

Legal & General Affordable Homes

# Annual Complaints and Service Improvement Report



October 2024

# Executive Summary

**Complaint management continues to be a key service priority for Legal & General Affordable Homes (LGAH). We have seen a continued increase in complaints year on year, and this is partly due to the growth in our housing stock and existing homes being that little bit older which can result 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 254 Stage 1 complaints in 2023/24, of which 53 were escalated to Stage 2. There have been seven complaints with the Housing Ombudsman Service (HOS), of which four received a determination. This resulted in two maladministration rulings.

The timescales for complaint resolution have improved, however this still remains high. Overall Stage 1 complaints were resolved within 24 days, which was 4 days quicker than in 2022. Stage 2 complaints were resolved within 28 days, 21 days quicker than in 2022.

The reason for these high response times were due to some complaints being complex so we needed more time to ensure the issue was resolved for our customer. Also we continued to keep complaints open whilst actions were being progressed for full oversight of the complaints. With the Housing Ombudsman Complaint Handling Code being introduced in April 2024, we will be reviewing this process and making changes to our Complaint Policy.

Looking back over 2023/24, we introduced a new complaints team in Q3 2023 to focus on complaint management and other complex property related matters in response to the growing levels of customer dissatisfaction. By March 2024, the team was well established within the business, and this resulted in improvements in timescales for resolving complaints, strengthening the 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 which has shown that 40% of customers who have complained are happy with the service provided. This was a new metric for 2023/24, and this score will now form the baseline for 2024/25.

From April 2024, there are some key priority areas for us in improving our complaint service. There will be new regulation in complaint management and so we will be reviewing our processes to ensure we are compliant with these requirements.

We will also be creating a permanent complaints team to help address the increased demands, service review and levels of insights needed for the complaint service.

# LGAH customer commitment for 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 five 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 five 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 should the customer wish to escalate the issue further

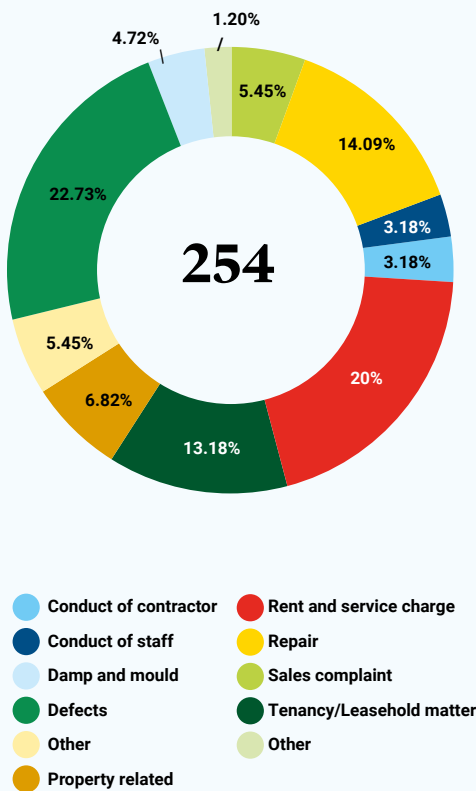
LGAH complaint policy aligns to the Housing Ombudsman's Complaint Handling Code. This sets out best practice on how landlords should effectively respond to complaints and within what timescale. As part of this, we also complete an annual self-assessment against the code to ensure we are compliant in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



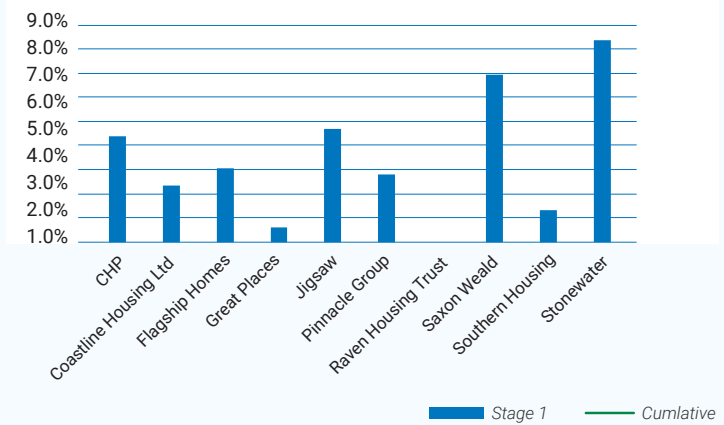
Any reference to LGAH in this report refers to three Registered Providers: Legal & General Affordable Homes Ltd, Legal & General Affordable Homes (AR LLP), Legal & General Affordable Homes (Development 3) Ltd.

# Performance Insight for Stage 1 Complaints

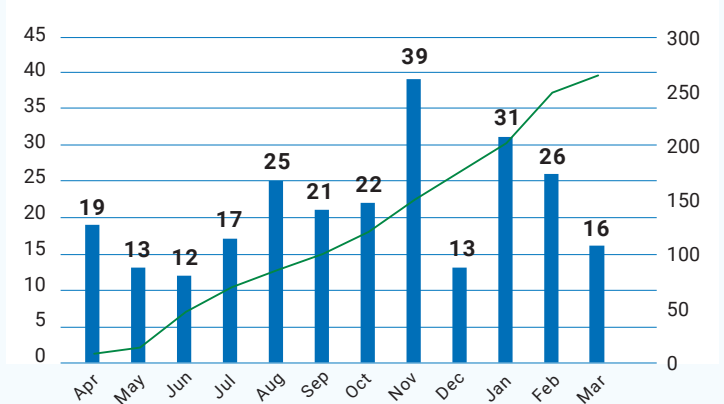
Stage 1 complaints by type



Complaint as a % of Management Provider stock



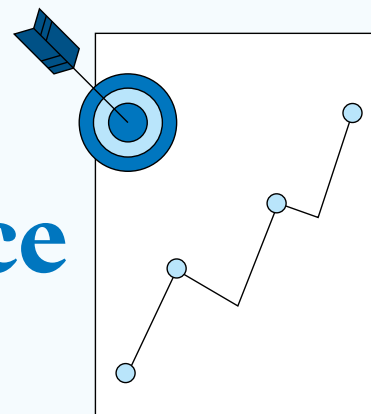
Stage 1 - 12 Months complaint trends



**There have been monthly spikes in complaints received, most notably in November 2023 and January 2024. Both these peaks were due to rent and service charges which accounted for 18% of all complaints across that period.**

We have seen a consistent increase in Stage 1 complaint over the years, however in 2023/24 there was a noticeable rise in complaints made by customers. This was partly due to our increase in housing stock owned and older stock in management, but also an increased awareness among customers on how to report a complaint. In addition, through improvements made to our digital platform, Brolly, we have increase our overall visibility of all complaints to ensure they are logged correctly. It should be noted that an increase in complaints provides an opportunity to review areas of service failure and improvement.

# 2023/24 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 in late 2023 reporting 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

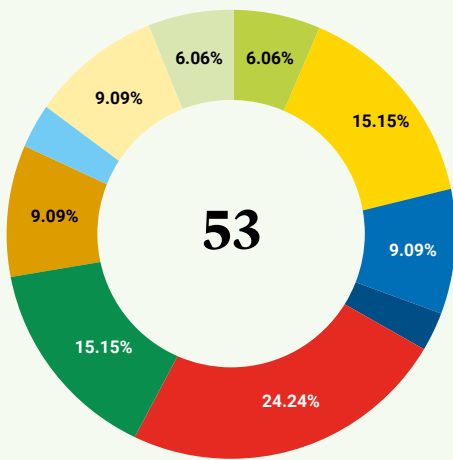
COMPLAINT AREA	NUMBER	AVERAGE DAYS TO RESOLVE	% UPHELD
Conduct of contractor	7	10	86%
Conduct of staff	8	27	38%
Damp and mould	8	70	88%
Defects	63	38	78%
Missed appointment	1	5	100%
Other	7	27	71%
Property related	25	18	88%
Rent and service charge	50	13	62%
Repair	39	22	82%
Sales complaint	13	22	54%
Tenancy/leasehold matter	33	14	58%
<b>TOTAL</b>	<b>254</b>	<b>24</b>	<b>72%</b>

Our average time to close Stage 1 complaints was 24 days. Rent and service charges have seen the largest complaint increase due to concerns from customers around value for money 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 high inflation.

Considering the increased levels of Stage 1 complaints received, we have reduced the average time to resolve complaints by four 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. This was to ensure all matters were addressed effectively and the customer was satisfied with the outcome. Following the introduction of the Housing Ombudsman Service's revised Complaint Handling Code, from April 2024 there is a requirement to formally respond to customers within 10 working days for Stage 1 complaints. This includes where actions remain outstanding. Throughout 2023/24 we left complaints open until full resolution and then issued a formal response, however we have changed our approach to align with this requirement from April 2024. We will continue to closely track any outstanding issues for customers within our complaints team.

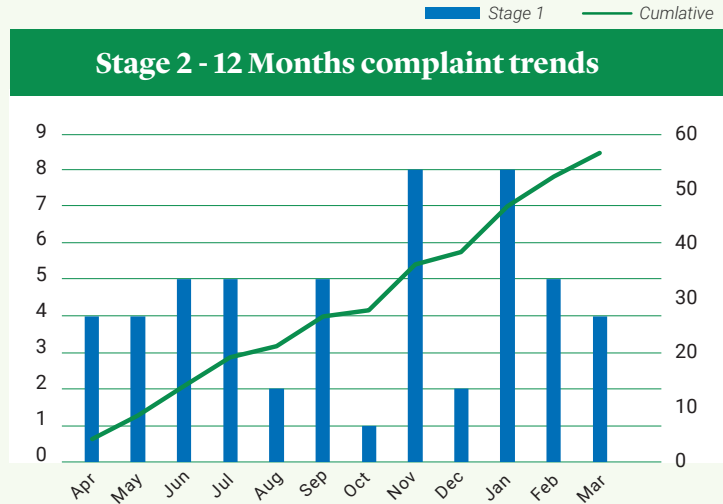
# Performance Insight for Stage 2 Complaints

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



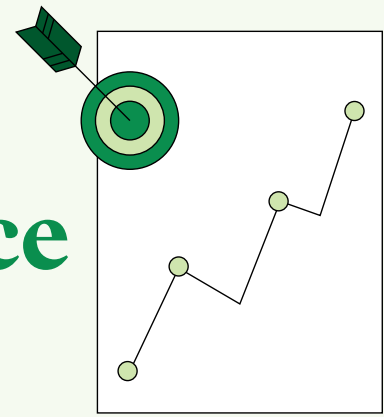
Overall quarterly trend - all complaints

	Q1	Q2	Q3	Q4
<b>New Stage 1 complaints</b>	63	81	85	78
<b>New Stage 2 complaints</b>	10	8	14	7
<b>Housing Ombudsman Referrals</b>	0	2	0	0

**A high proportion of Stage 2 escalations were linked to rent and service charge concerns, accounting for the spike in Nov 23 and Jan 24 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 the standards of cleaning and grounds maintenance on some of our schemes. Unfortunately this was due to contracts not being in place on time, and customers rightly not happy with the services provided. We have since changed how we set up new schemes to resolve this issue.

In September 2023, our complaints team put in place better tracking on actions to ensure timescales were being met and keeping customers informed of progress to avoid further escalations. This did have a positive effect, outside of rent and service charge matters.



# 2023/24 Performance at Stage 2

Of the 254 complaints received, 53 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 demonstrates our ability to effectively resolve complaints at the initial stage. This was a particular focus within Q4 2023/24 where the level of escalations reduced as a result of our Complaints Team 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
Conduct of contractor	2	12	100%
Conduct of staff	5	24	20%
Damp and mould	2	8	50%
Defects	9	22	78%
Property related	6	30	67%
Rent and service charge	11	10	27%
Repair	8	53	100%
Sales complaint	3	23	33%
Tenancy/leasehold matter	7	48	71%
<b>TOTAL</b>	<b>53</b>	<b>28</b>	<b>60%</b>

The average time to resolve all Stage 2 complaints was 28 days, which was a 21-day reduction compared to 2022 figures.

The time taken to resolve these complaint escalations was longer than Stage 1 as a result of cases being more complex in nature. Specifically many of these complaints related to repair and tenancy matters, and this required information from a range of agencies which took some time to collect. We wanted to ensure a full and thorough review was undertaken on these Stage 2 complaints, and customers were kept informed of expected timescales. This did result in a high level of these complaints being upheld as shown in the table above.

# Outcomes for 2023/24 Housing Ombudsman Service referrals

**LGAH closed two complaints in 2023/24 which received two HOS determinations:**

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	Paid additional compensation for service failures
Time taken to complete repairs to the customer's bath and assessing an adaptation request	Satisfactory handling	Better oversight in identifying customer vulnerabilities

**In addition, LGAH had two determinations where the complaint remained open at the end of 2023/24 for follow up actions. There were also three HOS cases awaiting an outcome at the end of 2023/24:**

COMPLAINT DETAIL	OUTCOME	ACTIONS
Managing a complex leak and defects relating to the quality of the home	Maladministration	Compensation paid , and further action progressed to resolve all issues
Affordability concerns and request to be rehoused	Satisfactory handling	Further advice being provided to the customer of housing options
Defect and snagging issues, including boiler problems and a shower screen replacement	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 in 2023, 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. This includes reviewing the HOS spotlight reports and reviewing our service areas to avoid any delays during further investigations.





# Customer 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



## Complaint handling



## Ease of service



## Time taken to resolve



This is the first year we have asked for customer feedback soon after a complaint is closed. In addition, in 2023/24 we started to collect our Tenant Satisfaction Measure (TSM) surveys as a requirement by the Regulator of Social Housing. This asked all customers if they had previously reported a complaint and how satisfied they were with LGAH's approach to complaint handling. This resulted in satisfaction with complaint handling at 32% which is around 3% lower than the wider sector average from data collected by our survey provider.

Across the year, we did see better scores in the second half of the year as a result of some of the additional measures we introduced to the service, such as creating a dedicated complaints team.

This was positive, however, we still have more work to do to bring satisfaction levels up to a more acceptable level.

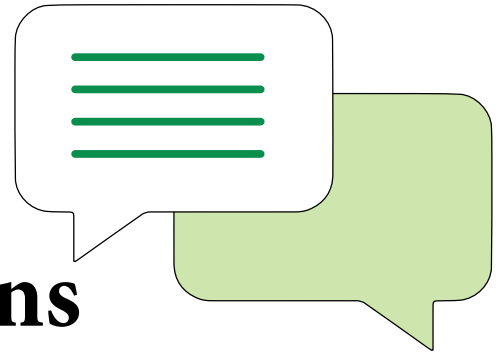
**In terms of lessons learnt from complaints made in 2023/24, there have been key learning areas which form part of the action plan for 2024/25.**

**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 request. Keeping customers regularly updated is extremely important, to build reassurance and trust, and minimise issues turning into complaints.

**A customer focussed service, not process driven** – we have seen a higher degree of focus 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.



# Addressing our actions from 2022

Looking back to LGAH's 2022 annual complaints report, there were a number of agreed actions to address from April 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 Complaints Team 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 in early 2024 to continue our focus on resolving and learning from complaints.

## 2

### **Enhancements to our Brolly system 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. 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 as we learn more about how we can provide a better complaints service.

## 3

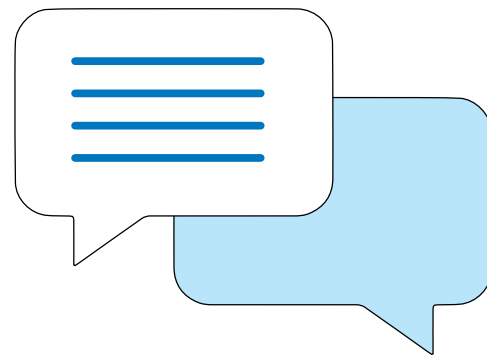
### **Implement customer feedback surveys on complaint closure**

This was completed within Q2 2023. The previous section 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 Complaints Team, who have reviewed our standard template for complaint responses.



# Actions for 2024/25

**From April 2024, there are some key areas of focus for complaint management. From a regulatory point of view, the Regulator of Social Housing's new Consumer Standards will place greater importance on involving customers in the scrutiny and overview of services. The revised Housing Ombudsman's 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 with Management Providers to embed effective complaint management.

Although the types of customer complaints are widening, defects continues to be the highest percentage of complaints received. We reviewed 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 2024/25:**

ACTION	OWNER	TIMESCALE	ACTIONS
Establish a permanent structure for the complaints team to continue to oversee complaint management	Head of Customer Care	Q1 2024/25	<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's Consumer Standards, and the need to have more governance oversight of complaints	Head of Customer Care	Q1 2024/25	<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 which effectively manages complex cases	Chief Operating Officer	Q2 2024/25	<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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