

Hexagon

2023-2024

# Annual Complaint Performance and Service Improvement Report

ANNUAL REPORT

## Purpose

This report provides an examination of the complaints service at Hexagon Housing Association (Hexagon). This report will be shared publicly with Hexagon residents, staff, Board members, and the Housing Ombudsman Service. Hexagon values transparency and accountability and we will share both the challenges of, and our progress with, delivering a fair and effective complaints process, and our completed and ongoing service improvements.

## How do we manage complaints at Hexagon?

We aim to provide a fair and accessible complaints process that ensures Hexagon provides a responsible and accountable service in line with our corporate values. We also aim to ensure we learn from any failings and continually improve our services.

Until mid 2023/24, complaints at Hexagon were managed directly by the respective service areas. For example, a complaint relating to repairs was managed by the Repairs team. This was not working well and led to slow responses and a build-up of overdue cases.

Hexagon decided to create a centralised Complaints team that sits within the Governance, Risk and Assurance team, independent of the front-line services. This was formed mid-2023, and initially staffed by temporary workers. Whilst record keeping improved, our response rates did not initially improve.

By November 2023 we made permanent appointments to the team which has brought stability. Additionally, in January 2024 the responsive repairs team appointed a dedicated complaints project manager to ensure repair complaints were fully resolved. We also initiated a comprehensive complaints improvement plan.

Our complaints policy is in alignment with the requirements set out by the Housing Ombudsman Service (HOS); we aim to respond to Stage 1 complaints within 10 working days of acknowledging the complaint, and we aim to respond to Stage 2 complaints within 20 working days of acknowledging the escalation.

Our complaints policy, as well as our self-assessment against the HOS Complaint Handling Code, are available to read in full on our website.

## Complaints Performance

We currently report on six Key Performance Indicators (KPIs) to our Board, four of which are TSMs (Tenant Satisfaction Measures). The year end position for these

complaints is shown in the Appendix. This shows that in all but one metric we missed our targets for the year. Our data shows poor performance across all indicators in the first three quarters whilst the team was being established. Once the permanent team was appointed and inducted, we have seen a significant leap forward in performance from January 2024 onwards.

Operational complaints data is presented to our Customer Services Committee (CSC), a sub-committee of our Board. This data is also presented in the Appendix. This gives a greater level of insight into our performance:

**New Complaints** - Our response rate to stage one within HOS targets has been very low, with the end of year position being 24%. This has begun to recover in Q4 2023/2024 and into Q1 2024/25, which was 43% in April 2024.

**Backlog** - Our backlog of complaints (those that have missed the HOS target response time) grew month on month between April and December 2023, representing a significant service failing. This has begun reducing (184 as of 20 May 2024) but demonstrates that many customers have received poor outcomes in the last year.

**Complaints upheld** - Stage 1 complaints upheld (i.e., finding in favour of the resident) has remained consistently high across 2023/24, averaging 78%. From an outcomes perspective this represents a high number of service failures, but also indicates that the complaints management process is fair and providing positive outcomes for our residents once it gets to the complaints stage.

**Escalation to Stage 2** - Stage 1 cases escalated to Stage 2 has remained quite consistent across the year, averaging 17% in 2023/24. This indicates that 4 out of 5 complaints are resolved at Stage 1.

**Stage 3** – As per HOS guidelines in 2023 we ended our Stage 3 complaints process in 2023. Four cases remain outstanding from residents who complained prior to the change. In each remaining case the residents have not responded to repeated communications. CSC has therefore agreed to hear these cases in the absence of the resident.

**Refusal of complaints** – during the year we have not refused to accept any complaints that meet the definition as defined by the Ombudsman. However, as per Ombudsman guidance, where complaints relate to ongoing litigation (e.g., disrepair claims, public liability claims) we will only address elements of the complaint that sit outside of the legal dispute. For example, elements that relate to the complaints service itself.

As noted in the Appendix, a proportion of our residents are receiving unsatisfactory experiences from a range of services. However, responsive repairs consistently receive the most complaints. It should be noted that Responsive Repairs deal with circa. 14,000 transactions per year, so the number of complaints received represents

only circa. 1.3% of the transactions. However, work is ongoing to improve the quality of our repairs services, through tighter contract management and service redesigns.

It will be beneficial to have granular complaints categories, to undertake root cause analysis of complaints. This functionality is being built into our new complaints handling module within our system during 2024/25.

We are committed to building upon the improvement in performance shown since January 2024 and in sections below we have outlined actions taken and planned to achieve better outcomes for customers.

## **Making things right**

When a complaint is upheld, this usually results in actions Hexagon must complete to 'make things right' for the resident. This could, for example, be arranging a repair. We have previously had difficulties with clear recording and tracking of actions resulting from a complaint.

The Complaints Team now maintain a 'Making Things Right' tracker to monitor the completion of these actions, which the front-line teams have access to. We have regular meetings with the front-line teams to manage these actions. Challenges remain with completing all actions promptly, due to the complexity of some cases, however, it is a huge step forward for Hexagon to have a central record of these actions as we now have the tools to deliver improved outcomes for residents.

## **Housing Ombudsman Service determinations**

In 2023/24 we received 4 maladministration orders and 2 severe maladministration orders issued by HOS. Each of these cases relate to longstanding issues that began at least a year prior to their involvement in the cases.

In some of these cases, the underlying issues the complaints related to had not been fully resolved when the order was made, representing a serious service failure for our customers. We have since dedicated resources within the Complaints and Responsive Repairs teams to looking at the backlog of cases to ensure the service issues being complained about are resolved, even if the complaint remains open.

HOS ordered an independent review of the service failings in a severe maladministration order which was conducted by senior management and submitted to our Board. As part of this order, we undertook an assessment against the HOS Knowledge and Information Management report which has highlighted further improvements to make, which we have planned and scheduled, but shows that our data management has improved. We submitted this self-assessment to the HOS and to the Board.

# Lessons Learned

Learning from complaints is a key component of our complaints process. We have previously struggled to embed this effectively, but since January 2024 we have implemented effective processes which have been verified by our internal auditors.

Two main themes from our analysis of complaints consistently arise:

## 1. Project Management

Many complaints relate to issues where ownership naturally sits with one team. However, issues also occur where a complaint is multifaceted, and resolution of the problems sits across multiple teams. In these circumstances, the residents often receive a disjointed response leading to problem such as:

- No one person taking ownership for the overall resolution of the issues, leading to poor communication, delays and issues remaining outstanding.
- Residents receiving multiple visits or contacts, with each being unaware of the other, or the wider issues.
- Issues 'slipping between the cracks' and being left unaddressed despite multiple visits.

We believe these are resolvable problems with changes to process and systems over time. Whilst we work towards systemised solutions, the Complaints team play a role in ensuring issues are resolved through oversight, since we are tracking resolution of each agreed action.

## 2. Communications

A common theme across most complaints is lack of communication with residents. In many cases, we are seeing this being an exacerbating factor when residents experience a problem. Residents either have not received responses to queries, received them late (in some cases many months later) or not been kept informed of progress addressing their concerns.

The lack of response is frequently cited as one of the reasons for raising complaints. If we had kept residents updated with progress, even if the resolutions require more time, it is likely that many complaints could have been avoided.

This has been fed back to front line teams via team meetings and more formally through our Managers and Directors meetings. Senior management are strongly agreed on the importance of regular communications with residents, however implementation in practice can be inconsistent.

A 'Call Back' module has recently been introduced into our software system which generates systemised reminders for staff to call residents back. We are monitoring the performance, which is showing encouraging growth. We are also seeing improvements within the Operations Directorate following changes in personnel and clear messaging. The Complaints team are also embarking on a complaints education campaign starting in March 2024, which includes delivering the same message.

## Strengthening our Controls

In November 2021, we conducted an internal audit of complaints and customer engagement. We received an assurance grading of 'needs improvement' and identified 10 management actions. We have completed all of these actions, with one still needing to be verified for closure by the auditors.

We have undertaken the following work to strengthen our controls over the last financial year:

- **Complaints policy** was revised to align with the HOS Code. This helps to ensure that we are meeting the expectations of HOS and the Regulator for Social Housing. It also provides clarity and clear expectations for Hexagon staff.
- **Lessons learned reporting** - We now feedback lessons learned from complaints back into the business in various ways including at regular meetings with the front-line teams, reports and discussions at senior management meetings, and reports to Customer Service Committee.
- **Fully resourced an independent Complaints team** - Additional experienced staff have been brought into the Complaints team on permanent contracts. An additional complaints related post in Responsive Repairs has been created to focus on addressing the underlying issues behind complaints. All this has given us the capacity to meet corporate complaints targets and clear the backlog. The team being independent of front-line services helps to ensure fairness for customers, who are not complaining to the same teams the issues relate to.
- **Implementation of Complaints module within our CRM software** - Previously complaints were managed by front-line teams, so there was no central coordination or standards for record keeping. Complaints are now

managed in a CX module which includes workflows to improve efficiency and data for reporting.

- **Measuring productivity** - We measure operational productivity, with each Complaints Officer set a target for the number of complaints closed in a week. The target has been set with reference to external benchmarking and calculating the number required to address new complaints and clear our backlog. Each Officer has different specialties, so we are able to allocate cases based on who is best placed to address them.
- **Triaging our complaints backlog** - In conjunction with the Responsive Repairs team, we have reviewed all backlog cases to identify high risk cases and prioritise their resolution. This includes damp and mould, residents with vulnerabilities and service charges. Whilst it is unsatisfactory to have any cases in a backlog, this has de-risked the situation until they can all be addressed.
- **Training** – we have provided training on complaints to teams across Hexagon. The Complaints team has also undertaken specialist complaints training provided by NHF.
- **Ombudsman Portal** - We have been given access to the HOS online Landlord Portal. This has given us much stronger control over HOS investigations, allowing us to proactively manage the cases and ensure nothing ‘slips between the cracks’. We are now responding to queries when they arise, when previously we were regularly receiving multiple chaser letters from HOS.
- **Member Responsible for Complaints (MRC)** - As per HOS requirements, we have appointed the Chair of Customer Service Committee as the MRC.
- **Compensation guidance** – we have produced internal guidance for levels of compensation based on the principles of making things right, time distress and inconvenience based on severity and accounting for vulnerability. This should ensure that customers are receiving fair and consistent redress for their complaints. We have also implemented internal delegations for Officers to build in control, oversight, and the ability to report on levels of compensation paid more effectively.

## Hearing the Resident Voice

Whilst we have improved our controls, what our residents are telling us is very important for understanding and measuring where services are improving, and where weaknesses remain.

We issue a transaction survey to our customers after each complaint is closed. This is split into six questions - satisfaction with:

- i. Complaints handling
- ii. Complaints outcome
- iii. Speed of resolution
- iv. Hexagon staff are easy to deal with
- v. Advice received from staff
- vi. Staff attitude

Furthermore, there is a Tenant Satisfaction Measure (TSM) for “Satisfaction with the landlord’s approach to complaints handling” which has been measured via quarterly perception surveys.

Transactional customer satisfaction data from April 2023 to April 2024 is included in the Appendix. It should be noted that the response rate compared to the number of complaints is quite low but is nonetheless useful data. It shows that our performance from Q1 to Q3, was very poor, with most customers feeling they did not receive a good service. Of particular note is satisfaction with complaints outcomes, which was 0% in seven of the twelve months. This dissatisfaction is also reflected in our overall score for the TSM, which is 24% cumulatively for 2023/24. The median for the L12 (our peer group of Landlords) is 29.2%.

This was the inevitable consequence of how complaints were being managed through most of the year. However, the transactional surveys do show a marked improvement in Q4 2023/24 and peaked at 50% satisfied in April 2024 indicating that our new approach to complaints handling is having a positive effect on outcomes for residents.

Further work is planned for the Complaints team to drill down into the reasons that respondents have provided the scores they do, and how we can increase the response rates.



## Ongoing Service Improvements

We are confident that the quality of our complaints service has improved since January 2024. However, we recognise that there is still much work still required to maintain these gains. To address the above lessons learned with the front-line teams, the Complaints team are working on the following service improvements:

- **Holistic view and management of complaints** – to monitor the entire lifecycle of a complaint starting from the initial issue occurring through to resolution of the agreed upon actions.
- **Enhancing our ‘making things right’ tracker** to make it easier to share and report on the actions, which should assist in following them through to completion.
- **Enhanced lessons learned** – We report lessons learned by looking at themes and trends which are fed back into the business. To monitor and report on service improvements, we are building new complaints categories into CX which will support more detailed analysis. We are building this into our CRM system too.
- **Quality assurance** – Stage 2 responses receive a higher level of scrutiny due to at least two staff reviewing them. We intend to implement a quality assurance process for Stage 1 complaints where responses and levels of compensation are sample checked to ensure quality and consistency for all residents.
- **Record keeping/reporting** – we have a suite of operational complaints performance data which contains most metrics that are required. Our CRM system is being migrated to the latest version of CX which will improve its utility and efficiency.

## Self-Assessment against the Complaints Handling Code

We have conducted the annual self-assessment against the Ombudsman Complaints Handling Code in which we can evidence that we have complied with all aspects of the Code. Our self-assessment is available on our website.

# Board Response

## Board Statement in Response to the 2023-2024 Complaints Performance and Service Improvement Report

As the Member Responsible for Complaints at Hexagon, I have prepared this statement on behalf of the Board in response to the 2023/24 Complaints Performance Report. This response complies with the Housing Ombudsman's Complaint Handling Code.

### Board's Commitment and Response

We note that performance throughout Q1 to Q3 was poor, with responses sent within Ombudsman targets dropping to 8% in December 2023, and a backlog of 227 complaints. We also acknowledge that our response to Ombudsman queries during this period was poor. However, we are pleased to see our new permanent team have begun to improve complaints performance rapidly in Q4.

The Customer Service Committee continues to maintain oversight of complaints performance to ensure the gains continue in 2024/25. Lessons learnt are reported the committee and their implementation monitored. Board will continue to scrutinise performance against our corporate KPIs, and the Customer Services Committee review operational data and progress against the complaints improvement plan.

### Key Areas for Improvement

- 1. Response times:** We will continue to improve the number of Stage One complaints responded to within the Ombudsman targets. Our corporate KPI is set at 75% which we plan to meet during the year.
- 2. Addressing underlying issues:** Whilst we are improving our complaints performance, we will ensure that the underlying issues that cause the complaints are also addressed.
- 3. Communicating with customers:** we note a common theme of not keeping customers apprised of progress with their queries as being a cause of complaints. Our leadership team are embedding this cultural change across the organisation.

### Service Improvements

The recruitment of new permanent staff has added the capacity and capability to the Complaints Team required to deliver the service to the level we have set. An improvement plan was presented to the Customer Service Committee in February 2024 and the implementation is showing the intended positive uplift in performance.

### Compliance with the Housing Ombudsman's Code

We are happy to report that our self-assessment against the Complaints Handling Code shows full compliance.

### Summary

The Board has agreed a plan to improve the complaints service at Hexagon significantly, and recognises that it is a key way that residents engage with us. We acknowledge our

historically poor performance, have taken action and have already seen the intended improved results achieved in Q4. The Board will continue to require improved outcomes for our customers and hold the management team to account for performance through the improvement plan and monitoring the implementation of performance closely.

We will enhance service delivery and customer satisfaction, ensuring transparency and accountability. And we highly value our customers feedback as a key to achieving improvements.

A handwritten signature in black ink that reads "Mark Allan". The signature is written in a cursive, slightly slanted style.





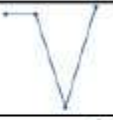

Mark Allan  
Chair of the Customer Service Committee and Member Responsible for Complaints

# Appendix 1

## Complaints KPIs at year end 2023/24

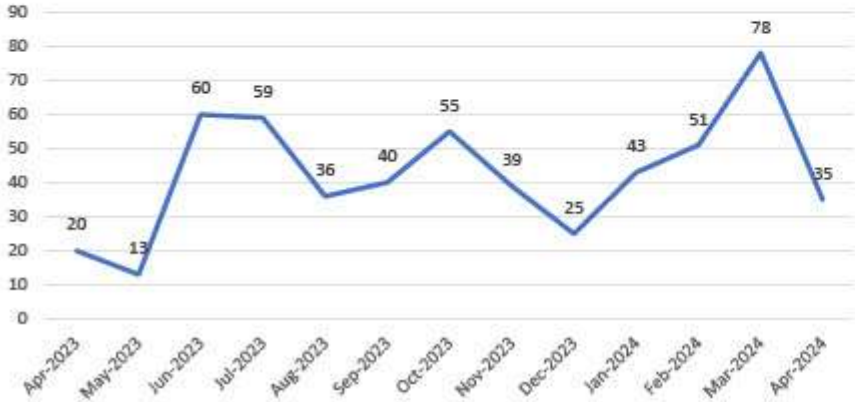
### Legend

  Included in TSMs

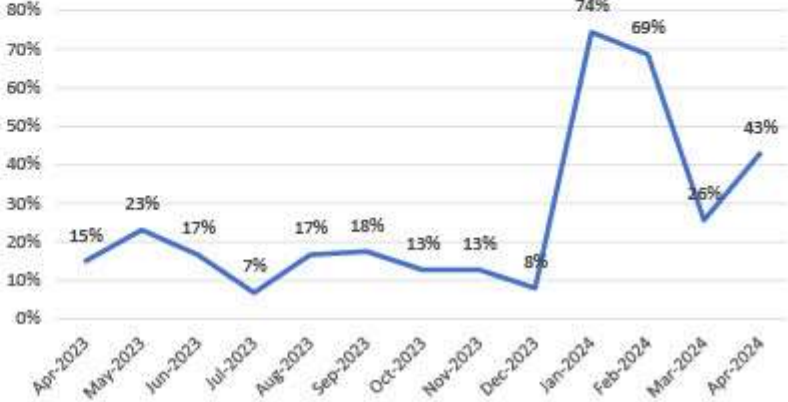
	Q1 23/24	Q2 23/4	Q3 23/24	Q4 23/24	Trend	EOY 23/24	23/24 Target
<span style="background-color: #0070C0; color: white; padding: 2px;"> </span> Number of stage 1 complaints received per 1000 properties	23.49	31.62	27.11	36.85		117.01	90
<span style="background-color: #0070C0; color: white; padding: 2px;"> </span> Number of stage 2 complaints received per 1000 properties	4.97	2.03	2.94	6.10		18.07	18
Complaints responded to within the HOS Complaint Handling Code timescales	10%	10%	6%	48%		24%	75%
Average working days to respond (Stage 1)	24.5	16.45	24.5	-		-	12 days
<span style="background-color: #0070C0; color: white; padding: 2px;"> </span> % satisfied with Hexagon's approach to complaint handling	27.0%	27.0%	14.0%	28.0%		24.0%	37.2%
No of HOS maladministration decisions	0	2	0	3		6	0

### Complaints Operational Performance data; Stage 1 - April 2023 to April 2024

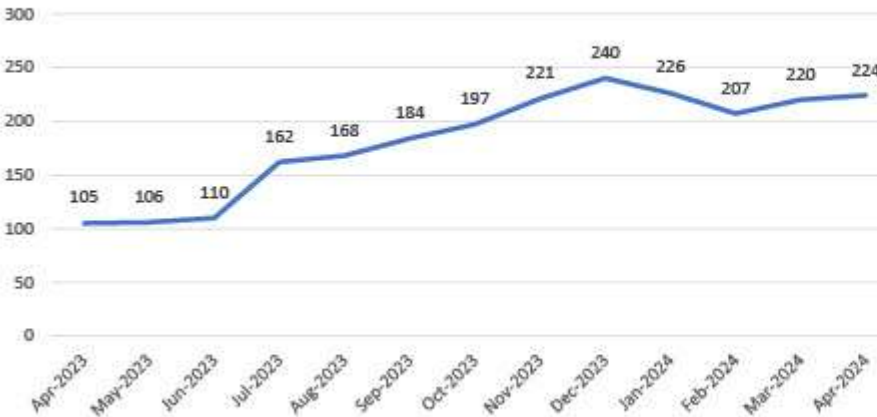
S1 complaints received



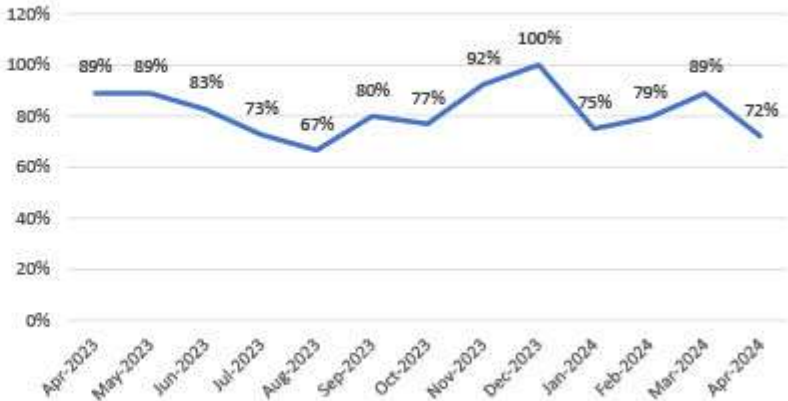
S1 full responses sent within target (%)



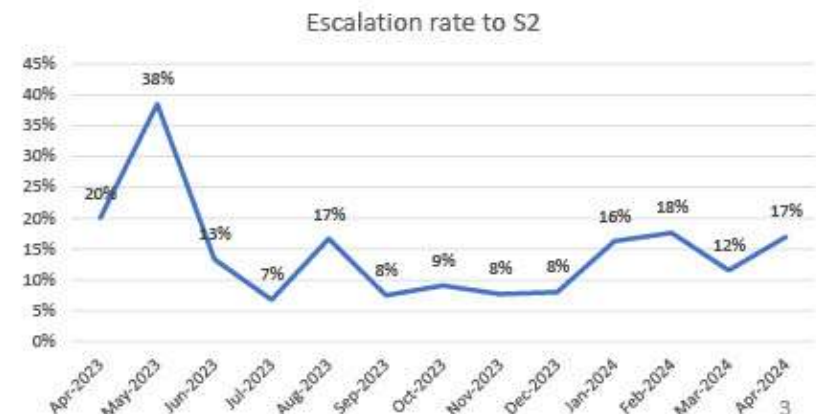
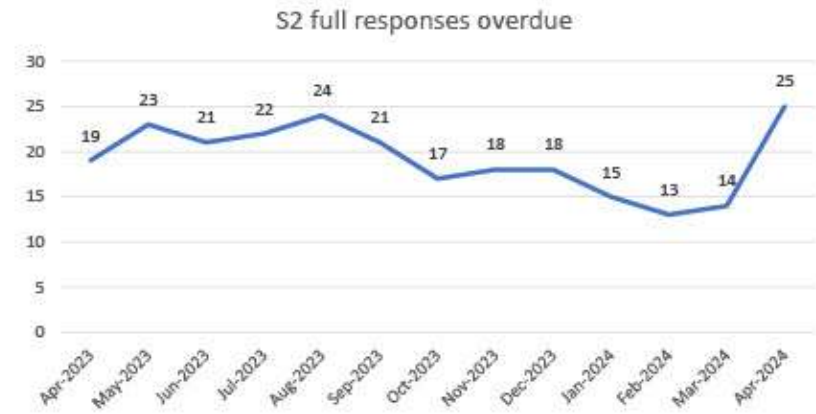
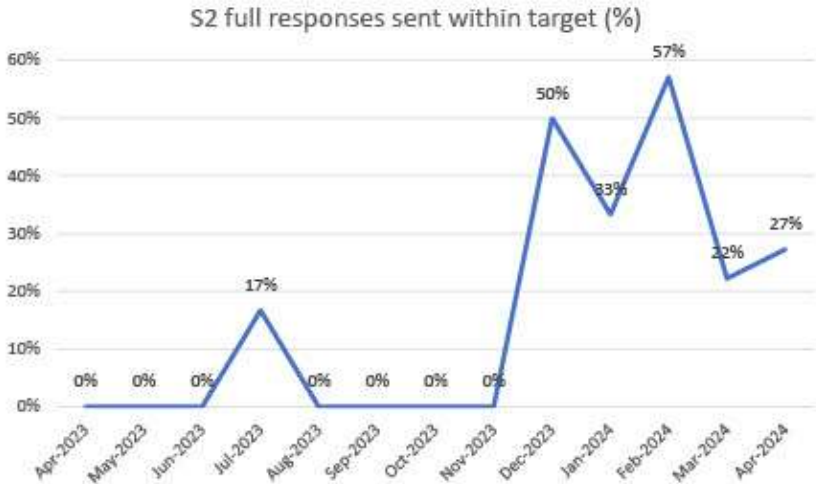
S1 full responses overdue



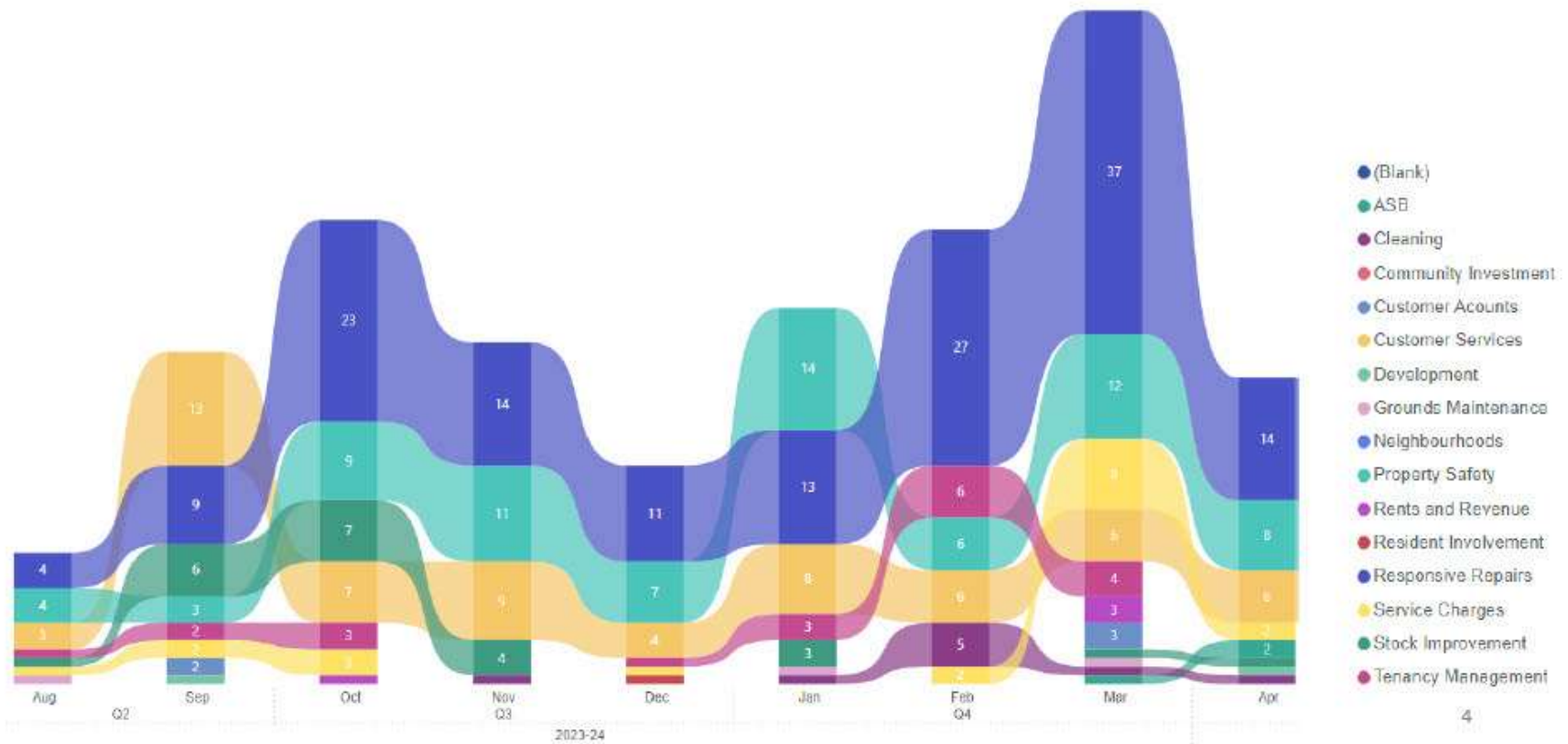
S1 complaint upheld (%)



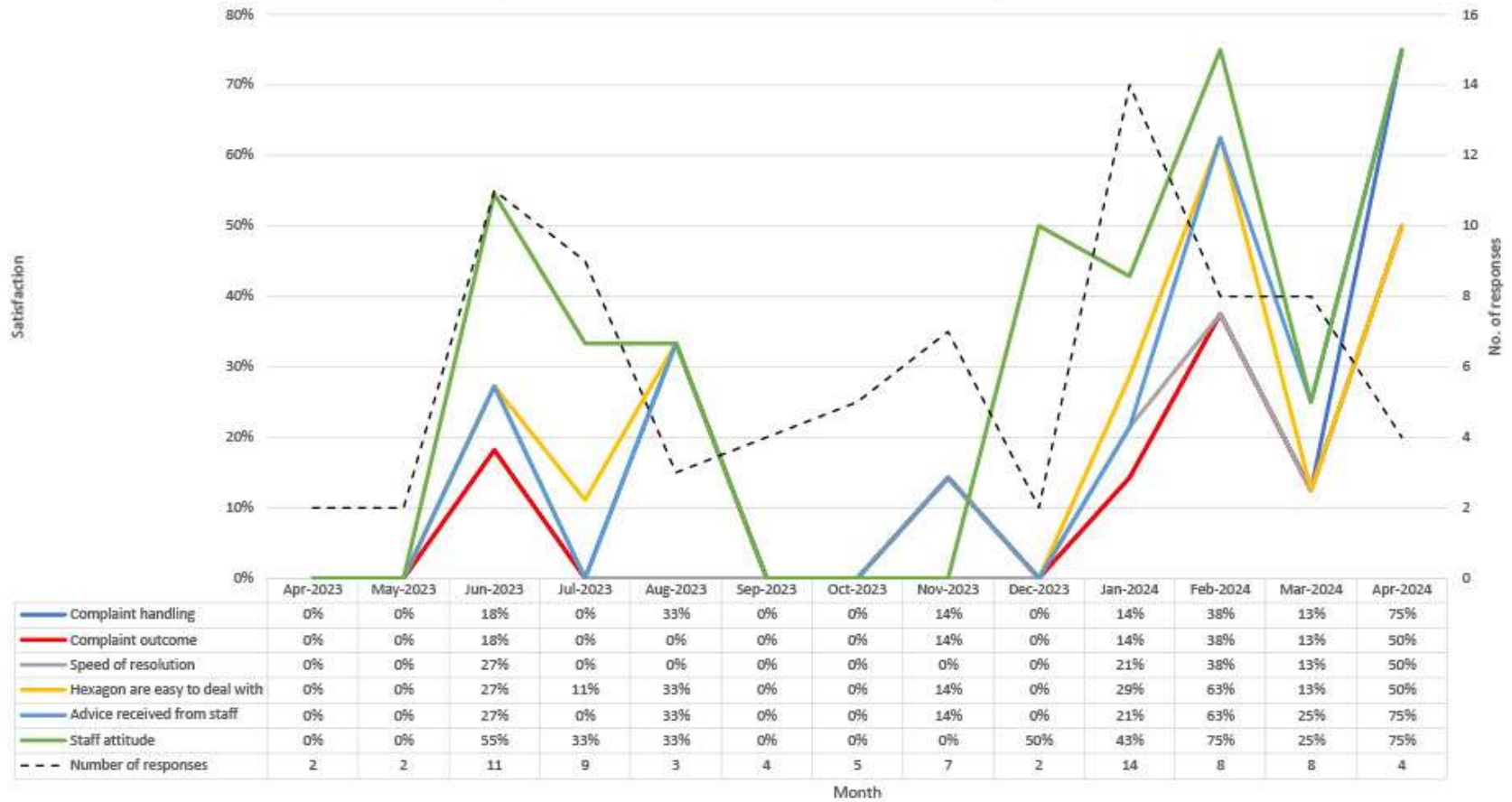
### Complaints Operational Performance data; Stage 2 - April 2023 to April 2024



NUMBER OF STAGE 1 COMPLAINTS RECEIVED BY TEAM, OVER TIME



Complaints service customer satisfaction - April '23 to April '24





Hexagon