

Sanctuary Housing Group
**Independent review of
complaints handling**
Summary Report



Contents

- 1. Overview.....3
- 2. Our findings against key areas of focus5
- 3. Our conclusions.....9
- Contact details.....10

DISCLAIMER: Our report is addressed to the directors of Sanctuary Housing Group. We stress that our report is confidential and prepared for the addressees only. It should not be used, reproduced, or circulated for any other purpose, whether in whole or in part without our prior written consent, which consent will only be given after full consideration of the circumstances at the time.

If the report is released to a third party without prior consent from Altair, we do not acknowledge any duty of care to the third party and do not accept liability for any reliance placed on the report.

1. Overview

- 1.1.1. Altair Consultancy and Advisory Services ('Altair') was commissioned by Sanctuary Group ('Sanctuary') to conduct a review of its approach to complaints handling. The review has been commissioned in the context of an increase in Housing Ombudsman Service severe maladministration determinations.
- 1.1.2. In response to this, Sanctuary Group Board and engaged residents (Resident Advisory Panel and Resident Scrutiny Panel) identified the need for an independent review. The review focusses on three Areas as follows:
- Area 1 – Review of complaints process and model.
 - Area 2 – Assessment of lessons learned from previous determinations.
 - Area 3 – Deeper review of complaints and impact of the process on customers
- 1.1.3. The scope of this review is set out in table 1 below:

Table 1: Scope of this review

Area of review	Key areas of focus
1. Review of complaints process and model <i>(with a focus on the new ways of working introduced in 2023)</i>	<ul style="list-style-type: none"> • Review of the overall operating model to manage complaints (including the overall process, resources and skills to manage the required activities) with reference to best practice approaches. • Are processes in place to respond to complaints in line with Housing Ombudsman Code and Sanctuary policy, including timescales? • Does the process adequately capture the vulnerabilities of customers?
2. Assessment of lessons learned from previous determinations	<ul style="list-style-type: none"> • Review of improvement plan, current implementation and next steps. • Are there learning processes in place following Housing Ombudsman determinations? • Are the lessons learned and action plans from previous determinations being implemented?
3. Deeper review of complaints and impact of the process on customers	<ul style="list-style-type: none"> • Is there reporting in place to identify and manage poor performance? • Are repair works tracked and actioned alongside complaint responses? • Is the complaints process accessible to all customers, including those with vulnerabilities? • Is Sanctuary's compensation procedure appropriate and is it applied correctly? • Is the process for complaints-handling adapted to take into account the diverse needs of customers? • Are complaint responses extended with agreement of customers? • Are complaints only closed once the required works are done? • Does the approach to complaints handling prioritise positive outcomes for customers? • Are customers treated with fairness and respect and their specific needs or vulnerabilities considered throughout the complaints process?

- Is communication delivered to customers in a clear and concise manner?

1.1.4. Our approach to this review is set out in table 2 below:

Table 2: Our Approach to this review

	Stage	Activities
Area 1 – Review of complaints model	Briefing discussions	<ul style="list-style-type: none"> • Discussions with key individuals at Sanctuary (outlined at Appendix 3 of this report)
	Desk based review of documentation	<ul style="list-style-type: none"> • Detailed document review (documents reviewed outlined at Appendix 2 of this report)
	Mapping and comparison of existing processes	<ul style="list-style-type: none"> • Review of policy and process • Engagement with staff (outlined at Appendix 3 of this report) • Demonstration of repairs/complaints systems • Comparison to the Housing Ombudsman Code
	Benchmarking/ best practice review	<ul style="list-style-type: none"> • Review of best practice approaches
	Reporting	<ul style="list-style-type: none"> • Key themes • Reporting with full recommendations
Area 2 – Assessment of lessons learned	Review of previous determinations, initial lessons learned and action plans	<ul style="list-style-type: none"> • Desk based review of previous determinations plus additional internal and other reports
	Discussions with key staff members	<ul style="list-style-type: none"> • Discussions with complaints handlers (outlined at Appendix 3 of this report)
	Reporting	<ul style="list-style-type: none"> • Key themes • Reporting with full recommendations

1.1.5. This report provides summary findings for all areas of the review.

2. Our findings against key areas of focus

2.1.1. Area 1 - Review of complaints process and model

2.1.2. Based on the work we have completed and with reference to the fact that Sanctuary is still implementing a new operating model for its Complaints service, our key findings for Area 1 include:

- Sanctuary has responded to heightened complaints volume through the implementation of a new operating model. The model is a central complaints service, providing complaints responses for all housing complaints, aside from Stage 1 responses for the neighbourhood complaints.
- The model design has been shaped around the complaints policy and procedure, which aligns with the timescale expectations within the Housing Ombudsman Complaints Handling Code. We can conclude that this is a proportionate approach to heightened complaints volumes.

2.1.3. A summary of our findings into the key areas for assessment included under Area 1 are provided in table 3 below.

Table 3: Area 1: Key areas of focus and assessment

Key areas of focus from the brief for Area 1	Assessment
Review of the overall operating model to manage complaints	<ul style="list-style-type: none"> • Overall, the new operating model for managing complaints is appropriate when compared to peers, best practice, and regulatory and policy requirements. • Features have been built into the model and structure (e.g. triage and specialist teams for Stages 1 and 2) provide a robust and transparent approach for managing complaints. • There are also other features identified in the new complaints operating model which are due to be implemented over the next 12 months which will further address current weaknesses and strengthen the overall approach. This includes areas such as a new complaints system, robust approach to root cause analysis and link into service improvement activities.
Are processes in place to respond to complaints in line with Housing Ombudsman Code and Sanctuary policy, including timescales?	<ul style="list-style-type: none"> • We have found that the current operating model directly correlates with complaints handling stages, as per the expectations of the Housing Ombudsman Service and the Sanctuary Policy. Overall, this puts Sanctuary in a position to effectively performance manage the timescale expectations within each team within the Complaints Service. • We are aware that increasing levels of complaints has caused pressure to the model to meet timescale expectations and that Sanctuary is actively recruiting more employees.
Does the process adequately capture the vulnerabilities of customers?	<ul style="list-style-type: none"> • We have found that the assessment of customer vulnerabilities is carried out at the earliest opportunity and that complaints from customers with vulnerabilities are prioritised for resolution. • Further assessment of the approach to vulnerabilities is outlined in Area 3 of this review.

2.1.4. In addition to the above overall findings, in Area 1 we have also identified some additional recommendations for Sanctuary to consider:

- **Recommendation 1** – In addition to current activity by the organisation such as lessons learned reviews, peer reviews and planned work with the new complaints operating model, Sanctuary should take steps to further improve learning from complaints by improving the sight of live complaints information to services. This recommendation can be considered alongside recommendation 2 of this report.
- **Recommendation 2** – Our current understanding is that Sanctuary aim to identify a new complaint handling system in March 2024. We recommend that a handling system should consider the provision of sight of complaints by customers and other operational teams. If the lead time for a new system is significant, Sanctuary should consider other interim solutions available to the organisation.
- **Recommendation 3** – As part of the new operating model, Sanctuary is implementing a new approach to root cause analysis for the learning from complaints. Deeper root cause analysis will enable Sanctuary to improve the organisations approach to learning from complaints. Although planned, this has not yet been implemented and we recommend that the putting in place a new approach to root cause analysis should be a key priority.
- **Recommendation 4** – We understand that Sanctuary are currently reviewing how complaints and customer feedback is provided to its leadership, Board and committees. As part of the ongoing improvements in this area and reflecting changes in the external environment, we agree that Sanctuary should build on its existing approach to consider new ways of providing strong information about service quality to better equip leaders across the organisation to better listen to and act on customer voice. For example, as well as reporting on complaints performance information using segmentation and theme analysis to drive learning and understanding of the impact of decisions on different customer groups.

2.1.5. Area 2 - Assessment of lessons learned from previous determinations.

2.1.6. Between March 2023 and July 2023, seven cases with at least one determination of severe maladministration were made by the Housing Ombudsman Service. The seven cases have resulted in 11 determinations of severe maladministration.

2.1.7. The seven cases were originally raised as a service request or a complaint by the customer to Sanctuary between May 2016 and October 2021.

2.1.8. Sanctuary has made considerable steps to comply with the complaints handling expectations of the Housing Ombudsman Service as well as to address core issues within other services, such as the handling of damp and mould and contract management. We have identified one order that is yet to be complied with and highlighted this as a recommendation of this report.

2.1.9. A summary of our findings into the key areas for assessment included under Area 2 are provided in table 4 below.

Table 4: Area 2: Key areas of focus and assessment

Key areas of focus from the brief for Area 2	Assessment
Review of improvement plan, current implementation and next steps.	<ul style="list-style-type: none"> • We have found that in November 2022 Sanctuary put in place a task force in place to address concerns with complaints performance, focussed on eliminating complaint backlog and

Key areas of focus from the brief for Area 2	Assessment
Are there learning processes in place following Housing Ombudsman determinations?	<p>improving performance. The task force consists of representatives from across the organisation.</p> <ul style="list-style-type: none"> • In addition to the task force, a specific project team sits within the complaints service, focussed on ensuring compliance with Housing Ombudsman Orders. In addition, in response to the determinations, Sanctuary has commissioned this review. • Our further, more detailed assessment of the application learnings from the Housing Ombudsman determinations is outlined in Area 2 of this report.
Are the lessons learned and action plans from previous determinations being implemented?	<ul style="list-style-type: none"> • We have found that in the main, lessons are being learned and implemented, the assessment of former complaints and the development of the new works co-ordination team are positive improvements. However, some elements of this review have highlighted concerns about the use of interim responses and an expected policy change. We have discussed this with Sanctuary and recommended an approach which includes ongoing engagement but removes the additional interim responses stages.

2.1.10. In addition to the above high-level findings, we have also identified one other recommendation to date for Sanctuary to consider:

- **Recommendation 5** – Sanctuary should update its Policy and Procedures to reflect that Stage 2 of the complaints process is not an ‘independent review’. We suggest that a revision of wording is used which reflects that the second stage of the complaints process is handled by a different member of staff and team at the second stage.

2.1.11. Area 3 – Deeper review of complaints and impact of the process on customers

2.1.12. Our key findings for Area 3 include:

- Our assessment indicates that the complaints process is accessible to customers and those with vulnerabilities. However, definitions of vulnerabilities by Sanctuary and the Ombudsman do not align.
- Processes align with the Ombudsman expectations and reporting is in place for performance to be closely monitored.
- We have identified some cases where ‘interim’ responses have been used. We have however been informed that the use of ‘interim’ responses has stopped (as a result of our findings in Area 1 and 2 of this review).
- The approach to complaints prioritises good outcomes for customers, specifically through the Works Co-ordination Team.
- Compensation levels are interpreted in a variety of ways and there is a need for a greater level of consistency.

2.1.13. A summary of our findings into the key areas for assessment included under Area 3 are provided in table 5 below:

Table 5: Area 3: Key areas of focus and assessment

Themes	Assessment
Customer vulnerability and access	<ul style="list-style-type: none"> • Our assessment of the complaints process indicates that it is accessible to customers, offering a broad range of ways to make a complaint. • As with peers in the sector, in individual complaints we've identified a range of practice. • Sanctuary's definition of 'vulnerabilities' aligns with the Equalities Act 2020. This approach does not align with the approach of the Ombudsman. The Ombudsman has a broader definition of vulnerability.
Processes and performance	<ul style="list-style-type: none"> • Performance aligns with regulatory expectations and is monitored closely by the Board, the Executive and Operational Teams. • Repair resolutions are tracked alongside complaint responses. • Altair has identified that some complaints were extended at the point of acknowledgement (50% of cases) yet meet the original complaints timescales. Altair has been informed that this approach ended as of 4th July 2023. • Altair has identified evidence of four interim responses; however, we have been informed that (after our findings in Area 1 and 2 of this review) interim responses are no longer being used.
Outcomes for customers	<ul style="list-style-type: none"> • The operating model puts resolution of customer concerns at its core. • In the main, complaint response quality is good. We are aware that Sanctuary is taking steps to improve response quality. • The use of the template complaint response letter was identified by Altair as a concern. However, customers explained that they had received letters positively. • Sanctuary has guidance for the application of compensation. Compensation appears to be considered for every complaint. However, there is some inconsistencies in levels awarded. • Customers told Altair that offers of compensation feel insincere.

2.1.14. In addition to the above overall findings, in Area 3 we have also identified some additional recommendations for Sanctuary to consider:

- **Recommendation 6** – Sanctuary should take steps to broaden guidance in relation to 'reasonable adjustments' to include how they provide support to residents with vulnerabilities that may not be necessarily captured within the Equalities Act 2010. Consideration should be given to the broader expectations outlined in the recent Ombudsman spotlight report: Attitudes, respect and rights.
- **Recommendation 7** – Sanctuary should take steps to further embed the application of the compensation procedure into the complaints process, including strengthening understanding of the appropriate level of compensation.
- **Recommendation 8** – Sanctuary should consider how the organisation uses template documents for responses, namely for customers who raise more than one complaint.

3. Our conclusions

- 3.1.1. The change in operating model has been an appropriate response to the operating environment. The operating model design is a proportionate approach to heightened complaints volumes.
- 3.1.2. The model design of a staged approach and the use of a triage function places Sanctuary in a good position for a robust and transparent approach to complaints handling.
- 3.1.3. Customer resolution is at the heart of the process. From the deeper review of complaints, it is clear that customer concerns are heard and prioritised throughout the process, acknowledging customer need, and complying with regulatory expectations.
- 3.1.4. With the backlog of complaints at the Housing Ombudsman Service and volume of transactions between Sanctuary and their customers there will be a period of time before the changes to the model and approach will impact the determinations of the Housing Ombudsman Service.
- 3.1.5. There is a significant amount of oversight for the performance of complaints including regular reporting to the Board, the Executive and Operational Teams.
- 3.1.6. The position for vulnerabilities has been unclear for the sector and Sanctuary is similar to peers. However, the recent spotlight report from the Housing Ombudsman Service has provided additional guidance in this area.
- 3.1.7. We can conclude that Housing Ombudsman determinations are being learnt from whilst a broader approach to learning from all complaints is currently being embedded.
- 3.1.8. During our engagement during this commission, teams have sought to resolve the concerns we have identified as we have highlighted them.

Contact details

Michael Appleby

Director – Altair Consulting

07545 314 749

michael.appleby@altairltd.co.uk