



Severe Maladministration Determination Review of Practice

1. Introduction

The Housing Ombudsman issued H4W with a Severe Maladministration Order re the above complaint. One of the actions within the order that we had to comply with was to carry out a review of rent arrears management and complaint handling practice.

The Housing Ombudsman asked for an independent review of the case was completed. We agreed with the Ombudsman that as our Director of Operations had only been in post for three months it was appropriate for him to complete the review.

This report sets out the review that took place along with findings and recommendations.

2. Review Scope

The severe maladministration order determined the following must be included in the review:

- An exploration of the failings identified by the Housing Ombudsman Investigation occurred.
- An investigation of all other residents rent accounts who may have been affected by a similar issue from January 2020 to present.
- A review of staff training needs
- A review of the organisations record keeping.

Upon completion of the review a report should be produced setting out the reviews findings and recommendations for improvement.

3. Reasons for our failure

To fully understand the reasons for our failure in this case the Director of Operations met with the Head of Housing & Customer Service and the Head of Finance. He also read the extensive notes made by the previous Director of Operations and reviewed all the notes on our internal housing management and customer relationship management system. The result of these investigations is set out below:

The review identified several failing in our handling of the residents as set out below:

- Failure to check the residents account and or pay any attention to the evidence provided by the resident.
- Failure to consider the residents' vulnerabilities despite her saying that her mental health was suffering.
- There were also issues within the Finance Team re the correct posting of payments that also led to us not understanding the true picture of the resident's account.
- There was a lack of oversight from Senior Management. This lack of oversight led to the unnecessary service of a NOSP and threat of legal action.

In addition to the failings identified with the rent account management the Housing Ombudsman also identified several failings with our complaint handling process. After fully investigating this case the reasons for these failings are set out below:

- We failed to respond to the complaint within our target response time and in fact took 45 days to respond – when we did respond, the response lacked empathy and didn't consider the distress that had been caused by our failure to manage the residents rent account and respond to her requests.
- Our communication with the resident and eventual response lacked empathy and understanding.
- We failed to acknowledge the level of distress caused by our mismanagement of the residents rent account and our offer of compensation was not commensurate with the level of distress caused.
- There was a lack oversight by senior management which meant we failed to respond to the resident's stage 1 complaint within our target time of 10 working days. We also failed to comply with the complaint failure order issued by the Housing Ombudsman

Improvements put in place

- Our rent arrears process up to the serving of a NOSP has been outsourced to Touchstone since December 2023.
- We have an experienced Income Officer in place, who oversees all the rent accounts and manages the NOSP/Possession stage of the process and follows our rent arrears pre court protocol process. This sets out the steps that must be taken and evidenced before any possession proceedings can be started.
- Head of Housing & Customer Service and Income Officer have monthly 121's which include a full review of cases where residents are reaching the trigger for serving of a NOSP.
- We have amended our current rent arrears procedure and inserted wording that sets out how we deal with vulnerable residents that are in arrears – this includes completing a risk assessment/EIA where we know a resident is vulnerable.
- We have implemented a process whereby the Head of Housing approves any application to start possession proceedings.
- Head of Finance and Head of Housing and Customer Service work much closer together to ensure that payments are correctly posted and rent accounts are up to date.
- We have developed a complaints tracker and introduced weekly complaints meetings. These developments mean that we can track the progress of our complaints and have led to a significant improvement in the number of complaints that are responded to on time.
- We have developed a new Complaints policy and procedure.
- We have developed a new Compensation policy and procedure.
- We have developed and implemented revised compliant response letter templates, that give robust guidance and have a customer friendly tone.
- We have held a complaints workshop with all our operational staff. This introduced our new policies re complaints and compensations, introduced the new response letter templates and set our expectations for how complaints should be treated.
- We have introduced quality checking of complain responses before they are sent to a customer
- Improved our complaints tracker to capture lessons learnt and how these lessons have led to service improvements.

4. Investigating other residents rent accounts

The Director of Operations worked with the Head of Finance and Head of Housing & Customer Service to review all our rent accounts and cross checked them against payments received.

After completing this work, after completing his exercise we are confident that our resident's rent accounts are correct.

5. A Review of Staff Training Needs

The review of training needs had a specific focus on complaint handling and dealing with complaints emphatically.

The need to conduct a review of staff training needs re rent account management and possession proceeding had ben negated by the fact that our arrears management is outsourced to a specialist external organisation, and we have employed a specialist income officer who deals with all our complex arrear's cases.

In respect of training needs re dealing with vulnerable customers and complaint handling. I identified the need to develop new complaint letter response templates that provided more effective guidance for staff and had a customer friendly tone, I also identified the need to train all our operational staff on using the templates, having empathy when dealing with our customers and letter writing skills.

Improvements put in place

To ensure our staff have the necessary tools and skills to respond effectively to complaints and put the customer first, the following actions have been put in place:

- We have developed and implemented a new complaints policy that better reflects the housing ombudsman guidance on complaints.
- We have developed and implemented a new compensation policy that gives better guidance to staff on when and how compensation should be offered to customers.
- We have developed and implemented new complaint letter templates that provide robust guidance to staff and have a customer friendly tone
- We have run a complaint handling workshop for all operational staff, introducing the new policies, new letter templates and set clear expectations on how we want complaints to be treated, and lessons learnt captured and fed into service improvement.

6.0. Review of Record Keeping Practices

To review how we keep and maintain records the Director of Operations reviewed our record keeping within our housing management system and investigated random accounts to ensure that records were up to date.

Our housing management system is now our primary system for recording of all customer contact and information and therefore it is now much easier to access customer records and information.

All our staff have received training on how to use our housing management system and therefore we now have one single point of truth re our customers and the contact we have had with them.

7.0. Conclusion

It is clear from the Housing Ombudsman's report and findings that there were serious failings in our processes that resulted in the customer in this case receiving a very poor service and us not complying with our own internal procedures.

Completing this review has given us assurance that since the end of 2023 we have put in place a number of measures and improved our processes that should prevent a similar case taking place again.