.

The time taken to resolve these complaint escalations was longer than Stage 1, and this was as a result of cases being more complex in nature. Specifically, there were complex cases related to repairs and tenancy matters which fell under the responsibility of Management Providers and were largely escalated due to unresolved actions as part of the Stage 1 complaint response. These required a full review by LGAH which involved collecting extensive information to ensure a thorough assessment was undertaken. The result of this was a high degree of upheld complaints where agreed actions were not taken during Stage 1 of the process.

# Outcomes for 2023 Housing Ombudsman Service referrals

## LGAH received two HOS determinations in 2023:

COMPLAINT DETAIL	OUTCOME	ACTIONS
Outstanding defects and a request to install a handrail. Escalation due to delays in addressing the issues raised by the customer	Maladministration	HOS request to pay additional compensation for service failures
Time taken to complete repairs to the customers bath and assessing an adaptation request	Satisfactory handling	Better oversight in identifying customer vulnerabilities

## In addition to these two cases, there are five cases currently open with the HOS which will be monitored into 2024:

COMPLAINT DETAIL	OUTCOME	ACTIONS
Managing a complex leak and defects relating to the quality of the home	Awaiting Outcome	All information provided within timescales
Defect and snagging issues, including boiler problems and a shower screen replacement	Awaiting Outcome	All information provided within timescales
Affordability concerns and request to be rehoused	Awaiting Outcome	All information provided within timescales
Garden and drainage issues	HOS requested the Stage 2 complaint response to be sent to the customer	Letter re-sent. Awaiting confirmation if this will be investigated further
Management of defects, sale process and complaint handling concerns	HOS requested the Stage 2 complaint response to be sent to the customer	Letter re-sent. Awaiting confirmation if this will be investigated further

Trends show that the HOS has seen a 38% increase in complaint referrals from customers and there has been a 323% rise in severe maladministration against social landlords issued by the HOS. It is important to note that customers are able to contact the HOS at any time during the complaints process and seek further advice or request an independent review. We are committed to working closely with the HOS, and to learn from any service failures which may have occurred. Where we can, this will include picking up any actions quickly to resolve issues for customers to avoid any delays during further investigations.





# Transactional and perception-based feedback

LGAH has been asking customers since June 2023 to complete a survey following closure of their complaint case, where appropriate. This has resulted in the following feedback:

## Overall satisfaction

 40%

## Complaint handling

 45%

## Ease of service

 42%

## Time taken to resolve

 40%

This is the first year collecting transitional surveys, however in addition to this, we have been collecting Tenant Satisfaction Measure (TSM) responses in 2023. This asked all customers if they had previously reported a complaint and how satisfied they were with LGAH's approach to complaint handling. This result at the end of 2023 was 30.2%, which is circa 3% lower than the Registered Provider sector average from data collected by IFF Research.

There does appear to be growing evidence from customers surveyed following case closure in Q2 of 2023 that performance is improving in comparison to the lower-level satisfaction expressed by those who experienced historic complaints as reported in the TSM survey. There is however a long way to go before we reach an acceptable performance level.

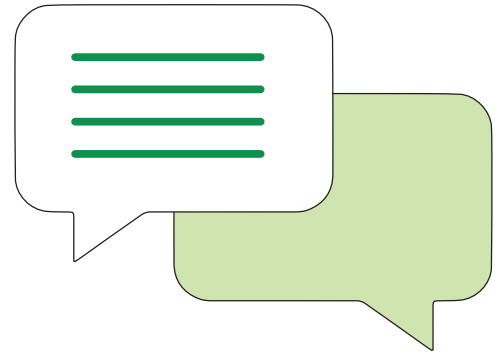
**In terms of lessons learnt from complaints made in 2023, there have been key learning areas which form part of the action plan for 2024.**

**The level of information and transparency provided to customers** – there was an increase in complaints relating to rent and service charges. Much of this dissatisfaction was linked to poor information provided. Some complaints could have been avoided with better levels of engagement and clearer information.

**Importance of regular communication** – much of customers frustration stemmed from not being provided with an update on a service requests. Keeping customers regularly updated is extremely important, building reassurance and trust, and to minimise issues turning into complaints.

**A customer focussed service, not process driven** – we have seen a higher degree of focus within our MP network on closing complaints within set timescales and parameters. It is important to promptly address complaints, however the focus should always be on effectively resolving the issue for the customer, rather than driving to meet a response timescale.

**Defect management** – specifically in relation to complaint escalations. Cases referred to the Housing Ombudsman have all contained some element of defect management and there is a need to ensure escalations in this service are tightly managed.



# Lessons learnt in 2023

Looking back to LGAH's 2022 annual complaints report, there were a number of agreed actions to address in 2023. An update against these points is shown below:

## 1

### **Oversight of all complaints by the Customer Care Team**

This was completed within Q1 2023. Following the introduction of the interim taskforce in July 2023, this team took over responsibility for complaints, defect escalations and damp and mould cases. This has been successful and the team have now been made permanent, with recruitment taking place early 2024 to continue our focus on resolving and learning from complaints.

## 2

### **Brolly enhancements to improve performance reporting**

We built an internal system to better track complaints and this went live at the end of 2022. Further improvements have been made to this system into 2023, linked to complaint learning, and this has resulted in us tracking complaints at key stages, monitoring resolution timescales and capturing learning from what customers have told us. These enhancements to our system will continue into 2024 and we learn more about how we can provide a better complaints service.

## 3

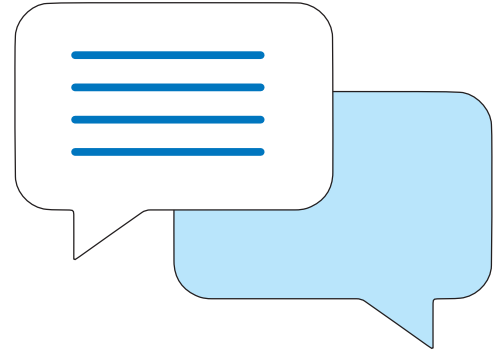
### **Implement customer feedback surveys on complaint closure**

This was completed within Q2 2023. The previous slides showed results of this survey, and this will continue into 2024. This will include publishing our Tenant Satisfaction Measure results linked to complaint management on our website.

## 4

### **Roll out Tone-of-Voice guidance**

A key part of our lessons learnt was how to make communication simpler. We have a LGAH Tone of Voice approach to ensure all communication to customers is clear and simple. This has now been rolled out to our taskforce team, who have reviewed our standard template for complaint responses.



# Actions for 2024

**Going into 2024, there are some key areas of focus for complaint management. From the regulatory point of view, the Regulator of Social Housing's new Consumer Standards from April 2024 will place greater importance on involving customers in the scrutiny and overview of services, and the revised Housing Ombudsman Complaint Handling Code will expect landlords to focus on the quality of complaint investigations, ensuring customers views are effectively listened to and any concerns acted upon promptly.**

The need for us to respond to these changes is vital. This will involve how our teams and structures are organised, to support the effective management of complaints and how we adapt our service model with Management Providers later in the year to embed effective complaint management.

Although the type of complaints received is widening, defects continues to be the highest percentage of complaints received. We did review how we manage defects in 2023 and key actions to improve service delivery were agreed as part of this review. Through focussing on issue avoidance and quick resolution of defects raised, this will have a direct impact on the number of complaints received and general levels of customer satisfaction.

**Based on these key themes, there are three main actions for LGAH to focus on in 2024:**

ACTION	OWNER	TIMESCALE	TIMESCALE
Establish a permanent structure for the Taskforce Team to continue to oversee complaint management	Head of Customer Care	Q1 2024	<ul style="list-style-type: none"> <li>Improved focus on complaint handling</li> <li>Embedding an effective culture on complaint handling within LGAH and through its MPs</li> </ul>
Review LGAH processes for complaint management linked to changes in RSH Consumer Standards, and the need to have more governance oversight of complaints	Head of Customer Care	Q1 2024	<ul style="list-style-type: none"> <li>Regulatory compliance</li> <li>Improved insight and scrutiny of complaint management</li> </ul>
Establish a New Homes Quality Team to oversee defect management, including the end of defects process with effectively manages complex cases	Chief Operating Officer	Q2 2024	<ul style="list-style-type: none"> <li>Addressing key areas of service failure</li> <li>Complaint reduction</li> <li>Better customer experience for new customers</li> </ul>

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