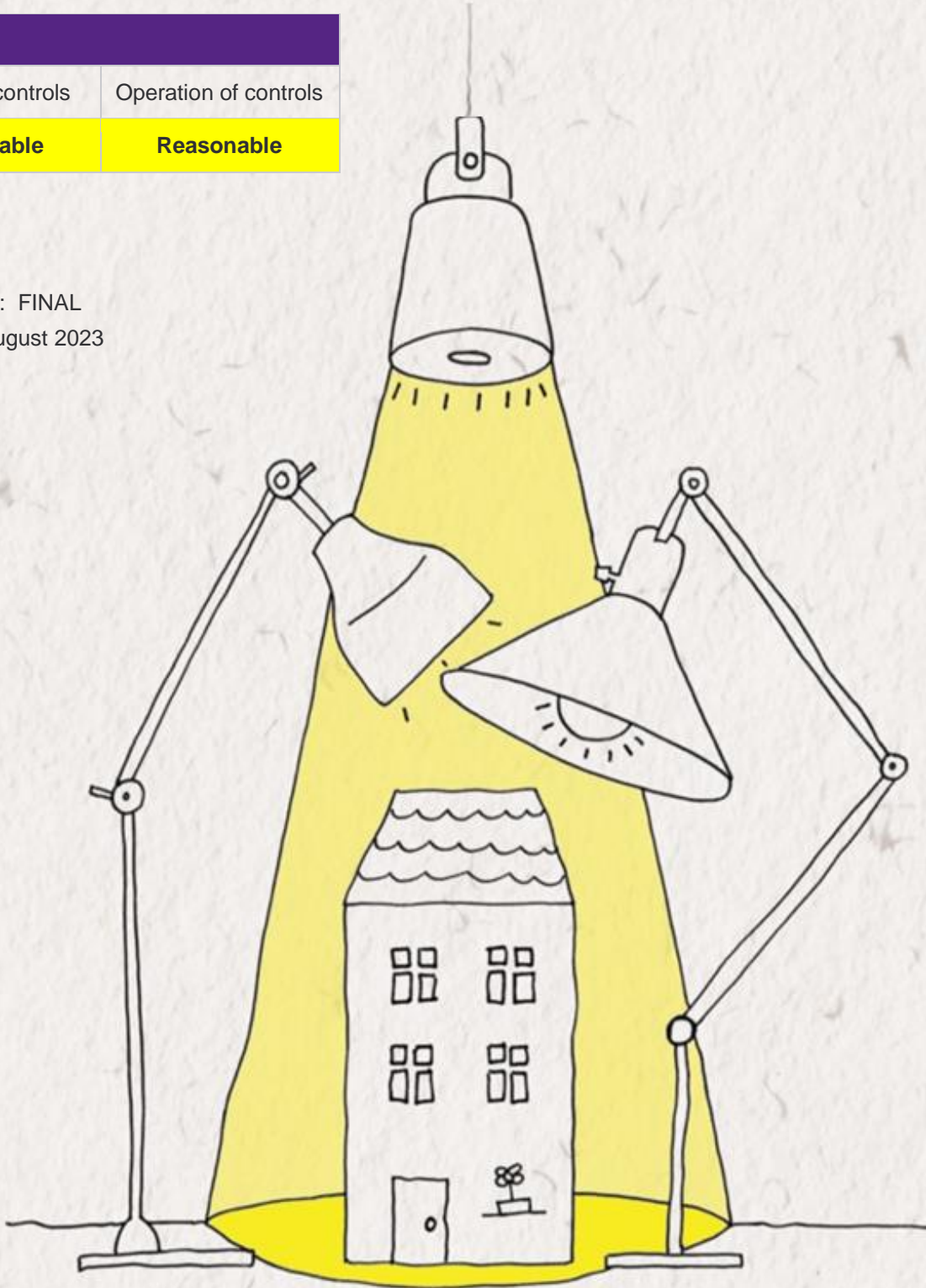


COMPLAINTS MANAGEMENT

INTERNAL AUDIT REPORT

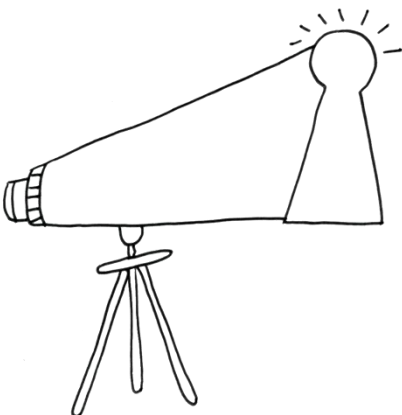
Assurance	
Design of controls	Operation of controls
Reasonable	Reasonable

Report Status: FINAL
Issued: 08 August 2023



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No responsibility is accepted by us for any reliance that may be placed on our reports by any third parties unless our permission is sought for the provision of such reports to specified third parties and such permission is given by us in writing prior to the provision of the reports to the third parties specified.

INTRODUCTION AND BACKGROUND

In July 2020, the Housing Ombudsman published its revised Complaint Handling Code, which sets standards for complaint handling in the social housing sector. It is a condition of membership of the Housing Ombudsman that landlords comply with the Code; that they self-assess against the Code and report the outcome to their governing body before publishing the results.

In April 2022, the Complaints Handling Code was further revised, with the main amendments being in the following areas:

- It is no longer appropriate to have extra named stages such as 'pre-complaint' or 'informal complaint'.
- Clarity about timescale changes.
- The requirement to self-assess against the Code has been confirmed as an annual requirement.
- Landlords should appoint a member of the governing body to have lead responsibility for complaints to ensure regular information is received.
- Landlords should have a standard objective in relation to complaint handling for all employees.

Furthermore, The Charter for Social Housing Residents: Social Housing White Paper, issued in January 2021, sets out how the Department for Levelling Up, Housing & Communities (DLUHC) plans to work with the Regulator of Social Housing (RSH) to create a strong, proactive consumer regulatory regime, strengthening the formal standards against which landlords are regulated and requiring them to:

- Be transparent about their performance and decision-making.
- Put things right when they go wrong.
- Listen to tenants through effective engagement.

The Paper instructs landlords to provide residents with consistency across complaints handling, and the revised Complaint Handling Code has bolstered the Housing Ombudsman through new powers, especially for making landlords more accountable for their actions with respect to complaints. The new powers allow the Housing Ombudsman to intervene where complaints are not resolved in an adequate timeframe, and issue complaint handling failure orders, and the RSH will be able to act where it deems registered providers (RPs) have not complied with the requirements of its Tenant Involvement and Empowerment Standard.

ForHousing has seven staff dedicated to complaints handling across the organisation, four of which sit in a central complaints function who are overseen by the Director of Strategy and Performance. Although there is a central function, there are currently 89 staff who are tasked with handling complaints across the various service areas within ForHousing, including staff at ForLiving (ForLiving follow the same process as ForHousing). These staff handle complaints alongside their day to day roles.

QL, ForHousing's Housing Management System is used to record and monitor complaints. Reporting on complaints is undertaken using PowerBI, which extracts data directly from QL and is used to calculate KPI reports. Since the publication of the Housing Ombudsman's Complaints Handling Code in October 2022, ForHousing revised its complaints approach to align with the Code in November 2022. Since this date, there have been a total of 1,355 complaints received by ForHousing (1,284 stage 1, 71 stage 2). Seven complaints have escalated to the Housing Ombudsman.

Should a complaint be escalated to stage 2 of the ForHousing process, these are reviewed on a weekly basis by a panel of staff and learnings are identified and fed to the Microsoft Teams Complaints Handling channel. This Teams channel, which includes the 89 complaints handling officers, serves as a platform for sharing the PowerPoint presentations used in these Stage 2 review meetings.

ForHousing received a visit in May 2023 from the Housing Ombudsman. Following the visit, ForHousing explored ways to reduce the number of complaints whilst still remaining compliant, such as insights on the correct distinction between complaints and service requests, as well as an emphasis on the requirement to keep clear and accurate records and audit trails.

INTRODUCTION AND BACKGROUND

Audit Scope and Objectives

To provide assurance that ForHousing is effectively handling complaints and is proactively using that analysis to improve service delivery. The review also assessed the extent to which ForHousing is responding to the focus on complaints handling and the role of the Housing Ombudsman's Complaints Handling Code, as well as consistency in approach across the Group.

This review is linked to the following risk register entries:

- 06. Customer satisfaction impacted by substandard, poorly designed services which are difficult to access and do not meet the needs of customers.
- 10. ForHousing does not have the right culture with the right people, in the right jobs, with the right tools to deliver business needs effectively and safely.

Liberty has not been included in the scope of this review, as a separate audit of the Liberty Customer Journey is to be completed later in the financial year.

Executive Lead

Mark Bradshaw – Executive Director of Finance.

EXECUTIVE SUMMARY

Overall Opinion

We note that ForHousing has taken proactive steps towards ensuring that complaints are handled in accordance with the Housing Ombudsman’s Complaints Handling Code, notably by realigning the Complaints Policy and removing informal complaints stages. The use of Power BI tools allows detailed insight into complaints data in QL and each stage two complaint is subject to a full review on a weekly basis.

We have however identified instances where communications with residents exceeded established milestones and it could not be confirmed that the residents were informed of any delays. We also noted that the ForHousing Board does not currently receive any information on complaints performance at the time of the audit fieldwork, pending a review of position statement reporting.

Assurance		Recommendations			
Design of controls	Operation of controls	High	Medium	Low	Total
Reasonable	Reasonable	-	2	4	6

Overview of issues noted	Priority
Although complaints information was issued to ForHousing Board previously, at the time of the audit the ForHousing Board does not receive KPIs in relation to complaints handling performance.	Medium
ForHousing is not currently undertaking quality assurance checks on stage 1 complaints to ensure that they have been handled appropriately and correctly logged on QL.	Medium
All four ForLiving complaints received between December 2022 and April 2023 were incorrectly logged in QL as ForHousing repairs-related complaints (and not for ForLiving) and as such have been included in ForHousing performance reports to EMT and Customer Committee without the distinction of these being ForLiving-related complaints.	Low
ForLiving’s Board does not have oversight over complaints, which means that currently these complaints have no oversight in any of ForViva’s reporting structure.	Low
The ForLiving website does not include any information or how to raise a complaint.	Low
ForHousing has not published information externally demonstrating how complaints have been used to improve its services.	Low

Scrutiny Panel

The Scrutiny Panel were involved as part of this audit review and undertook their own separate testing. The findings from their review are outlined below, under **Scrutiny Panel Findings**. The scope of their work is outlined in **Appendix B** and included a review of communications to residents on complaints and contacting residents who have raised complaints since the new Complaints Policy publication in November 2022.

Based on our review of their work, we have raised additional actions for ForHousing to consider.

EXECUTIVE SUMMARY

Positive findings

ForHousing's Complaints Policy is in line with the Housing Ombudsman's Complaints Handling Code and sector best practice. Following a visit from the Housing Ombudsman in May 2023, ForHousing has revised its Complaints Policy to include updated acknowledgement deadlines and additional guidance on exclusions in the event of a legal proceeding.

ForHousing does not have an informal complaints stage as part of its Complaints Policy.

ForHousing's self-assessment against the Housing Ombudsman's Complaints Handling Code is published online; following the visit by the Ombudsman in May 2023, this self-assessment has been updated.

ForHousing provides a range of methods for tenants to raise a complaint including social media, phone, email, letter, complaint web form and direct report to staff. These are all outlined on ForHousing's complaints webpage.

ForHousing commits to a range of adjustments for residents who have accessibility requirements which includes alternative formats, alternative language and audio versions of policies and complaint related communications.

ForHousing makes use of a Complaints Handling Teams channel, which is accessed by 89 complaints handling staff.

ForHousing has flags set up in QL to identify any potential tenant vulnerabilities. Our sample testing identified instances where extra adjustments were required by ForHousing in responding to the complaint; we confirmed that ForHousing had taken legal advice to ensure they were making all reasonable adjustments. During sample testing we identified that one complainant in particular required extra adjustments and that these had been discussed with ForHousing's in-house Legal Team to ensure that they were taking the correct reasonable adjustments.

ForHousing uses Power BI to monitor complaint handling performance and has created several dashboards allowing the central complaints team to monitor performance. ForHousing uses Pentana for reporting purposes.

ForHousing publishes information about complaints performance on its website and in the Tenant Annual Report.

EXECUTIVE SUMMARY

Sector Insights

Complaints provide insight for service improvement based on feedback from tenants and service users. Ensuring that there is a clear process, and each complaint is handled in a consistent manner, is key in ensuring that best value is gained from the service. One of the key issues identified from the Housing Ombudsman is that RPs fail to learn from complaints, and as such they regularly see providers making the same mistakes in relation to complaints handling.

Obtaining and understanding customer feedback and engagement has become an increasing priority across the sector, with an acknowledgement that the sector needs to improve the way in which it engages and responds to customers. To improve transparency, the Housing Ombudsman has begun to frequently publish information on the number and nature of complaints it receives.

The Housing Ombudsman's latest insight report published on the 31 March 2023, identified trends in complaints received between October to December 2022. The report identified that there has been a 17% increase in complaints received by the Housing Ombudsman between this quarter and the previous quarter, from 4,477 to 5,256. The national data shows that property condition, complaint handling and Anti-social behaviour remain the top three areas of complaint. 51% of complaints were received from residents about the condition of their homes (a 10% increase from the previous quarter), 13% for complaint handling, and 10% for anti-social behaviour.

Type of landlord	Property Condition	Complaint Handling	Anti-Social Behaviour
More than 10,000 units	52%	13%	10%
Between 1,000 and 10,000 units	47%	13%	12%
Less than 1,000 units	47%	17%	10%

To compare, the highest volume of complaints at ForHousing between April and May 2023 relates to responsive repairs (83.08%). The remainder for the period were attributed to neighbourhoods (6.04%), planned works (1.81%), community safety (1.51%), and 'other' (2.42%).

All cases that are within the Housing Ombudsman's remit, that were not resolved or withdrawn, must receive a determination. The breakdown below shows the findings of the investigations into these cases. ForHousing currently has 7 complaints with the Housing Ombudsman, all of which are related to responsive repairs.

Many organisations report on complaints received to Senior Management and the Audit and Risk Committee and provide high-level figures to the Board; in this way there is effective challenge throughout the business over performance against key milestones outlined in Policy and Procedure. Depending on the volume of complaints, this reporting may take the form of KPIs reported quarterly, or an annual report. Complaint-specific KPIs are not reported to the ForHousing Board. **(See Recommendation 1)**

EXECUTIVE SUMMARY

Sector Insights (continued)

Approaches to Complaints Handling

We surveyed several of our clients to determine whether or not they have updated their approach to complaints handling following the publication of the Complaints Handling Code. For those that responded, all confirmed that they had removed informal stages of the complaints handling process (as have ForHousing). Some RPs have updated training provisions to responsible staff and have employed specific staff charged with identifying root cause analysis to understand themes arising from upheld complaints. In this regard, ForHousing completes a full review as part of every stage 2 complaint, which includes themes and highlighted learnings.

All RPs surveyed have experienced an increase in the number of complaints over the past 12 months. All RPs surveyed manage complaints centrally, and have larger dedicated complaints handling teams, whereas ForHousing has a small central function with officers across the business assigned responsibilities for handling complaints.

However, the number of staff allocated to central complaints teams does not appear to be related to the size of the organisation: all RPs surveyed had teams composed of seven members of staff, with units managed ranging from 19,000 to 36,000; all have a centralised complaints function. ForHousing has a decentralised model, where 89 complaints handlers are assigned across the business, supported by two members in the complaints function. This is in contrast with ForHousing, whose dedicated complaints team within its central complaints function although there are plans to double the number of central staff by the end of June 2023. The table below summarises the total number of complaints received across the surveyed RPs since April 2022, broken down by stage:

	ForHousing	RP1 (19,000 units)	RP2 (21,000 units)	RP3 (36,000 units)
Stage 1	Complaints data in the 12-month period April 2022-23 was not provided	1,259	1,807	1,463
Stage 2		200	153	88
Housing Ombudsman enquiries/investigations received since April 2022		19	13	N/A
Volume of complaints received per complaints officer		208.43	280	221.57

Our survey highlighted that ForHousing and those RPs surveyed provide alternative formats (such as Braille, large font, or other languages) of their complaints policy upon request. One RP in particular has utilised the “Recite Me Accessibility Software”, which offers a range of on-demand accessibility solutions and aids in conforming to the Web Content Accessibility Guidelines (WCAG)¹. These are a set of international standards developed by the World Wide Web Consortium (W3C) to ensure that web content is accessible to people with disabilities. WCAG provides guidelines and success criteria for making websites and web applications more accessible, usable, and inclusive.

WCAG addresses a wide range of disabilities, including visual, auditory, physical, speech, cognitive, neurological, and learning disabilities. The guidelines are designed to benefit individuals with disabilities as well as elderly individuals and people using assistive technologies, such as screen readers, braille displays, or voice recognition software. WCAG is currently at version 2.1, released in June 2018 (a new version 2.2 is currently being drafted), with Level A, AA, and AAA conformance levels. Each level has specific criteria that must be met for a website to be considered compliant with that level. The conformance levels are hierarchical, with Level A being the minimum requirement and Level AAA providing the highest level of accessibility.

¹ <https://www.w3.org/WAI/standards-guidelines/wcag/>

RECOMMENDATIONS AND ACTION PLAN

Recommendation Reference	Recommendation Priority	Identified by
Recommendation 1	Medium	Internal Audit
	ForHousing Board oversight of complaints	

Observation

We reviewed ForHousing Board report for May 2023 and found that there were no specific KPIs relating to complaints, as the provided data only included tenant satisfaction measures and feedback.

Discussion with Management identified that following the appointment of a new Chief Executive Officer in April 2023, monthly ForHousing Position Statement updates to the Board have been paused, pending a review. These reports included complaints performance data and included KPIs that were split into ForHousing-owned stock and those under the housing management contract. We note that the Customer Committee receives regular complaints performance information (including in July 2023) and has representation from the ForHousing Board. We also understand that information on complaints performance has been included to the ForHousing Board performance pack from Q1 2023-24.

Reviewing the current reporting to ForHousing Board, we note that Boards across the sector receive the following KPIs:

- The average time in working days for a full response to complaints at each stage.
- Total number of complaints upheld, partially upheld, not upheld and resolved at for each stage of the complaints process.
- A breakdown of complaints per service area (e.g., responsive maintenance, neighbourhoods).

Risk

The ForHousing Board has insufficient understanding of performance in relation to complaints, resulting in a lack of challenge.

Recommendation (DESIGN of system controls)

ForHousing Board should be consulted on the inclusion of complaints-specific KPIs in their balanced scorecard, as outlined in the 'Observation'.

Management Response:

The Customer Committee takes a lead role on the scrutiny of complaints performance on behalf of the ForHousing Board. The 2023-2028 ForHousing Strategy includes complaints performance measures, which will be reported to the Customer Committee at every meeting and to the ForHousing Board either by exception (if the KPI is below the target set by the Board) or as part of the Board scorecard to set the context for strategic performance.

Responsible Officer:

Elaine Sams, Director of Strategy & Performance

Action Date:

Completed July 2023

Follow Up Evidence:

- Board minutes evidencing discussion on complaints KPIs.
- Updated Balanced Scorecard (as appropriate).

RECOMMENDATIONS AND ACTION PLAN

Recommendation Reference	Recommendation Priority	Identified by
Recommendation 2	Medium	Internal Audit
	Quality assurance processes	

Observation

We undertook sample testing of 50 complaints raised since November 2022 (25 Stage 1 and 25 Stage 2 complaints) and identified:

- Six cases where the Stage 1 response was sent outside of the 10-working day timeframe. Review of these cases identified that contact with the tenant to notify them of the delay could not be evidenced.
- Five cases where the Stage 2 response was sent outside of the 20-working day timeframe. Review of these cases identified that contact with the tenant notify them of the delay could not be evidenced.
- Four cases where acknowledgement of the case had not been marked as completed on QL on the day that the acknowledgement occurred. Management informed us that when staff members logged the action as completed, the date of acknowledgement wasn't updated manually.

Management advised that the requirement to log all communication with complainants in QL and the updating dates of acknowledgement in QL are posted into the Complaints Teams channel. However, we established that if a complaint does not escalate to Stage 2, there are no reviews of Stage 1 complaints to confirm that the Complaints Policy was adhered to, and evidence has been retained.

Risk

All trends are not identified leading to mismanagement of complaints leading to Housing Ombudsman fines and reputational damage.

Recommendation (DESIGN of system controls)

ForHousing should establish a quality assurance process for Stage 1 complaints to ensure that complaints are handled in line with Policy. This could be on a sample basis each month and may reduce once confidence in complaints handling is obtained by Management.

Themes arising from Stage 1 case audits should be fed into the Complaints Handling Teams channel.

Management Response:

In June 2023 the central complaint handling team has been increased from 2 to 4 posts. The additional capacity will enable the team to undertake a quality assurance role on stage 1 complaints, including weekly checks to ensure complaints are logged correctly, responses are to a sufficient standard, in line with policy, and that themes and service improvements are identified at Stage 1.

Responsible Officer:

Elaine Sams, Director of Strategy & Performance

Action Date:

31 October 2023 (to embed QA process)

Follow Up Evidence:

- Evidence of a quality assurance process for a sample of Stage 1 complaints subject to internal review, to be selected by Internal Audit (three months' worth of checks).
- Updates to the Complaints Handling Teams channel with learnings from Stage 1 complaints.

RECOMMENDATIONS AND ACTION PLAN

Recommendation Reference	Recommendation Priority	Identified by
Recommendation 3	Low	Client
	Logging of ForLiving Complaints	

Observation

During our opening meeting we were informed by management that ForLiving had not received any complaints since November 2022. However, when an export was produced identifying all complaints received, we were informed that this was not the case and that ForLiving had actually received four complaints. Upon investigation we found that these complaints had been incorrectly logged on QL as ForHousing complaints and that management had identified the mistake on the export by reviewing the NROSH classification which identified the properties as “market rent properties”.

Our investigation found that these complaints were surrounding repair related issues which are handled for both ForHousing and ForLiving by the repairs team who use the same contractors to which the complaints related. We confirmed that these complaints have been reported in ForHousing complaints KPIs reported to EMT and the Customer Committee.

Discussion with management identified that they are investigating adding a reporting table onto Power BI that identifies complaints received by NROSH category that will allow them to identify these complaints in future.

Risk

ForLiving complaints are not accurately reported, leading to trends of complaints going unidentified and potential mismanagement of complaints.

Recommendation (OPERATION of system controls)

ForHousing should ensure that the additional Power BI reporting table identifying complaints via NROSH category is implemented to enable them to identify any incorrectly logged ForLiving complaints in future.

ForHousing should identify these four complaints that have been misidentified in the next reports issued to EMT and the Customer Committee, and correct reporting figures for the months these complaints were logged.

ForHousing should deliver refresher training to all teams on how to log a ForLiving complaint on QL.

Management Response:

A table is now included on the Power BI dashboard for NROSH which means we can immediately see if there are any ForLiving complaints which are market rent homes. These complaints are then reviewed and recategorised as required to ensure they move from ForHousing to ForLiving market rent reports. Staff who incorrectly logged the complaint are then contacted for training.

Responsible Officer:

Elaine Sams, Director of Strategy & Performance

Action Date:

Completed

Follow Up Evidence:

- Updated Power BI dashboard containing a table with complaints received by NROSH category.
- Copy of reports to EMT and Customer Committee with corrected complaint KPIs.
- Copy of refresher training material and refresher training completion log.

RECOMMENDATIONS AND ACTION PLAN

Recommendation Reference	Recommendation Priority	Identified by
Recommendation 4	Low	Internal Audit
	ForLiving Board Reporting	

Observation

We identified that currently there is no reporting on ForLiving complaints anywhere in the ForViva governance structure. ForLiving does have a Board but no sub-committees.

Risk

ForLiving complaints not receiving any oversight.

Recommendation (DESIGN of system controls)

The ForLiving Board should be consulted over the inclusion of performance information on complaints, when received.

Management Response:

ForLiving Board is considering complaints at its next meeting (24th July 23) including how they will be monitored going forward.

Responsible Officer:

Elaine Sams, Director of Strategy & Performance

Action Date:

Completed

Follow Up Evidence:

- ForLiving Board Report containing KPIs on complaints received.

RECOMMENDATIONS AND ACTION PLAN

Recommendation Reference	Recommendation Priority	Identified by
Recommendation 5	Low	Internal Audit
	ForLiving Website	

Observation

We confirmed that ForHousing's Complaints Policy applies to ForLiving complaints. Our review of the ForLiving website noted that there was a 'contact us' page, but there was no information on how to raise a complaint, or who to raise a complaint to.

Risk

ForLiving complaints are not received or are received through external sources (such as Members of Parliament), resulting in reputational damage to ForLiving and the wider ForViva brand.

Recommendation (DESIGN of system controls)

The ForLiving website should be updated to include a section on raising complaints, including key contacts.

Management Response:

There is now a complaints page on the ForLiving website.

Responsible Officer:

Elaine Sams, Director of Strategy & Performance

Action Date:

Completed

Follow Up Evidence:

- Updated ForLiving website.

RECOMMENDATIONS AND ACTION PLAN

Recommendation Reference	Recommendation Priority	Identified by
Recommendation 6	Low	Internal Audit
	Demonstrating Learning from Complaints	

Observation

The Tenant Involvement and Empowerment Standard requires RPs “inform tenants how they use complaints to improve their services”. Review of the 2021/22 ForHousing Annual Report highlighted that ForHousing “will be publishing examples of our learning from complaints on the “Our performance” section of our website”.

However, at the time of the audit the ‘Our Performance’ section of the ForHousing website did not include any examples of how complaints have been used to improve performance or change processes though we Management highlighted that there were no identified improvements in 21/22. Typically, RPs include a ‘you said, we did’ section on websites and annual reports to demonstrate learning from complaints.

Risk

Non-compliance with the Tenant Involvement and Empowerment Standard may result in regulatory scrutiny and downgrades.

Recommendation (OPERATION of system controls)

ForHousing should publish identified learnings from complaints externally on its website and Annual Reports.

Management Response:

There were no improvements identified in 2021/22 to include in the annual report. The new complaints process was introduced in November 2022. One improvement has been identified since then for inclusion in the 2022/23 annual report. We have 3 improvement areas identified already in 2023/24. These have been identified through recurring complaint themes, and as these are concluded they will be shared on the website. The improvements identified relate to property improvements which will have an impact on the customer experience. Research and cross team working is therefore required to recommend policy revisions to improve whilst also understanding the cost implications to inform the decision making process.

Responsible Officer:

Elaine Sams, Director of Strategy & Performance

Action Date:

31 December 2023

Follow Up Evidence:

- Updated ForHousing Website and annual reports.

SCRUTINY PANEL FINDINGS

Scope of Work

The scope of the Scrutiny Panel involvement was discussed with the panel on the 1/6/2023, and was agreed as follows:

Scrutiny Panel

Scrutiny Panel to interview a sample of residents who have complained to ForHousing to seek feedback regarding the handling of the complaint.

Panel to highlight any trends and feed into the audit report.

NB: interviews to encompass residents who have complained since the 15 November 2022 (date of the new process).

Scrutiny panel to review externally published information in respect of complaints (annual reports, newsletters, social media posts) and seek feedback from residents over the clarity and usefulness of the information provided.

Summary of Scrutiny Panel Findings

The Panel's fieldwork took place in the fortnight following a follow up meeting on 12/6/2023. Following a review of the Panel's finding, it was concluded that:

- The Scrutiny Panel found the information in the latest Annual Report included too much statistical information and the use of case studies to support would have been beneficial and would have brought key performance indicators to life. It was felt that the use of Net Promoter Scores (NPS) was confusing and did not add much to the report; we note from discussion with Management that NPS is not being included in the 2023/24 Annual Report.
- The Scrutiny Panel felt that how to make a complaint should be included on the ForHousing website homepage. It was further felt that accessing the web submission form was difficult, and links on the webpage took members through the 'feedback' page in a loop.
- The panel were able to contact 20 residents who have raised a complaint to ForHousing since November 2022. 11 residents were not aware of any of the information online on how to raise a complaint, and those that did found the website page difficult to navigate to. Nine residents stated that they did not receive an acknowledgement in five working days. A thematic analysis of responses highlighted that 35% felt they were treated courteously, with other respondents highlighting frustration including feeling 'fobbed off and ignored'. Similarly, where actions were agreed (16 cases) agreed actions were confirmed to be undertaken in a timely manner by 31% of residents.

We have reviewed the Scrutiny Panel's findings and have raised three additional actions, which are outlined below. As this work was not undertaken by Internal Audit, we are not considering these as part of our assurance opinions, but the Group Audit and Risk Committee should consider these findings in the context of the wider report.

SCRUTINY PANEL FINDINGS

Actions

No.	Recommendation	Management Response
Annual Report and Complaints		
SP.1.	<p>The Scrutiny Panel found the information in the Annual Report included too much statistical information and the use of case studies to support would have been beneficial and would have brought key performance indicators to life. It was felt that the use of Net Promoter Scores (NPS) was confusing and did not add much to the report.</p> <p>ForHousing should review complaints information in the annual report and supplement this with case studies of how complaints have resulted in changes to processes. (See Recommendation 6)</p>	<p>Comment: This has been taken into account for the 2022/23 annual report.</p> <p>Owner: Elaine Sams, Director of Strategy & Performance</p> <p>Date: Completed</p>
Website page on complaints		
SP.2.	<p>The Scrutiny Panel felt that how to make a complaint should be included on the ForHousing website homepage. It was further felt that accessing the web submission form was difficult, and links on the webpage took members through the 'feedback' page in a loop.</p> <p>This was supported by the Scrutiny Panel's calls with residents; 55% of residents contacted were not aware of any of the information online on how to raise a complaint, and 60% of residents that were aware of the complaints page on the website found that page difficult to navigate to.</p> <p>ForHousing should review the website page for complaints and how accessible the information within is.</p>	<p>Comment: The Marketing & Communications Team, who control the website, will be consulted on accessibility of the customer feedback page and including a link in customer communications, and improvements will be made as required.</p> <p>Owner: Elaine Sams, Director of Strategy & Performance</p> <p>Date: 31 October 2023</p>
Resident experience of complaints handling		
SP.3.	<p>The Scrutiny Panel were able to contact 20 residents who have raised a complaint since November 2022. Nine residents stated that they did not receive an acknowledgement in five working days. A thematic analysis of responses highlighted that only 35% felt they were treated courteously, with other respondents highlighting frustration including feeling 'fobbed off and ignored'. Similarly, where actions were agreed (16 cases) agreed actions were confirmed to be undertaken in a timely manner by only 31% of residents.</p> <p>ForHousing should remind staff of the importance of adhering to agreed timescales for communications.</p> <p>All complaints handling staff should be reminded of the requirement to comply with ForHousing's Service Standards, and the completion of agreed actions should be monitored by the central complaints team. (See Recommendation 2)</p>	<p>Comment: This is fed back to staff regularly, either by email if it is about an individual complaint or through the Teams channel (complaint handling network) which has over 100 staff engaged. The Manager of the complaint handler may also be notified if it if considered staff development is needed.</p> <p>Owner: Elaine Sams, Director of Strategy & Performance</p> <p>Date: Completed</p>

APPENDIX A: CONTROL EFFECTIVENESS SUMMARY

We have undertaken a review to confirm the operation of the following documented controls, as relevant to the areas in scope. The ForHousing assessments were accurate as at the time of the review.

Control	ForHousing	Internal Audit	Internal Audit Comments
Risk 06 - Customer satisfaction impacted by substandard, poorly designed services which are difficult to access and do not meet the needs of customers.			
Customer Committee review and have oversight of customer service performance across the organisation			Customer Committee receive quarterly reporting on complaints performance.
Performance Management Framework including operational PIs/disrepair dashboard			Power BI facilitates the reporting of multiple dashboards that provides insights into departmental-level complaints performance.
Multiple avenues for dissatisfaction to be raised including social media			We confirmed that there are multiple avenues to raise complaints, including in person, social media, through the website and by phone.
Range of appropriate policies in place to support service delivery supported by Policy Framework			ForHousing has both a Complaints Policy an associated Compensation Policy.
ED&I lens on all key customer services, Policies, Strategies, and projects through IDMF			Both the Complaints Policy an associated Compensation Policy has been subject to an ED&I review.
KPI updates including complaints – Reviewed Monthly by operations group. Reported to EMT monthly and Quarterly Reporting to Customer Committee and Board.			Currently complaint KPI's are reported to EMT and to the Customer Committee. There are no Complaint specific KPIs being reported to the Board. (See Recommendation 2.)
Risk 10 - ForHousing does not have the right culture with the right people, in the right jobs, with the right tools to deliver business needs effectively and safely			
Use data and insight from customer feedback to action improvements in the business and develop resource planning			ForHousing is using both Customer satisfaction surveys and lessons learnt from stage 2 complaints to drive customer service improvements, as well as monitoring any trends in complaints received via Power BI to help with resource allocation and training needs assessments. However, these service improvements are not reflected in external reporting to stakeholders. (See Recommendation 6, SP.1)

APPENDIX A: CONTROL EFFECTIVENESS SUMMARY

Assurance	1 st Line	2 nd Line	3 rd Line	ForHousing	Internal Audit	Internal Audit Comments
Risk 06 - Customer satisfaction impacted by substandard, poorly designed services which are difficult to access and do not meet the needs of customers.						
Self-assessment of Housing Ombudsman's Code of Conduct	✓					A new self-assessment has been completed in May 2023 following a visit from the Housing Ombudsman.
Performance reported to operations group and through to EMT	✓					We confirmed there was monthly reporting on complaints to EMT.
Performance progress to go in update report at each committee	✓					Customer Committee receive quarterly reporting on complaints KPIs.
Performance report to EMT monthly		✓				We confirmed there was monthly reporting on complaints to EMT.
Performance reported to Customer Committee quarterly		✓				Customer Committee receive quarterly reporting on complaints KPIs.
Risk 10 - ForHousing does not have the right culture with the right people, in the right jobs, with the right tools to deliver business needs effectively and safely						
N/A						No assurances recorded against this risk are relevant to this review.

APPENDIX B: TERMS OF REFERENCE

Audit Objectives

The purpose of this audit work was to provide assurance that ForHousing is effectively handling complaints and is proactively using that analysis to improve service delivery. The review will also assess the extent to which ForHousing is responding to the focus on complaints handling and the role of the Housing Ombudsman’s Complaints Handling Code, as well as consistency in approach across the Group.

1	Risk Register Controls
1.1	<p>This audit relates to the following For Housing Risk Register entry:</p> <ul style="list-style-type: none"> • 06 - Customer satisfaction impacted by substandard, poorly designed services which are difficult to access and do not meet the needs of customers. • 10 - ForHousing does not have the right culture with the right people, in the right jobs, with the right tools to deliver business needs effectively and safely.
	<p>Auditor to undertake testing to confirm the operation of the following documented controls, as relevant to the area under review:</p> <ul style="list-style-type: none"> • Customer Committee review and have oversight of customer service performance across the organisation. • Performance Management Framework including operational PIs/disrepair dashboard. • Multiple avenues for dissatisfaction to be raised including social media. • Range of appropriate policies in place to support service delivery supported by Policy Framework. • ED&I lens on all key customer services, Policies, Strategies, and projects through Inclusive Decision-Making Framework (IDMF). • KPI updates including complaints – Reviewed Monthly by operations group. Reported to EMT monthly and Quarterly Reporting to Customer Committee and Board. • Self-assessment of Housing Ombudsman’s Complaints Handling Code. • Performance reported to operations group and through to EMT. • Performance progress to go in update report at each committee. • Use data and insight from customer feedback to action improvements in the business and develop resource planning.
2	Complaints Management
2.1	<p>Review ForHousing policies and procedures in relation to complaints and ensure that these meet the requirements of the regulatory standard in respect of complaints, the Housing Ombudsman’s Complaint Handling Code and are in line with good practice.</p>
	<p>Review ForLiving Policies and Procedures in relation to complaints and ensure that there is consistency in approach to handling complaints.</p>
	<p>Policies and ForHousing / ForLiving’s approach toward complaints are available externally to residents.</p>
	<p>Ensure that documented customer service standards are in place for ForHousing / ForLiving that have been set with the input of service users and are published, against which performance can be monitored.</p>
	<p>ForHousing reviews customer service standards at least annually.</p>
	<p>Undertake a review to establish any process in place to centrally record and monitor satisfaction, complaints and other feedback received into ForHousing / ForLiving – consider complaints and feedback from sources such as:</p> <ul style="list-style-type: none"> • Formal complaints. • Satisfaction surveys. • Suggestions. • Telephone calls to front facing staff (or raised in person). • Letters • Social media. • Website / email communication.

APPENDIX B: TERMS OF REFERENCE

Audit Objectives (continued)

2	Complaints Management (continued)
2.1	<p>For a range of complaints undertake data analysis and sample testing to ensure that all complaints are recorded, tracked and monitored ensuring that:</p> <ul style="list-style-type: none"> • Cases are recorded and acknowledged in a timely manner. • Complaints are categorised and prioritised in accordance with procedures. • Case investigation stages, including any escalation, are progressed and completed effectively and in accordance with procedure. • Complaints are provided with closure letters once the complaint is closed. • Regular management review of outstanding complaints and next steps is undertaken. • There are management controls in place to ensure that recorded data is complete. • Complaints satisfaction data is collected after the case has been closed and reported to the appropriate governing body through TSMs / KPIs. • Issues raised by residents in respect of the closure of the complaint have been appropriately escalated. • Compensation, where awarded, has been awarded in line with Policy and delegated authorities.
2.2	<p>Review the processes for the internal reporting of complaints data including:</p> <ul style="list-style-type: none"> • Reporting includes details of the categorisation and prioritisation of complaints. • Ensuring that there are controls in place to assure that reporting is accurate and timely. • Reports are distributed appropriately within ForHousing, including Board and Committee. • Trends are analysed including key strengths and weaknesses. • Action is documented in respect of under performance against targets / outcomes.
	<p>Reporting and published information is consistent with the communication ForHousing / ForLiving has committed to, but as a minimum, is undertaken annually to residents.</p>
	<p>Undertake testing to ensure that reported information is consistent with underlying records.</p>
2.3	<p>Ensure that ForHousing can demonstrate how it is learning from complaints:</p> <ul style="list-style-type: none"> • Service Managers document and act upon learning from complaints. <ul style="list-style-type: none"> – Complaint's data is used in formal service reviews and in the development of services at a departmental / team level. – Complaint's data is used to inform scrutiny and assessment of services. – Complaint's data is incorporated into management processes e.g. for maintenance and other resident facing services.
	<p>The outcomes of actions taken in respect of the above are formally reported.</p>
	<p>Where complaints have reached the Housing Ombudsman ForHousing can demonstrate the steps taken to improve complaints management in line with any findings / complaints handling orders.</p>
2.4	<p>ForHousing publishes information about complaints each year, including (i) the number of complaints (ii) the nature of complaints and (iii) the outcome of the complaints.</p>
	<p>Reported information is accurate to source data.</p>
	<p>Complaints information is published to residents through a range of formats.</p>
2.5	<p>ForHousing has undertaken an annual self-assessment against the Housing Ombudsman's Complaint Handling Code.</p>
	<p>The results of self-assessments are published for stakeholders to review.</p>

APPENDIX B: TERMS OF REFERENCE

Audit Objectives (continued)

3	Value for Money
3.1	Auditor to assess whether Management have established value for money objectives to drive value in the area under review. Where relevant, auditor to review management's value for money assessments in the delivery of services and test to confirm the robustness of these assessments.
4	Data Governance
4.1	As part of the testing and expected controls above, we will make review and comment on control arrangements in relation to: <ul style="list-style-type: none">• Use of systems and spreadsheets to record and monitor initiatives and budgets.• Quality assurance controls over reporting and monitoring.• The extent to which roles and responsibilities around data input, extraction, reconciliation, and quality assurance are understood.
5	Sector insight
5.1	We will undertake the following sector insight/benchmarking/peer review: <ul style="list-style-type: none">• What have other organisations changed / adapted following the publication of the Complaints Handling Code.• Are volumes of complaints on the rise at other organisations?• Staffing sizes / ratio per complaint volume.• Volume of Ombudsman enquires / investigations per landlord.

APPENDIX C: AUDIT MILESTONES

Reporting Deadlines		
Milestone	Target Date	Actual Date
Audit Fieldwork	W/C 15 May 2023	11 July 2023
Issued Draft	21 July 2023	13 July 2023
Management Comments received	28 July 2023	08 August 2023
Issued Final	04 August 2023	08 August 2023
Date of Group Audit and Risk Committee	16 August 2023	

The Team	
Head of Internal Audit	Lee Cartwright
Engagement Partner	Narinder Sandher
Service Delivery Manager	Simon Marsh
Auditors	Roisin Emmerson Iulius Peverini

ForViva Lead(s)	
Director of Strategy and Performance	Elaine Sams
Complaints and Feedback Lead	Jennifer O'Connor
Executive Director of Finance	Mark Bradshaw
Director of Governance and Assurance	Trish Gorton
Head of Assurance	Harriet Rushton
Assurance Business Partner (Risk)	Claire Anderton

We confirm that, in delivering the above work, we have maintained our independence and objectivity as required by the Chartered Institute of Internal Auditors' Global International Professional Practices Framework (IPPF). We also confirm that we have no conflicts of interest in delivering this work.

APPENDIX D: ASSURANCE OPINION DEFINITIONS – DESIGN/ OPERATION OF CONTROLS

Assurance	Design of system controls	Operations of system controls
Substantial	<p>Minor or no weaknesses were noted in the design of the internal control framework.</p> <p>We evaluated the controls as being designed to be able to provide substantial (but not absolute) assurance that the activity covered is subject to adequate risk management and control and that objectives should be met.</p> <p>Minor improvement is required.</p>	<p>Minor or no weaknesses were noted in the operation of the internal control framework.</p> <p>We evaluated the controls as operating in a manner which is to be able to provide substantial (but not absolute) assurance that the activity covered is subject to adequate risk management and control and that objectives should be met.</p> <p>Minor improvement is required.</p>
Reasonable	<p>One or more significant weaknesses or several minor weaknesses were noted in the design of the internal control framework.</p> <p>We evaluated the controls as being designed to be able to provide reasonable (but not absolute) assurance that the activity covered is subject to adequate risk management and control and that objectives should be met.</p> <p>Improvement is required.</p>	<p>One or more significant weaknesses or several minor weaknesses were noted in the operation of the internal control framework.</p> <p>We evaluated the controls as operating in a manner which is able to provide reasonable (but not absolute) assurance that the activity covered is subject to adequate risk management and control and that objectives should be met.</p> <p>Improvement is required.</p>
Partial	<p>Several significant specific weaknesses were noted in the design of the internal control framework.</p> <p>We evaluated the controls as being designed to be able to provide only partial assurance that the activity covered is subject to adequate risk management and control and that objectives should be met.</p> <p>Significant improvement is required.</p>	<p>Several significant specific weaknesses were noted in the operation of the internal control framework.</p> <p>We evaluated the controls as being operated in a manner which is able to provide only partial assurance that the activity covered is subject to adequate risk management and control and that objectives should be met.</p> <p>Significant improvement is required.</p>
Limited	<p>Systemic and/or material control weaknesses were identified in the design of the internal control framework.</p> <p>We evaluated the controls as not being designed to be able to provide even partial assurance that the activity covered is subject to adequate risk management and control and that objectives should be met.</p> <p>Major improvement is required.</p>	<p>Systemic and/or material control weaknesses were identified in the operation of the internal control framework.</p> <p>We evaluated the controls as not being operated in a manner which is able to provide even partial assurance that the activity covered is subject to adequate risk management and control and that objectives should be met.</p> <p>Major improvement is required.</p>

APPENDIX E:

RECOMMENDATION GRADING DEFINITIONS

Recommendation priority	Definition
High	<p>Anything that represents a risk so great that it could cause an organisation to cease to be a going concern or seriously damage its reputation. For example:</p> <ul style="list-style-type: none">• Not having a disaster recovery plan.• If a major error or omission within a Business Plan model was found.• Undertaking a large investment or change programme without performing any risk assessments.• Breaches of the law or regulations in areas such as health and safety.
Medium	<p>Anything that presents a significant risk to the organisation, but where the implications are not sufficient to meet the definition of a “High” priority recommendation as set out above. These usually arise because an important control we would expect to find is not in place, or because the control is found to have failed to operate. For example:</p> <ul style="list-style-type: none">• A control process exists but is designed in such a way that an important control is missing.• A suitably designed control process exists, but an important control is found not to be operating as expected.
Low	<p>These are relatively minor issues, usually where a procedure has not been complied with, but the non-compliance has not exposed the organisation to a significant level of risk or financial loss. For example:</p> <ul style="list-style-type: none">• Not evidencing reconciliations as having been reviewed.• Failing to perform petty cash counts regularly.• Bad debts not being written off regularly.



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