

Housing

Ombudsman Service

The Housing Ombudsman



Annual Report and Accounts 2022-23

For the period 1 April 2022 to 31 March 2023

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Annual Report and Accounts 2022-23

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Ombudsman's foreword

This has been a pivotal year for the service.

Typically, the mid-year of a corporate plan period is largely uneventful. It is about knuckling down, progressing programmes rather than initiating them. However, the coroner's verdict into the preventable death of two-year old Awaab Ishak in Rochdale had a profound impact on the service and the sector. It drove further demand to us and reinforced the importance of our systemic work as well as our individual investigations.

Even before those events, 2022-23 was going to be a big year for the service, as this annual report demonstrates. The recruitment planned was on an unprecedented scale for this service, and most Ombudsman, with a 196% increase in headcount. The recruitment and onboarding has been a tremendous success and it has been a joy personally meeting new colleagues coming to do a whole range of different roles across the organisation. They bring with them talent, energy and, above all, a strong personal commitment to our vision, values and culture.

We are also starting to see the benefit of additional resources, especially in our casework where we have been responding to a significant, 78% increase in demand for formal investigations from the previous year and continued demand during it, driven partly by the welcome removal of the 'democratic filter' which presented a barrier for residents accessing our service.

The final quarter of the year started to see a significant uplift in investigations being completed – which has carried into the following year. In response to events in Rochdale, our approach to allocating underwent a fundamental change following a rapid risk-assessment of all open casework. With 20% of cases assessed as high risk, these were prioritised first, following by the date the case was received. This approach, which was trialled in this year, is now embedded in our procedures.

I recognise the patience that residents have often demonstrated while we work through this high volume of casework, completing an investigation around every 30 minutes and determining more than half of cases within six months.

The impact of our individual investigations is significant. We made more than 6,500 remedies from apologies to compensation to doing repairs and learning lessons. This was an increase of 2,000 remedies compared to the preceding year, including

more than £1m in compensation for the first time. We started to use revised remedies guidance which led to compensation being partly based on the rent paid during a period of service failure. We were also more explicit in our decisions where the landlord did not have due regard for the Equality Act. The number of findings for severe maladministration increased by 323%.

The scale of what we are finding can appear daunting but that during the year a handful of landlords have several investigations with us but no findings upheld demonstrates it is possible to embed a positive complaint handling culture. They present beacons of good performance in the sector.

The use of our further investigation powers under paragraph 49 of our Scheme also accelerated, with investigations initiated into five landlords. Our report into one council landlord led to regulatory intervention following non-compliance with the standards. These reports have 'joined the dots' on the repeated service failure we sometimes see in our casework and have also helped us prepare for new powers under the Social Housing Regulation Act. While the bill made progress through Parliament, we secured amendments to allow us to issue 'wider orders' to extend fairness to residents and prevent service failure, by improving the landlord's policy or practice, and also to issue good practice to improve performance across the sector.

This importance of the Ombudsman sharing the learning from our casework was underscored by Awaab Ishak's case. Listening to his parents' experience at his inquest before I gave evidence about our Spotlight report into damp and mould, I was struck by how their desperate attempts to get the landlord to act echoed the hundreds of cases which informed our call for a culture change in this area.

Following the coroner's landmark decision, I wrote to the Chief Executives of all landlords in our Scheme to reinforce our recommendations. We also published an update on our original report, following engagement with landlords and residents, to reflect the progress that had been made and where more needs to be done. The sector's response to learning the lessons where handling cases of damp and mould should be applied more widely.

This work shows the impact and influence an Ombudsman can have. We also published our report on noise nuisance – a major driver of complaints after disrepair – and launched our call for evidence on knowledge and information management. This work is also informing the expansion of our Centre for Learning to help landlords learn and improve.

While our work shines a mirror on landlords' performance, it also presents challenges to policymakers. These existential challenges require not only an improved approach and residents being heard, but also more investment, greater certainty, and support from government. The pressing need to extend redress to private tenants, who can only access our Scheme if their landlord volunteers, is also crucial and we welcome the government's plans to strengthen private renters rights in this area.

None of our progress would be possible without the dedicated, creativity and resilience of every colleague at the service, and I am immensely grateful for their efforts.

Richard Blakeway
Housing Ombudsman



Performance report

Performance overview

The performance overview contains a short summary of our vision, values, strategic objectives, structure, operating environment, key activities during the year, performance and risks.

What we do and how we do it

Our role

The Housing Ombudsman makes the final decision on disputes between residents and member landlords. Our decisions are independent, impartial and fair.

We also support effective landlord-tenant dispute resolution by others and promote positive change in the housing sector.

Our service is free to the 4.9 million households eligible to use it.

Our role is set out in the Housing Act 1996 and the Housing Ombudsman Scheme approved by the Secretary of State.

Our membership

Membership of the Scheme is compulsory for social landlords - primarily housing associations who are or have been registered with the Regulator of Social Housing and local authority landlords. Additionally, some private landlords are voluntary members.

Membership as at 31 March 2023





The Scheme is funded by subscriptions from members and is paid on a per housing unit basis.

Our vision

Improving residents' lives and landlords' services through housing complaints

Our values

<p>▶ Fairness:</p> <p>We are independent and impartial; we take time to listen carefully and to understand the evidence</p>	<p>▶ Learning:</p> <p>We share knowledge and insights to maximise our impact and improve services</p>	<p>▶ Openness:</p> <p>We are accessible and accountable; we publish information on our performance and decisions</p>	<p>▶ Excellence:</p> <p>We work together to provide an efficient, high-quality service</p>
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Our strategic objectives

Extending Fairness	Encouraging Learning	Increasing Openness	Achieving Excellence
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Our dispute support and resolution process



Our work at dispute support and dispute resolution follows our **dispute resolution principles**:

- ▶ Be fair
- ▶ Put things right
- ▶ Learn from outcomes

Who we are

Executive Leadership Team

The Executive Leadership Team is the most senior decision-making group and operates collectively, concentrating on strategic issues affecting organisational performance. It also scrutinises and challenges policies and performance with a view to the long-term health and success of the service.

	<p>Richard Blakeway Housing Ombudsman and Accounting Officer</p>		<p>Andrea Keenoy Chief Operating Officer</p>
	<p>Kathryn Eyre Director of Quality, Engagement & Development (from 27 June 2022)</p>		<p>Michael Letters Director of Finance & Corporate Service (from 3 July 2023)</p>



Justin Crittall

Director of Dispute Support & Resolution (from 1 August 2023)



Kevin Williamson

Acting Director of Quality, Engagement & Development (from 5 July 2023)

Senior Leadership Team

The Senior Leadership Team includes all Heads of Service and supports the Executive Leadership Team with strategic direction and operational delivery.



Tracey Hindley

Head of People



Rebecca Reed

Head of Insight & Development



Verity Richards

Head of Dispute Support



Michelle du Bock

Head of Corporate & Information Governance (from 1 July 2022)



Suzanne Foreman

Head of Dispute Support (from 3 Oct 2022)



Mark Smart

Head of Dispute Resolution (from 1 Nov 2022)



Sarah Woolley

Head of Dispute Resolution (from 1 Dec 2022)



Daniel Wright

Head of Communications and Engagement (from 16 Jan 2023)



Ayo Odufuwa

Head of Finance and Procurement (from 1 Feb 2023)



Flavia Perotti

Interim Head of Dispute Resolution (from 1 Sept 2023)

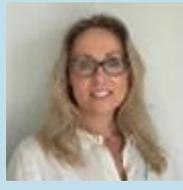


Ester Grew

Interim Head of Dispute Resolution (from 1 Sept 2023)

Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee provides independent assurance on the adequacy of the risk management framework, the internal control environment, governance processes and the integrity of financial reporting. It oversees the work of both internal and external audit and makes an important contribution to ensuring that effective assurance arrangements are in place.

	Tim Leslie Member and Chair		David Horne Member (to 19 Dec 2022)
	Christina Coker Member		Tim Archer Member (from 1 Oct 2022)
	Vikki Lewis Member (to 31 Aug 2023)		David Holmes Member (from 5 Dec 2023)
	Hiten Patel Member (from 5 Dec 2023)		

Advisory Board

The Advisory Board provides support and advice to the Ombudsman and brings an external perspective to assist in leadership, good governance and the development of the organisation. In particular, the Advisory Board provides advice and support to the Ombudsman on the development and implementation of vision, values and objectives; strategic direction and business planning; and public accountability for the subscriptions received.



ARAC members of the Advisory Board: Tim Leslie and Tim Archer (replacing David Horne from 1 October 2022).

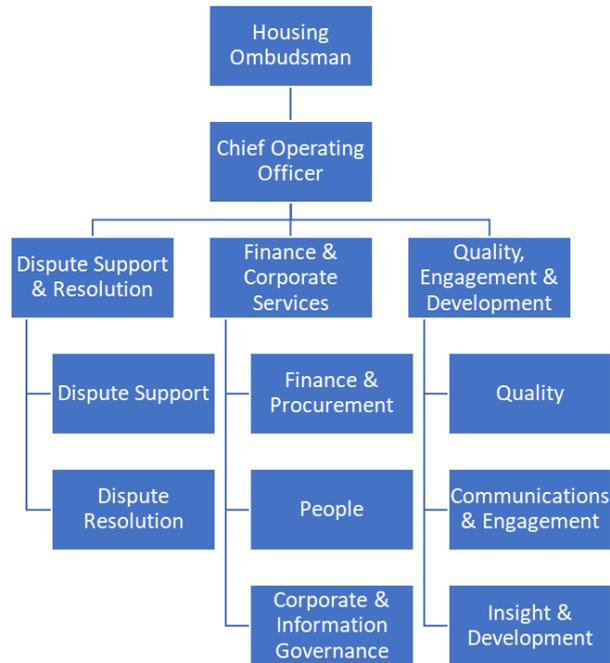
ELT members of the Advisory Board: Richard Blakeway and Andrea Keenoy

Independent Reviewer of Service Complaints

The Independent Reviewer of Service Complaints supports the Ombudsman in learning from complaints about our service to continually improve our performance.

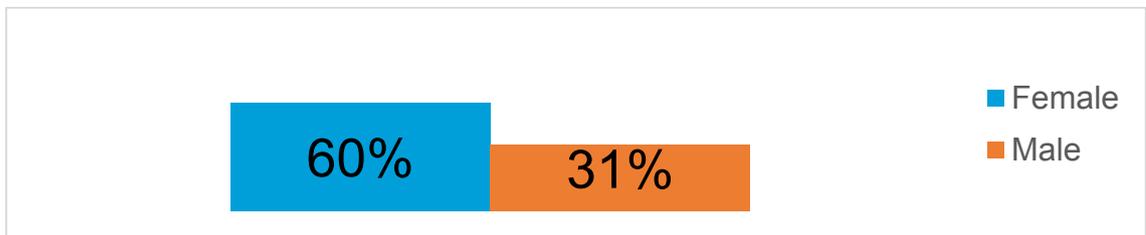


Organisational structure



Our people

Gender



The remaining 9% of the workforce either chose not to disclose, or identify as neither male nor female.

Mean (average) gender pay gap using hourly pay



The mean gender pay gap is the difference in hourly wage between men and women. A positive percentage indicates that on average male employees have higher pay than female employees. The reverse is true for a negative percentage.

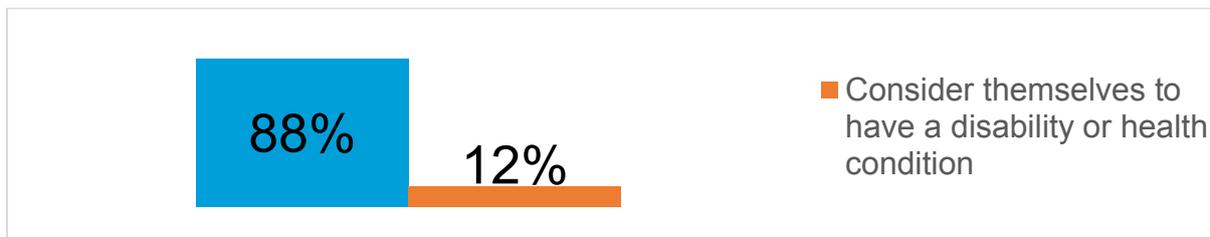
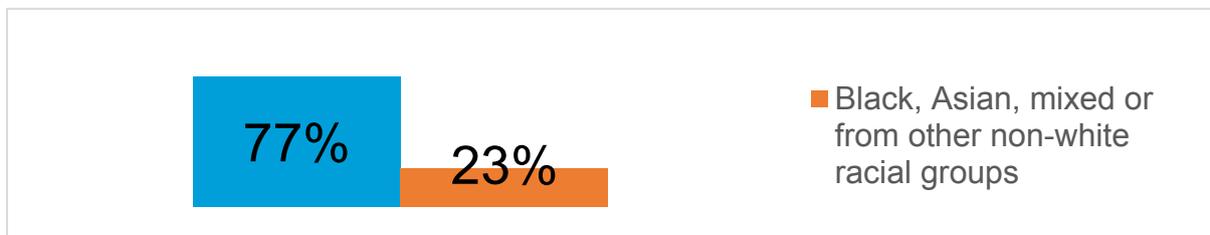
This year's average of 0.08% compared to last year's position of -4.5%, showing that males are, on average, paid 0.08% more than females, i.e. statistically insignificant. As a comparator, the ONS shows that the UK public sector mean gender pay gap is 13.67%.

Median gender pay gap using hourly pay



The median figure is typically accepted as a more representative figure. The median gender pay gap figure is the difference in hourly pay for the median male and the median female employees. The figure for the UK public sector is 15.9.

Race and disability



Recruitment statistics

Of the successful candidates through the 98 recruitment campaigns we ran in 2022-23: 62% identified as female, 19% identified as BAME and 8% self-identified as having a disability. Nationally 51% of the population is female, 14% from a non-white minority ethnic background and 20% (working age) identify as disabled.

The year in review

Our work and our organisation

Impact on residents and the sector

£1.07m compensation ordered and recommended for residents (up from £619k in 21-22)



We received over 5,000 formal complaints from residents for the first time



Handled **32,126** complaints and enquiries (up from 26,771 in 21-22)



Made **2,641** complaint determinations (up from 2,618 in 21-22)

6,575 orders and recommendations – equivalent to **2.5** per case (up from 4,569 and 1.8 per case in 21-22)



Including:

- 2,766 to pay compensation
- 470 to carry out repairs
- 658 to review policy/change process

<p>64% of investigated cases upheld (up from 48% in 21-22)</p>		<p>Top 3 areas of complaint:</p> <ol style="list-style-type: none">1. Repairs: 43%2. Complaint handling: 17%3. Tenant behaviour: 11%
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Issued **146** complaint handling failure orders
(up from 101 in 21-22)



Received a contact **every 20 seconds** and registered a new case **every 3 minutes**

Presented at **68** webinars and other training events over the year to nearly **2,000** delegates

Received nearly **400** responses to our call for evidence on noise complaints



Published **four** Complaint Handling Failure Order reports and **four** Insight reports

<p>3 podcasts produced covering Spotlight on noise report, Complaint Handling Code and repairs</p>	<p>Published one Spotlight report on noise and a follow up report on damp and mould</p>	<p>31 published cases of severe maladministration, naming the landlord and sharing learning from the case</p>
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<p>9.6bn total reach in the media for readers and viewers (up from 31.5m)</p>		<p>Over 1,500 new followers on X and more than 9,000 new followers on LinkedIn</p>
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	<p>1.9 million hits on our website 10,200 downloads of the Complaint Handling Code 11,400 downloads of Spotlight reports 1,900 downloads of the Code self-assessment form</p>
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Held two Meet the Ombudsman events, hosted by landlords
Held four formal meetings and a special interest discussion with
our Resident Panel

<p>4,144 online articles in the press – national, regional and trade</p>		<p>Published nearly 1,800 individual decision reports</p>
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Impact on our people

Increased our headcount by **196%** over the year

Our pay is evenly balanced between genders – our mean gender pay gap is **0.08%**



67% of individuals who have provided their gender identify as female, **32%** identify as male and **1%** prefer to use own term



Took on a **new hub in Manchester** and moved to smaller offices in **London** to meet the hybrid needs of our colleagues

Held **11 tea and talk learning sessions** for colleagues



and **fortnightly breakfast briefings** throughout the year

The year in review

A month by month view:



April 2022: We gave evidence at the Levelling Up, Housing and Communities Select Committee inquiry into the regulation of social housing.



May 2022: Recorded a podcast on the strengthened Complaint Handling Code and how it can support a positive complaint handling culture.



June 2022: The latest Complaint Handling Failure Order report showed an increase in CHFOS, leading to the Ombudsman calling for better resourced complaint teams.



July 2022: The third report of the Ombudsman's Independent Reviewer of Service Complaints was published.



August 2022: We launched our second annual set of landlord and resident panel member surveys to gather insight into landlords' complaint handling.



September 2022: Our Insight report covering April to June 2022 was released, showing that complaints remain high with over 6,000 received in that quarter.



October 2022: Published our Spotlight on noise report, sharing 32 recommendations on where landlords have fallen short in this area in the past. The Designated Persons requirements were lifted, removing a barrier to accessing our service.



November 2022: After giving evidence at the inquest into the death of Awaab Ishak, we wrote an open letter to landlords to remind them of the learning from our Spotlight report and updated guidance on handling complaints during the pre-action protocol.



December 2022: Our online casebook of decisions passed the 3,000 decisions mark, continuing our learning through transparency approach for the sector.



January 2023: We announced two new paragraph 49 investigations whilst also publishing our report into Birmingham City Council, making recommendations as to how the landlord can improve.



February 2023: Our updated Spotlight report into damp and mould was published in which we set out ten 'key tests' for governing bodies to test the effectiveness of action plans.



March 2023: We published our special investigation into Rochdale Boroughwide Housing where we highlighted the key lessons for the landlord and the sector following the death of a two-year-old from damp and mould in social housing.

Strategic aims for the year

Our 2022-25 corporate plan has the overarching strategic aim of *Using our values to deliver an independent, visible and proactive Ombudsman*. It is built around our four values – fairness, learning, openness and excellence. These values express the essence of our work as an Ombudsman and we have identified three strategic programmes and two strategic enabling programmes under our values that we will deliver over the three-year period.

Our primary aim for 2022-23 was to deliver a step-change in resources to meet the unprecedented 78% rise in demand for formal investigations experienced in 2021-22 and the expected future growth over the period of the three year plan. By the end of March 2023, we had expanded our workforce by 196%. Additions to casework teams came onboard in the second half of the year and have made a significant contribution to the volume of cases we investigate each month during 2023-24 as they completed their induction and training.

Our other aim for the year was to ready ourselves for delivering our key strategic programmes and enablers which will help us to respond to the changes in the sector and deliver our vision of improving residents' lives and landlords' services through housing complaints. Throughout the year, we designed and agreed the underpinning projects so we were ready to commence delivery in 2023-24.

Performance appraisal

Business plan commitments

Our track record in delivering against our business plan commitments remains strong. This year, as well as maintaining output and high quality standards while supporting an exceptionally large expansion programme, 88% of our planned work was either complete or on track at year-end.

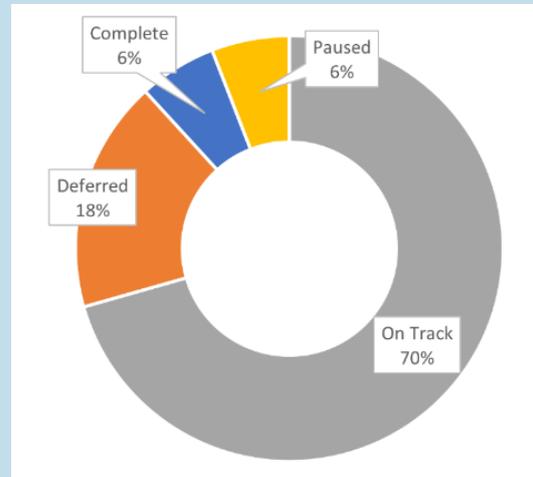
The remaining 12% had either been deferred or put on hold as the activities were judged to be opportunities rather than critical and capacity was limited, or affected by circumstances outside of our control. These were either where we were unable to bring in the specific skills or resources needed to support the activity from our initial recruitment rounds, or where government action, namely publication of the Renters Reform White Paper, caused us to pause our own plans to extend redress to private sector landlords.

Performance against our 2022-23 Business Plan commitments is set out below.

Strategic Objective 1: Extending Fairness

Strategic Priorities:

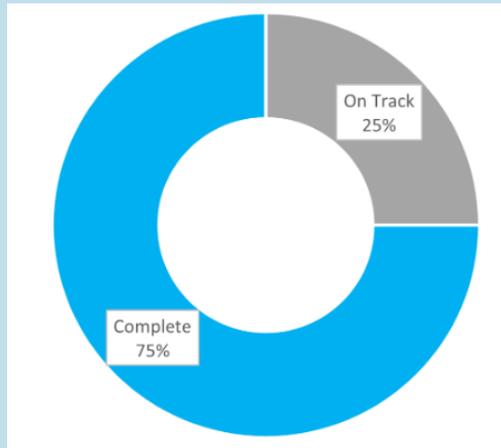
- Strategic, intelligence-led approach to dispute support
- Strengthening the framework for the Ombudsman investigations
- Enhanced thematic insights and systemic investigations
- Supporting the review into extending our powers
- Growing our membership and closing gaps in redress



Strategic Objective 2: Encouraging Learning

Strategic Priorities:

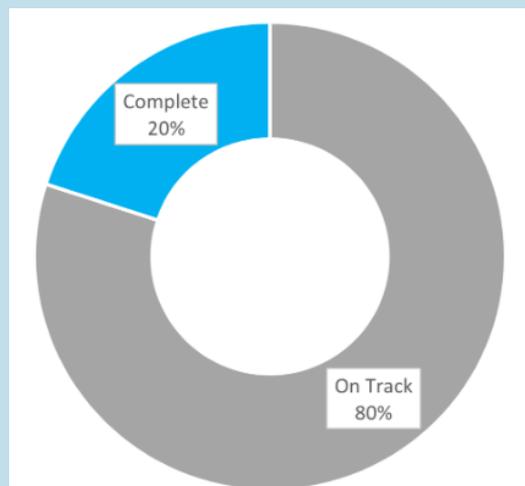
- Establish a Centre for Learning
- Driving a positive complaints culture



Strategic Objective 3: Increasing Openness

Strategic Priorities:

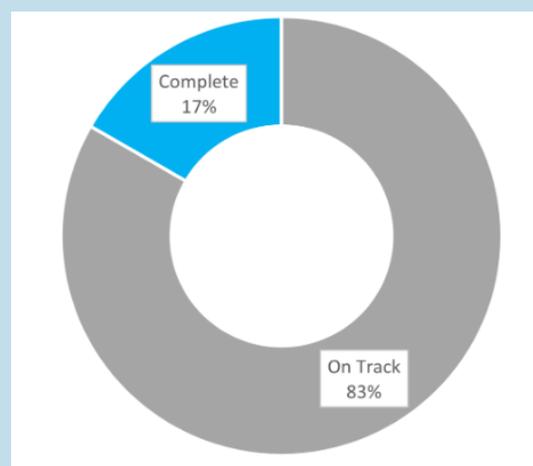
- Raise awareness of our service, build understanding
- Work collaboratively with partner organisations
- Prepare for go-live of the Access to Information Scheme appeals service



Strategic Objective 4: Achieving Excellence

Strategic Priorities:

- Develop our employer brand
- Continue our digitisation journey



Particular deliverables to note are:

- Our 'Spotlight Report' work which covered publishing our Noise Complaints report in October 2022, revisiting our Damp and Mould report with a one-year on follow up and preparing for our Knowledge and Information Management report by issuing a call for evidence.
- The development and trial of our digital 'Landlords Portal', working together with our high-volume complaint landlords to design and test the new portal for access, contact and engagement directly into our case management system. At year-end, the system was in its final development stage before we commenced a wider roll-out.

- Our targeted responsive work to address systemic issues with landlords resulted in the publication of four special investigations this year. These related to Clarion, Birmingham City Council, Catalyst (now part of Peabody) and Rochdale Boroughwide Housing. The Birmingham City Council report led to the Regulator investigating the council's compliance with the consumer standards and finding breaches in both the Home Standard and the Tenant Involvement and Empowerment Standard.
- The publication of four quarterly Complaint Handling Failure Order reports, identifying landlords who were not meeting the requirements set out in the Complaint Handling Code.
- The release of four Insight reports, identifying landlord good practice in complaint handling on a range of topics and highlighting how the different regions are performing.
- Our extensive programme of engagement and awareness raising activity with the sector and residents through a total of 67 events attended by the Ombudsman and HOS officers, including two 'Meet the Ombudsman' events and four 'Resident Panel' meetings.

Key performance indicators

Performance against our KPIs is set out in the table below and shows a five-year trend. Again, despite the heavy demand on our workforce of supporting a 196% increase in headcount and delivering other business plan commitments, we continued to show on-going improvement in our performance and hit all of our KPIs except for one which we missed by 1%.

Our casework timeliness targets were restated at the end of quarter one following discussion with our sponsor Department. These were reduced for the following reasons:

- Inability to obtain permanent resource increases in 2021-22, when we experienced a 78% increase in demand. The consequent need to rely on temporary resources, at a time when these were difficult to recruit and retain, meant that the opening caseload was almost 25% higher than originally forecast.

- Delays to budget approval put back the planned permanent staff recruitment activity which had a significant impact as timeliness is highly sensitive to small changes in resource as well as demand.
- The scale of response to advertised casework roles was far greater than previously seen in recruitment campaigns. This slowed initial recruitment processes down and delayed initial planned start dates. By year-end we had caught up and overtaken plans as we had filled 29 roles planned for 2023-24.

Following the coroner's report into the tragic death of Awaab Ishak, we brought forward our plans to prioritise cases for allocation where we assess the cases presents a high risk to the resident or others residing in their home as opposed to solely considering case age. We also brought forward our work to risk assess all of the open caseload, completing this in December. As a result, our performance for the year was slightly above reforecast expectations on our target to determine cases within 6 months and marginally over on targets for 12 months.

KPI: Casework	2018-19	2019-20	2020-21	2021-22	2022-23		Trend
	Year-end Actuals				Actual	Target	
<i>Strategic Objective 1 – Extending Fairness</i>							
Residents who were satisfied with the service provided at dispute support	N/A	N/A	Insufficient data to report	60%	Insufficient data to report	80%	N/A
Residents whose complaint was upheld and were satisfied with the service provided	N/A	N/A	82%	83%	80%	80%	Performance maintained ↔
Residents whose complaint was not upheld and were satisfied with the service provided	N/A	N/A	56%	60%	68%	50%	Performance Improved ↑
Level of compliance with our orders within three months	97%	95%	99%	99%	99%	95%	Performance maintained ↔
Level of compliance with our orders within six months	100%	99%	100%	99%	100%	99%	Performance maintained ↔
Quality assurance reviews find casework was acceptable or better	N/A	N/A	96%	95%	97%	95%	Performance maintained ↔
Cases determined within 6 months	N/A	N/A	N/A	N/A	54%	40-47% (target restated in Q1)	N/A – new target
Average time for determinations within our formal remit (replaced by the new target above)	6.7 months	5.8 months	5.2 months	4.6	N/A	N/A	N/A

Cases determined within 12 months (target restated in Q1)	100%	100%	100%	100%	87%	88-100% (target restated in Q1)	Performance declined ↓
<i>Strategic Objective 2 – Encouraging Learning</i>							
Landlords that thought our sector development & engagement work improved their complaint handling or housing services	N/A	N/A	99%	98%	98%	85%	Performance maintained ↔
Residents that thought our sector development & engagement work was helpful	N/A	N/A	97%	98%	100%	85%	Performance maintained ↔

N.B. There were no KPIs set against strategic objectives 3 and 4. Where performance is within a range of +/- 3% of the prior year, this is shown as maintained to smooth the impact of marginal changes.

During 2023-24, we are reviewing our quality framework which will include the customer feedback we collect. We expect this to suggest new methods of collections that, once implemented, will generate consistently statistically significant response levels.

Risks

The table below summarises the key strategic risks that affected delivery of our objectives during the year, the actions taken to mitigate these and the overall outcome of those mitigations.

Strategic risk	Mitigating actions	Trend
<p>Excess service demand (Strategic Objective 1 – Fairness)</p> <p>There is a risk of excess future customer demand increases if landlords cannot resolve more issues locally through better complaint handling and housing services. Sector-wide factors such as new pressures on landlord budgets from the cost of living crisis, shock events such as the coroner's verdict on Awaab Ishak's tragic death, as well as existing pressures from net zero and building safety, and mergers/bringing services back in-house create an unstable operating environment. These issues are magnified by media coverage and awareness raising. The crystallisation of this risk would result in lower levels of service delivery, financial pressures and staff shortages.</p>	<ul style="list-style-type: none"> Increased subscription fee in 2022-23 to support an exceptional level of workforce expansion to meet the previous year's unprecedented demand increase, provide additional capacity for future years and bring down investigation times as quickly as possible. Continued sector engagement work and publication of learning tools to demonstrate what good complaint handling and service provision looks like. Uplifted demand forecasts in our 2023-24 Business Plan to provide further additional resources ahead of an expected surge, following the publication of the coroner's report into the tragic death of Awaab Ishak. We also shifted our approach to allocating cases for investigation based on age to one based on risk to the resident and their family. <p>During 2023-24, additional capacity will regularly come on-stream to increase our output and the timeliness of our decisions. Sector engagement and development support will also expand with the creation of a Centre for Learning. However, the external operating environment remains unstable so the risk rating remained unchanged at year-end.</p>	<p>Risk rating remained static</p> <p>↔</p>

<p>Expansion programme (related to all Strategic Objectives)</p> <p>Expansion is required to deliver our strategic objectives and provide an efficient and effective service. This includes transformative expansion in our workforce, IT (including digital technology and data), organisation development, culture and hybrid working. The key challenges was in delivering this significant organisation change whilst continuing to meet the needs of the existing workforce and maintaining a full, high quality service.</p>	<ul style="list-style-type: none"> • Dedicated interim team brought in to support recruitment and induction to minimise the lead time between advert and effective resources in post. • Transition Director seconded in to assist the transition of the casework delivery teams into a larger service area and support new ways of working. • Recruitment and Induction working group established to control and manage recruitment, onboarding and probation. This lead to a move from team-led induction to a classroom-based approach in cohorts for the first time. • Recruitment, onboarding and probation lessons learned exercises undertaken at year-end. • System improvements enhanced the tracking of all recruitment and induction related activities for new starters, ensuring a timely and consistent approach. • Improvements to the digital environment and security for an expanded and hybrid workforce, including a new laptop estate. • All staff events and regular breakfast briefings focused on values, behaviours, and well-being. • Regular pulse surveys seeking colleagues' views on expansion-related matters. <p>Our recruitment and induction programme was successful with many planned appointments filled from the first round and lead times reduced compared to previous performance. Pulse surveys feedback indicated staff were engaged, working effectively in a hybrid environment and supported the values and behaviours of the organisation. We will continue to refine our approach, building on the lessons learned as we enter 2023-24.</p>	<p>Risk rating reduced ↓</p>
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<p>Data systems and data integrity (Strategic Objective 4 - Excellence)</p> <p>There was a risk that the organisation may not be making best use of digital solutions and existing key business systems to enable greater access to information, more effective decision making and faster response times in relation to our service delivery.</p>	<ul style="list-style-type: none"> • New 'Digital and Data' team created, and a new temporary IT Project team was recruited. • Improved cyber security accreditation level from 'essential' to 'plus'. • Agreed a digital strategy with a range of service improvement projects to enhance our digital environment and key business systems. We began to implement this, including piloting our landlord 'Portal' which improves communication on case progress and data transfer between landlords and HOS. • Changes made to our finance system to make better use of its functionality. • Established an Information Governance Steering Group. • Standard corporate objective set for all staff to take personal responsibility for the data elements of their roles and to be aware of the expected standard of data input required by HOS. • Training on responsibility for data quality and protection was expanded for all new starters. <p>We are making good progress against our digital projects, including enhancements to our key business systems and reporting. We are doing this within a more secure IT environment with better data compliance and information governance.</p>	<p>Risk rating reduced ↓</p>
<p>Lack of permanent leadership (related to all Strategic Objectives)</p> <p>There was a risk of significant service disruption and distraction if the Ombudsman's appointment was not extended by the end of his tenure.</p>	<ul style="list-style-type: none"> • Raised in regular discussions with the Department at executive and non-executive level to highlight the urgency • Temporary extension put in place by our sponsor Department • Extension was received just over two weeks prior to tenure end <p>While the appointment was made before the Ombudsman's tenure expired, further discussion will take place with the Department to see how the re-appointment process can be improved in the future. The Department's current practice is to appoint the Ombudsman for a three-year term.</p>	<p>Risk rating reduced to zero and removed ↓</p>

At the end of the year, following a zero-based review, our risk profile expanded to reflect the external challenges emerging in the social housing sector, the new regulatory framework and HOS' place in the housing ecosystem, with the inclusion of the following risks:

- **Proliferation of Ombudsman services** - the introduction of a separate Private Rented Sector Ombudsman alongside a New Homes Ombudsman has the potential to lead to confusion for residents and require social landlords to join multiple Ombudsman schemes. Proliferation will increase the resources we require for signposting to other Schemes and reduce the effectiveness of investigations and outcomes for residents.
- **Increasing profile of our work** – as we continue to encourage learning, particularly through the transparency of our investigations and use of our wider powers, we need to ensure perceptions of bias are overcome by also highlighting good practice.
- **Quality and consistency of investigations** – as we move to an organisation issuing around 5,000 decisions per year, the risk that one decision appears inconsistent with another received by the same landlord increases.
- **Failure to deliver an effective Code compliance regime** – this becomes a statutory duty under the Social Housing (Regulation) Act once a statutory Complaint Handling Code is in place. Failure to communicate and deliver an effective monitoring regime will lead to reputational damage and confusion with other bodies.
- **Effective working in new regulatory regimes** - insufficient engagement with new or expanded regulatory regimes could mean our processes, systems and products limit the effectiveness of sector improvement activity.

Our highest rated risk over the year was excess service demand and this remains so at the start of 2023-24.

The Governance Statement sets out our risk management framework.

Adoption of going concern basis for accounts preparation

Changes in the underlying actuarial assumptions i.e. discount rates, financial and demographic assumptions (as disclosed in note 14f) led to a £6.2 million net pension asset in the current year, compared to the previous liability of £1.5 million. We have

assessed whether we can recognise the surplus under IFRIC 14 and determined that an asset ceiling applies, so the surplus has not been recognised in the statement of financial position as at 31 March 2023.

Our income recovery has been consistent compared to previous years and we have remained comfortably within our reserves policy requirement of maintaining at least four months operational expenditure in our general fund on a rolling 12-month basis throughout the year. We continue to maintain this position at the date of signature of the accounts and the level of reserves is reported to the Executive Leadership Team each month.

There are no known current or potential changes in legislation or government priorities that would indicate our service is likely to be abolished, instead our remit will be expanded in the future to decide appeals under the new Access to Information Scheme and we have been given new powers and duties under the Social Housing (Regulation) Act.

Consequently, management have decided that the adoption of the going concern basis of accounts preparation remains appropriate for 2022-23.

Performance analysis

Purpose

This section provides a more detailed view of performance against our key performance indicators and business plan deliverables under each of our strategic objectives.

Strategic objective 1: Extending fairness



Context

Our objective here is to extend the reach of the fair outcomes delivered by our work, elevating our interventions so they can benefit all residents and landlords, not just those who have brought a complaint to us. We deliver this through our three operational pillars of: dispute support; dispute resolution; and systemic learning. This approach aims to help landlords manage increases in complaints by supporting local resolution and addressing factors which may be driving higher volumes.

Within this strategic objective, we have a strategic programme to deliver a more intelligence-led approach to our Dispute Support activity. This will use insights from Complaint Handling Failure Orders and information from other sources to identify and support landlords to improve their complaint handling for the benefit of all residents. This programme will also promote the earlier, local resolution of complaints through an enhanced enquiries service, providing more advice up-front, backed up with more tools to help residents make or progress their complaint to prevent issues from becoming entrenched. We will also continue to support individual cases where we consider there is a need.

2022-23 was a year of firsts in our dispute support and resolution directorate:

- We upheld 64% of cases that came to us and 38% of complaints related to repairs – the highest ever figures we have reported in each of these areas.

- We made 6,575 orders and recommendations to put things right – an increase from 4,592 in 2022-23 and an average of 2.5 per case compared to 1.8 per case in the prior year. This reflects the increased complexity of the cases brought to us and the impact of our work.
- We ordered or recommended over £1.1 million of financial compensation – the first time this has topped the £1 million mark.
- The year ended with the highest number ever of decisions issued in a single month as the first cohort of new starters completed their probation. Our trajectory for decisions issued has continued to increase throughout 2023-24.

Demand also continued to rise: overall volumes increased by 22% over the prior year and the volume of cases coming to us for formal investigation increased by 28%. These volumes are broken down in the table below:

	2018-19	2019-20	2020-21	2021-22	2022-23
Complaints and enquiries received	16,294	14,903	15,914	26,259	32,126
Cases entering our formal remit	2,217	1,981	2,253	4,001	5,109
Number of determinations	2,214	2,138	2,185	2,618	2,641

While the number of cases entering our formal remit will have been affected by the immediate impact of the removal of the designated persons requirements (residents were no longer required to wait eight weeks before they could bring a complaint for investigation to us directly), the growth in overall volumes was not and we expect continued increases over the coming year.

To meet the increases in demand from the prior years, current and expected in future year, we began a significant expansion to our dispute support and dispute resolution teams.

Strategic, intelligence-led approach to dispute support

Our dispute support service helps residents and landlords while a complaint is within the landlord's complaint process. Our work progresses complaints that have got stuck or gets complaints recognised in the first instance. Regular quality control, and analysis of customer feedback and service complaints, helps us to continuously improve our service delivery.

During the year we delivered the planned increase to our headcount and we uplifted our outsourced contract for reception and administration services to meet increasing demand. In taking forward the uplift, we reviewed what our partner is currently delivering and what else they could do to provide more advice upfront as part of our enhanced enquiries project. We expect to increase the range of advice they provide throughout 2023-24.

In taking forward the enhanced enquiries project, we met with our Resident Panel to explore what residents need to raise and resolve complaints directly with their landlord. Their unique insight into the challenges residents face has helped lead to a suite of guidance, factsheets and effective signposting tools. We intend to continue developing and publishing these during 2023-24.



We handled over **150,000** phone calls, **117,000** emails, **15,000** webforms and over **4,000** items of post in 2022-23



In addition, we fully implemented webchat and our webform as alternatives to emails, and made changes to our telephony to route calls more effectively to the appropriate department. This resulted in a significant change to first contact preferences with telephone calls falling below webforms and email for the first time. We will design our enhanced enquiries service with this in mind.

As well as focusing on improving interactions with landlords where complaints are referred to us, we also engaged with landlords where failures to raise and progress complaints were identified to discover what types of strategic interventions are most effective. We met with over 30 landlords during the year to highlight the importance of a positive complaint handling culture and discuss how landlords can assure themselves that this is fully embedded across their organisation. We will develop a strategy for intervening with landlords and tools to support these during 2023-24 and this work will form a key part of our duty to monitor against a statutory Complaint Handling Code.

Work to explore how we can support advocacy and advice agencies to provide more support to social housing residents during 2022-23 was deferred due to capacity

issues and as this was a low-risk opportunity. We plan now to look at this in the second half of 2023-24.

Strengthening the framework for Ombudsman's decisions

Our dispute support and resolution function undertakes fair, independent and impartial investigations of complaints, once they have been confirmed as within our jurisdiction and duly made. Where we find maladministration, orders are made to put things right.

During the year, the function expanded from 59 full time equivalent staff to 223; on 31 March 2023, 74% of the caseworkers and managers in dispute resolution had less than six month experience. Our recruitment campaigns were hugely over-subscribed with 2,770 applicants for the roles available. Coping with these large volumes slowed our recruitment processes down initially and the first cohorts joined a few months later than forecast, but this also meant we could fill all vacancies from a single recruitment round and we were ahead of schedule for new starters by year-end.

Dealing with such a large volume of new starters would be a challenge for any organisation. We responded by switching our onboarding process from an individual team-led approach to a classroom based induction, led by dedicated facilitators. After this colleagues moved into their team for mentoring by their more experienced team members. We also joined teams together to form 'superteams' to ensure new managers benefitted from appropriate support and mentoring from existing colleagues.

A key commitment in our business plan was to review our guidance covering: investigations; orders and recommendations; compliance; and remedies. This was completed during the year. Changes to our remedies guidance included the introduction of a new, higher financial compensation band for severe maladministration decisions, included the rental cost of uninhabitable rooms during the period of complaint to represent more fully the level of detriment to the resident and clarified our position on offsetting financial compensation against arrears by landlords. These changes delivered on the commitments the Ombudsman gave to the Levelling Up, Housing and Communities Select Committee.

The guidance reviews also made relevant updates to support the removal of designated persons requirements, which came into effect from 1 October 2022. These mirrored changes made to our Complaint Handling Code and our Scheme, and allowed us to issue earlier decisions to residents when a case is clearly outside of our jurisdiction.

	<p>4,188 orders</p>
	<p>2,356 recommendations</p>
	<p>Total compensation £1.05m</p>

Another key business plan commitment was to design and start to build a more formal approach to casework specialisms based around landlords, issues, categories and case complexity. In taking this forward, we identified three specific outcomes that we wanted to achieve: an approach to managing casework risk; an approach to developing casework in a managed and controlled way; and an approach to helping some caseworkers develop deeper knowledge to become subject matter experts, that they would then share to improve consistency and benefit their colleagues.

The risk assessment work took on renewed importance after the Ombudsman was called to give evidence at the coroner’s inquest into the tragic death of Awaab Ishak, a two year-old boy who died due to the damp and mould in his home. As a result, we brought forward our planned review of the entire open caseload, completing this just before the end of December. The review identified 23% of cases as potentially high risk - meaning the nature of the complaint in combination with the individual circumstance of the resident or their family resulted in a potentially high level detriment. We had developed a risk assessment policy that switched our allocation approach from one purely based on age to one that prioritised high risk cases first and then age. This was implemented from the start of January 2023.

By the end of year, we had defined our projects to design and develop both specialisms and subject matter experts and begun to trial some approaches – for

example determining all cases for a landlord subject to a paragraph 49 special investigation within a single team. This work will continue into 2023-24.

Another commitment for 2022-23 was to develop our liaison approach with landlords who have higher volumes of investigations. We have made good progress here, focussing initially on landlords subject to a paragraph 49 investigation or where they had been the victim of a cyber-attack.

Our final business plan commitments in dispute resolution related to the development of a Quality Board and exploring other routes to redress. The terms of reference for the Quality Board, designed to provide independent, external assurance to the Ombudsman on the framework in place to assure the quality of casework decision making, were agreed by year-end. At the start of 2023-24, we invited Advisory Board and other Independent members who possessed the relevant skills and experience to join and the first meeting is scheduled for March 2024.

Our work to explore other routes to redress was paused as our new Heads of Service in Dispute Resolution started a little later than planned thus reducing capacity to take this forward. The work will be commenced in 2023-24 and look at a range of opportunities to deliver faster resolution to residents alongside trialling full mediation on specific cases.

Enhanced thematic insights and systemic work

We continued to deliver our Spotlight reports and associated learning packages, setting out the planned topics at the start of the year. We select topics to build a picture of the quality of residents' homes, for their impact on residents' lives or to assist landlords where complexities and challenging relationships needed to be managed to deliver services successfully.

“We would like to thank the Housing Ombudsman for giving us the chance to share how we have learned from this complaint and make a commitment to continue to improve for the benefit of all those living in our homes and neighbourhoods.”

Cornwall Housing

Our report, [‘Spotlight on noise complaints: Time to be heard’](#), brought together learning from a review of more than 800 noise related cases with insight from 374

responses to our call for evidence, plus interviews with front line staff and residents of some individual landlords.

The report called for the sector's response to noise nuisance to be strengthened, including recommendations to update the Decent Homes Standard and to check plans for net zero for opportunities. There were 32 recommendations in total, including the key recommendation that landlords should disentangle their handling of normal neighbourhood noise from their handling of ASB reports by creating a separate policy for the former. We also made recommendations spanning allocation policies, relationships with partner agencies and knowledge and information management. The webinar launching the report had almost 500 attendees and we have since discussed our report at eight external engagement events.

We also published our [first Spotlight follow up report](#), looking at our 2021 damp and mould report 'It's not Lifestyle'. This included an evaluation of how a sample of surveyed landlords had responded to the original recommendations and identified ten key tests for governing bodies to use in evaluating their organisation's response to damp and mould.

Lastly, we started work on our report into ['knowledge and information management'](#) by issuing a call for evidence in December 2022. Knowledge and information management is integral to effective complaint handling and landlords' overall service provision. Poor record-keeping and data management are consistent themes we have found in our casework and have been referenced in previous Spotlight reports. The report was published in May 2023.

“We value our relationship with the Housing Ombudsman service, and always use feedback and findings to continually improve service, constantly striving to deliver outcomes for customers that make us proud.”

Wandle Housing Association

We also developed our short responsive publications using our powers in paragraph 49 of our Scheme to conduct further investigations into individual landlords where we see potential opportunities for wider learning. Reports were published on [Clarion](#), [Birmingham City Council](#), [Catalyst](#) (now part of Peabody) and [Rochdale Boroughwide Housing](#). Across the four reports, we recommended that changes were made to improve responses to damp and mould, complaint handling, organisational culture and records management.

It is also important that we highlight good landlord service provision and complaint handling and share this with the sector to support learning and improvement. We evolved our quarterly insight reports this year to support this aim, switching to providing only case studies which demonstrate good practice. We promoted this via social media, supplemented with a monthly round up highlighting other good practice.

Finally, we have continued to build and maintain our relationships with regulators and other Ombudsman schemes. Regular bi-laterals continued with the Regulator of Social Housing (RSH), sharing information and insight at a landlord-or sector-level. We referred 13 cases to them during the year and our special investigation into Birmingham City Council led to a regulatory investigation by RSH in 2023-24 and a judgement that the Council had breached their Home and Tenant Involvement and Empowerment Standards. We also continued discussions on how we can effectively work together once pro-active consumer regulation goes live.

Regular meetings began with the Building Safety Regulator in advance of the go-live of their regime. Discussions focussed on the development of a Memorandum of Understanding (MoU) to set out how we will work together and which cases should be referred to the other body.

“We welcome the opportunity to work with the Housing Ombudsman during the implementation of their recommendations and we are fully committed to delivering service improvements for the benefit of all Birmingham City Council tenants.”

Birmingham City Council

We continued to meet regularly with LGSCO and developed a unified Complaint Handling Code which we consulted on from September 2023. In response to consultation feedback, we split in separate Codes and our statutory Code will take effect from 1 April 2024.

We have liaised with other Ombudsman Schemes during the year to discuss matters of common interest including The Property Ombudsman, the New Homes Ombudsman and the Parliamentary and Health Service Ombudsman. We have also continued to participate in the Ombudsman Association and its Public Sector Ombudsman Group.

Extending our powers

During the year we engaged with officials at the Department for Levelling Up, Housing and Communities as they took forward the Social Housing (Regulation) Act. Discussions concerned the development of new powers and duties for the Housing Ombudsman that would strengthen service delivery and complaint handling in social housing. The Act contained amendments to:

- Allow the Ombudsman to order remedies beyond the individual complaint, for example policy changes or staff training, to prevent a recurrence of issues and improve services for all residents
- Put the Complaint Handling Code on a statutory footing following a consultation
- Give the Ombudsman a duty to monitor compliance with a statutory Code
- The power to issue good practice guidance following a consultation
- The power to order a landlord self-assesses against that good practice where a complaint has been made to the member landlord and registered with the Ombudsman
- The power to order a publication of a statement of non-compliance by a member if they fail to self-assess within the timescale set

These new powers represent a significant increase in our ability to improve service delivery and complaint handling across our membership and reflect the impact of our work to date.

Grow our membership and closing gaps in redress

Developing a strategy to grow our voluntary membership was paused as the government developed its Renters Reform Bill. We met with officials and wrote to Ministers to set out the benefits of bringing social and private redress together in a single service and HOS was recognised as the preferred supplier by the Minister while the Bill was in Committee stage.

Future plans and performance

During 2023-24, we will continue to expand our workforce in anticipation of greater demand increases than previously planned. This will put us in a more resilient position and allow us to reduce case investigation times. We will also review our

process and system to increase our efficiency and increase the insights available from our data to maximise the benefits of operating at a larger scale. We will also prepare for the statutory changes brought in by the Social Housing (Regulation) Act alongside continued participation in the Department's Access to Information Scheme project board.

Progress in delivering our dispute support strategic programme will continue at pace, and our work to strengthen the framework for Ombudsman's decisions will continue to ensure we deliver high quality casework that extends fairness to all residents.

Strategic objective 2: Encouraging learning



Context

Encouraging learning from complaints to support a positive complaint handling culture is an essential function for any Ombudsman. In a sector where residents have limited choice over their landlord, learning from events where something has gone wrong and providing effective complaints handling is essential to preserving both parties' ongoing relationship.

Although compliance with our individual decisions is high, and we have significantly increased the volume of learning tools, there is more we can do. Many landlords have asked us to expand this area of our work.

Our second strategic programme, the creation of a Centre for Learning, aims to reshape our sector development and engagement offer to maximise its impact and ensure it reaches as many members as possible. This approach will add value to all landlords and residents, regardless of whether we have dealt with a complaint during the year.

- **Our noise Spotlight report received 1,891 downloads and our follow up damp and mould report was downloaded 1,930 times**
- **115 individual landlord performance reports published (where the landlord received five or more determinations) accompanying the publication of our national complaints overview**

Establishing a Centre for Learning

During 2022-23 we started work to develop our Centre for Learning. Our discovery phase established landlord learning needs based on insight from our Dispute Support and Resolution teams, plus our sector engagement. We also reviewed our existing content to identify gaps and will now look to fill these, diversified by audience and landlord type.

During the year, we continued to develop our learning offer, supplementing our reports and guidance by hosting webinars and attending a variety of external events, delivering three podcasts looking at our Complaint Handling Code, repairs and noise, and producing our quarterly Insight reports.



2,000 participants in webinars and training during 2022-23

Driving a positive complaints culture

The Complaint Handling Code (the Code) was introduced in 2020 as part of the Ombudsman's new powers in the revised Housing Ombudsman Scheme. On 1 April 2022 we issued a refreshed and strengthened Code; landlords had until 1 October 2022 to become compliant. The changes:

- Increased the obligations on landlords to raise awareness of the complaints process and the Housing Ombudsman.
- Set good practice for a member of the governing body to be identified as having lead responsibility for complaints and for all landlord staff to have a standard objective related to effective complaint handling.
- Reinforced the importance of learning from complaints by being explicit that the self-assessment should be completed as an annual exercise.

We hold individual landlords accountable for potential failings against the Code that would have repercussions for all residents. We do this through our type 3 Complaint Handling Failure Orders. We issued five such orders during the year and brought 25 other landlords into compliance after our initial contact. At the end of the financial year, we were monitoring a further 12 landlords to ensure compliance within the timescales set.



Our Complaint Handling Code page was viewed over **36,000** times, and the self-assessment tool was downloaded nearly **2,000** times



Alongside the statistics, we published the results of our annual landlord and resident surveys. It revealed that landlords are struggling to embed a positive complaints culture and certain areas of service provision, such as repairs, still have an unacceptably poor performance rate.

The resident survey highlighted that their confidence that making a complaint would make a difference had dropped, as had their views on the accessibility of the complaints system.

These results are concerning and raising awareness of and improving accessibility to the complaints system is a key strategic objective of the Ombudsman.

Landlord feedback on the Complaint Handling Code

	The code gives us clarity around what is expected of us, and the self-assessment allows us to check how we are performing and address any areas.
	The code has allowed us to properly resource our complaints service as we know what is required of us.

The landlord survey results also gave us an insight into the impact of our learning work: 66% of landlords who responded had changed their complaints policy or process as a result of self-assessing against the Complaints Handling Code; and 59% had used the findings from our thematic Spotlight reports to make changes to their service delivery policies.

Future performance and plans

During 2023-24 we intend to host our first conference, targeted at members of governing bodies, particularly those holding the role of Member Responsible for

Complaints. The feedback from our 2023-24 business plan consultation highlighted areas where member landlords thought more learning tools would be most useful and we will produce toolkits, eLearning packages and webinars over the coming year to start to meet these needs. We also expect to see significant progress in the creation of our Centre for Learning. In addition, we will publish our next Spotlight report which will focus on communication and relationships between landlords and their residents.

Strategic objective 3: Increasing openness



Context

Our service has never been more open and transparent. Openness and transparency are key tools to shine a light on sector performance and drive positive change. Being open promotes accountability, learning and, above all, awareness of the difference complaints can make.

The increased demand for our service suggests there is increased awareness, but a challenge that remains is ensuring that all residents share this awareness, understand the benefits alternative dispute resolution can bring and are willing to access us when they have an issue. It is also important that residents can access the complaints process if they wish instead of considering more costly and adversarial alternatives, such as the courts. Awareness raising is the final of our key strategic programmes and will be supported through collaboration with partners.

As we hold others to account, so we too seek to hold ourselves to account as transparently as possible. Our Independent Reviewer of Service Complaints continued to publish their [reports](#) and recommendations to improve our service delivery.

We have also continued to benchmark our service against the Ombudsman Association's Service Standards to assure ourselves we are providing a high quality, efficient and effective service to residents and landlords. The results are summarised in the Annex.

89

conferences and speaking engagements

Raising awareness of our service and building understanding

At the start of the year we refreshed our Complaint Handling Code to include much stronger provisions around landlord awareness raising. These included:

- Clarifying that landlords must provide more than one route of access to the complaints system.
- Requirements to publicise the complaints policy and process, the Complaint Handling Code, and the Scheme in a variety of mediums.
- Making the provision of contact information for the Ombudsman and early advice about residents' rights to access us mandatory.

These requirements have been incorporated into the self-assessment and mirrored in our Scheme.

The publication of our investigations is a key tool to communicate our role and the outcomes we can deliver. By the end of the year, over 4,000 determinations were available on our website.

While our planned work to develop a strategy for Ombudsman-led awareness raising activity was delayed as we did not successfully recruit a Head of Communication and Stakeholder Engagement in the first round, this has progressed at pace in early 2023-24.

We have also made great strides in increasing our reach with DLUHC data showing an awareness level of 70% amongst social housing residents - high for an Ombudsman. This has been done through appearances on news and current affairs programmes, for example Good Morning Britain, LBC's drivetime show, and a high level of online coverage following the release of 76 press releases in year.

Direct engagement with residents also continued in 2022-23. Our 'Meet the Ombudsman' forums continued, including one at Islington Council which used a hybrid model and resulted in nearly 150 attendees.

We held also two Resident Panel meetings, covering a wide range of issues including sharing changes to our Scheme, feedback from our annual resident and landlord surveys, and findings from our Spotlight report on noise complaints and the follow up on damp and mould. Guest speakers at our Panel meetings came from the Regulator of Social Housing and the Department for Levelling Up, Communities and Housing who spoke about the upcoming changes to consumer regulation and their awareness raising campaign respectively.

In our smaller, special interest discussion forums, we sought feedback on how we could improve the accessibility and awareness of the Ombudsman and invited residents to describe how their landlords' share information about their homes with them in support of our thematic investigation into knowledge and information management.

Finally, research to support our access project got underway. This aims to understand which resident demographic and geographic groups are not accessing our service and undertake targeted interventions to support these. It is also intended to improve digital accessibility for all residents. The research has highlighted access cold-spots in both demographic and geographic areas that require further investigation. This sits alongside our Accessibility Expert Group which continued to advise us throughout the year.

Working collaboratively with partner organisations

Working with partners allows us the opportunity to have our voice heard by more residents and stakeholders than we could reach on our own so we invest time and effort in this activity. We have continued to build our relationships with key partners and resident advocates – notably CIH, NHF, Tpas and HouseMark – where we have participated in webinars and conferences to raise awareness of our work or deliver training on who we are and what we do. We were also part of DLUHC's advisory group supporting its empowered residents programme.

Prepare for go-live of the Access to Information Scheme appeals service

Another area that will promote openness is the Government's proposal to introduce an Access to Information Scheme, allowing housing association tenants to request information on housing management from their landlord. We will act as the appeals

service for this Scheme and development of this will take place during the three years covered by this corporate plan.

During the year, we continued to work with DLUHC as part its project board alongside the Regulator of Social Housing. To ensure we are ready to take this work forward at pace once the fundamental building blocks have been agreed, we brought in a dedicated specialist resource who will prepare for the new processes, people and systems needed to deliver this activity.

Service complaints

During 2022-23, we received 772 stage one complaints and 180 stage two complaints about our service, of which 60% and 51% were upheld respectively. The number of service complaints is an increase on the prior year and the majority of these related to delay where the lag between the unprecedented increase in demand of formal investigations and, first the approval of additional resources and then the recruitment and training of new caseworkers, meant we were unable to investigate all cases as quickly as we wanted. As new recruits complete their probation from March 2023 onwards, we expect to see case times improve and service complaints stabilise next year.

Feedback from residents

	<p>The only agency that helped was the Housing Ombudsman. They listened to what I was saying. The caseworker phoned me, spoke to me with respect and looked fairly at everything in the case. I felt it was extremely fair. That is why people go to the Housing Ombudsman, because they want to be heard. Without you, I would still be sat in the cold and the damp.</p>
	<p>If it wasn't for the Housing Ombudsman then my landlord wouldn't have taken the action that it did. It was a very good investigation and I got the result I wanted.</p>



The Ombudsman told me how to go through the complaints stages and helped me understand it. When the landlord didn't reply, the Ombudsman wrote to them and told them to within a certain amount of days, which they did. When the landlord still didn't do the repairs, the Ombudsman called them again and they finally fixed the issue. I wasn't getting a response from the landlord at all and so having the Ombudsman to walk me through the stages was very helpful.

Future performance and plans

In the coming year we will undertake targeted work to raise awareness with resident demographic and geographic groups that are not accessing our service as much as others and publish the conclusions of our Accessibility Expert Panel.

We will also develop the 'Meet the Ombudsman' model and hold at least ten events around England. Work with DLUHC on the Access to Information Scheme will continue and is expected to accelerate and we will also open discussions with other housing-related Ombudsman schemes to see if we can improve signposting between us to make for a better resident journey.

Strategic objective 4: Achieving excellence



Context

We want to provide an excellent service that meets our residents' and landlords' needs, and delivers continuous improvement and efficiencies. Our two strategic enabling projects sit within this objective; the first is to develop our employer brand so that we attract and retain the best staff. As well as improvements to our recruitment, and learning and development offers, we will also develop our approach to corporate social responsibility and enhance our work on diversity and inclusion.

Our second is improve our efficiency through digitisation. This will include providing an online complaint handling channel with real time updates on complaints for

landlords and residents who want to interact with our service in this way, but will not be at the expense of other routes into the service. This enabling programme will also look to increase the efficiency of our back-office systems and enable us to become a data-driven organisation.

We also remain focussed on ensuring that our staff are digitally enabled to work in a secure environment and that we are compliant with customer requests for personal and organisational information.

100% compliance in FOI and **96%** in SAR

Developing our employer brand

During 2022-23 HOS undertook a significant expansion programme, moving from 110 to 326 staff – an increase of 196% - in the year. To ensure we attracted colleagues that shared our values and recruited in a fair and transparent way, we improved the information on our careers page by including testimonials and videos from existing staff, and introduced a blind recruitment process.

Recognising the challenges that such a significant growth in workforce can bring, we have worked hard to embed our established culture with our new starters and reinforce this with existing ones. We launched a review of our behaviours framework to ensure these were aspirational and aligned with our three-year corporate plan, while also streamlining it to help embed it into in day-to-day activities as the HOS way. We have also continued with our values-focussed, fortnightly breakfast briefings for all colleagues and have built our all-colleague event agendas around our values.

Colleague learning and development was a key area of focus during 2022-23 for both new and existing colleagues. Our organisational development programme, the People Programme, continued to be delivered to all staff receiving, 100% positive feedback in 2022-23. Through the continuous promotion of our training allowance, which enables colleagues to broaden their skills, a 455% increase in uptake took place over the year. And our line management development programme launched, focussing on bitesize training on topics, including performance management, induction planning, and appraisals.

We evolved our induction approach for all new dispute support and resolution starters from one run by individual teams to classroom-based learning, led by dedicated facilitators for the first time. After this, new colleagues transferred to their teams for mentoring support. This ensured their start with the service was streamlined and focussed, and allowed cohorts to become efficient, effective and embedded within their teams in a shorter period.

We developed our equality, diversity and inclusion (EDI) programme, relaunching the various colleague-led networks that will feed into this and promoting all aspects of EDI through our expanded workforce. Our Diversity and Inclusion group had a relaunch as the Equality, Diversity and Inclusion (EDI) group, highlighting our commitment in this broader area. The group recruited new members, produced and published an EDI calendar, and published regular blogs on topics including neurodiversity, Ramadan, the trans day of visibility and the World Cup. The group are also planning to collaborate with the Health and Wellbeing group, who continued to promote numerous nationwide awareness campaigns and events.

We also started to develop our corporate social responsibility approach by launching a volunteering policy for colleagues alongside our annual supplier social value survey. Our first promotion of flu vaccine vouchers was successfully completed in 2022-23 resulting in a positive uptake in our new benefit to colleagues.

Continue our digitisation journey

Work continued throughout the year to develop our online complaint handling portal with real time updates for landlords who want to interact with our service in this way. We started to trial our portal with a small group of landlords mid-year, and we will begin rolling this out in managed phases from the start of 2023-24.

We procured a Learning Management System to centralise all internal learning and development activity and to increase the transparency of opportunities and career pathways. Work will continue in this area throughout 2023-24 as we develop our offer and promote continuous development for all our colleagues.

We also commenced our SharePoint upgrade project and continued developments of our key financial and case management business systems and reporting.

As part of a review of our growing workforce's needs, we opened a small Manchester hub and moved to new, smaller accommodation in London which supports hybrid working without increasing our overall office costs. We also reviewed our workforce's IT needs to support home working and rolled out a new laptop estate with enhanced software and security.

Additionally, we implemented our new project management framework to ensure consistent and effective practice across our service, in line with government best practice standards.

Future performance and plans

During 2023-24, our employer brand programme will deliver an internal virtual academy for staff to support their learning and development, and develop an apprenticeship programme. We will implement more of our CSR strategy through community engagement and volunteering, and grow our diverse workforce as outlined in our EDI strategy. Our ultimate ambition is to be an accredited top 100 employer.

Our digital programme will see the further roll-out of our online complaint handling portal and consider the extension of this to residents. We will also continue to improve our analytical capabilities and data presentation.

Sustainability report

HOS is committed to following best practice across its governance and management. This extends to ensuring we are sustainable and socially responsible, both in our capacity as a public service and as an employer.

HOS's shared office arrangements mean it can't access a full range of sustainability data, or gauge with any accuracy its individual impact on climate change. This Performance Report brings together the information that is available and highlights any action HOS has taken, or plans to take, to minimise its climate impact.

Office footprint

The majority of HOS employees are on home working contracts. Hot desk office space is leased through the Government Property Agency with 10 desks available in Manchester and 26 desks in London, sharing space with other Ombudsman and Government services. Energy consumption data isn't currently available for HOS's offices, but we will be working with our office landlords to see whether this can be provided in future. However, in sharing with the other Government agencies and Ombudsman, HOS's hubs and any additional space it takes will be subject to initiatives to reduce the environmental impact of government.

Reducing the impact of IT

A number of IT initiatives contribute to reducing environmental impact. HOS has provided staff with equipment (such as secondary screens) to enable effective home working and minimise travel to the office. Our IT infrastructure is carbon-neutral - we use cloud-based servers, minimising the need for air-conditioned server rooms, while economies of scale create environmental efficiencies. We also send laptops to be recycled when they are decommissioned to reduce the amount of e-waste going to landfill.

Energy use

Data for energy use comes from HOS's landlord. Building efficiency, which is the landlord's responsibility, has a major impact on energy loss.

Non-financial information: energy (Kwh)			
Manchester Office		London Office	
2021-22	2022-23	2021-22	2022-23
13,125	11,879	Not available	Not available

*Apportioned based on HOS occupied space in square ft.

Staff travel

HOS’s city-centre office locations in London and Manchester allow many employees to get to work on public transport.

	2021-22	2022-23
Staff Travel £	£1,638	£37,312
Non-financial information: CO2 emissions		
Air Travel	Not available	170 kgCO2e
Rail Travel	Not available	2922 kgCO2e

Paper use

HOS became a paperless office when our primary office in London moved location in January 2023. Our secondary hub in Manchester is also paperless. We have a limited requirement for HR and Communications essential printing, which is reflected in the figures below. Prior to the office move, we had shared use of the multi-function devices (MDFs) for printing, and our usage of paper on MDFs is shown in the table below. In addition, staff are encouraged not to print out documents at home.

Paper usage:	2021-22	2022-23
MFD usage (pages printed)	Not available	4,354
Reams of paper purchased	Not available	5

Waste, waste minimisation and water consumption

HOS’s landlords do not hold data relating to individual organisations that share the building. Large general waste bins and recycling bins are in all kitchens with a notice displaying what can and can’t be recycled.

Sustainable procurement

HOS uses the Crown Commercial Service (CCS) for relevant procurement; the CCS works with its framework suppliers on carbon reduction plans.

Financial review

Subscription income for 2022-23 totalled £18.1 million, a significant increase compared to the prior year, attributable to the increase in the subscription rate (22-23: £4.60 per home; 21-22: £2.16 per home). In addition, £4.8 million of income was deferred to 2023-24 to meet the expected increases in service demand and to ensure we are in a position to deliver efficiently.

Our significant expansion programme saw headcount rise by 196% between April 2022 and March 2023. As a result, staff costs increased by 45% to £13.4 million (21-22: £9.2 million). We anticipate staff costs to increase further in 2023-24 as a full year of salaries for new starters is reported and as we continue to expand to meet expected future demand increases.

Administrative expenditure increased by 80.5% during 2022-23 to £3.9 million. Alongside the increase to staff-related costs due to the growth in headcount, 2022-23 also saw increased expenditure on outsourced casework support and our first contact reception service to keep pace with on-going increases in demand.

At year-end, we reported an operating surplus of £0.8 million (deficit of £1.1 million in 2021-22). This was due to some delays in on-boarding new starters, thus reducing the associated pay and non-pay costs.

At year-end our cash balance was £12.7 million (21-22: £5.2 million) with most of the increase attributable to the increase in subscription fees paid. Overall, we have reported net assets of £7.4 million compared to £3.7 million in 2021-22.

Throughout the year expenditure was managed to ensure value for money, there were no instances of fraud or error and key financial controls provided assurance over the accuracy and appropriateness of all transactions.



Richard Blakeway
Housing Ombudsman and Accounting Officer

8 March 2024

Accountability report

Corporate governance report

Ombudsman's report

Leadership and direction

The 'Who we are' section on page 5 identifies the members of the Executive Leadership Team (ELT), the Senior Leadership Team (SLT), the Audit and Risk Assurance Committee (ARAC) and the Advisory Board (AB). The Governance Statement on page 54 sets out how we are structured to deliver organisational direction and control as a corporation sole under the leadership of the Housing Ombudsman.

The first full cycle of meetings of our Advisory Board took place this year, providing us with increased assurance as we grew in size and complexity through the valuable skills and expertise of its members. The Advisory Board discussed performance against the commitments in the 2022-23 business plan, including our expansion plans, programmes of work, new strategies and performance against our Key Performance Indicators. The Advisory Board also considered the implications of the Social Housing (Regulation) Act on our service and plans for a Private Rental Sector Ombudsman. During 2023-24, it will advise on preparations to deliver statutory changes to our role and remit, provide challenge to project delivery and will continue to monitor performance.

We implemented the agreed changes to ELT membership from 1 April, following the previous year's effectiveness review. These were aimed at streamlining decision-making and freeing up time for others to deliver. As a result, ELT contracted to Directors and above, and the Senior Leadership Team of Heads of Service was created. ELT has separate monthly meetings focussed on performance and strategic development. SLT members have an open invite to attend strategic discussions and attend performance discussions by invite.

We introduced our new directorate operational plans in 2022-23, translating our annual business plan into dedicated delivery responsibilities for our directorates. These also demonstrate the golden thread running from our corporate vision and values down to colleagues' everyday work and translating this into colleagues' objectives.

The development of our new strategic programmes, covering the commitments made in our Corporate Plan and 2022-23 Business Plan, has been a significant activity during the year. This commenced with discussions at ELT and moved on for challenge at our Advisory Board. These programmes informed the design of the underpinning project, most of which will commence delivery in 2023-24.

Considerable leadership attention this year has been directed to our organisational expansion, which resulted in our workforce increasing by 196% by year-end. This included directing the working group set up to oversee our plans to recruit and induct over 200 new starters into our organisation, and regular reports on progress back into ELT. This increased resource will help us address the significant rises in demand we have experienced and expect to continue to experience, and is supplemented with a staged plan for 2023-24 that will allow us to increase the number of determinations we make each month and reduce case investigation times in a managed way.

The 2023-24 Business Plan was developed in consultation with our Advisory Board and Resident Panel. The plan was heavily influenced by the inquest into the tragic death of Awaab Ishak, and caused us to revise demand forecasts, the resource required to deliver high quality determinations and, consequently, our fee upwards. The formal consultation opened to all stakeholders in February 2023 and our final plan was approved by the Secretary of State in May 2023. It is published on [our website](#) along with the [consultation response report](#).

During 2022-23, we published two reports from our Independent Reviewer of Service Complaints. Every six-months they review a sample of the service complaints we have received and provide recommendations to help improve our service.

To support our permanent hybrid working model and meet workforce needs, we closed our London office, opening smaller drop-in office accommodation in both London and Manchester to better suit our more geographically dispersed workforce. This was achieved without increasing accommodation costs overall.

Maintaining colleague engagement and continuing to embed our values, particularly as the organisation was growing rapidly, was another area which received strong leadership oversight during the year. This was tackled through a number of channels. We continued to hold fortnightly breakfast briefings which have a quarterly focus on each of values, with items and speakers themed to the value under consideration. These also include manager-led recognition of team members who have demonstrated our values and behaviours particularly well. Chosen speakers included other Ombudsmen from the United Kingdom and abroad to share how they work and to inspire colleagues about the difference their work can make. Our Advisory Board and Audit and Risk Assurance Committee members are also invited to join these briefing sessions to improve their wider understanding and involvement in the organisation.

In April and September, we held our face-to-face all-colleague events which are also built around our values and provide an opportunity for new starters to be welcomed into the organisation. The April all-colleague event included our second 'HOScars' ceremony where colleagues are recognised and celebrated by their peers for their continuous demonstration of our values. We also benefitted from an excellent guest speaker at each - Daniel Hewitt, ITV political correspondent in April and Ed Daffarn from the Grenfell United group in September. We also used this forum to seek colleagues' input to a number of key topics - we launched reviews of our behaviours framework and our approach to internal communications, and sought feedback on our People and Corporate Social Responsibility strategies.

Influencing current issues

We use our experience and expertise to contribute to relevant policy developments and influence others' thinking.

During 2022-23 there were many opportunities to contribute to the Department for Levelling Up, Housing and Communities' (DLUHC) development of its Social Housing Regulation Act. We were invited to participate in several of the working groups supporting the Bill's development and wider activities, for example, sharing views on the Decent Homes Standard and advising on a social housing residents benchmarking survey. The Ombudsman was also a non-executive member of the Department's Social Housing Quality Board, alongside the Social Housing Regulator, which considered the implementation of the Social Housing White Paper and met on a monthly basis.

We continued to participate in DLUHC's Access to Information Scheme (ATIS) project board alongside representatives from the Department and the Regulator of Social Housing. The group was charged with designing the framework for delivering the scheme, drafting the key documents to support consultation with the sector and preparing the sector for go-live. Monthly meetings continued throughout the year.

In November 2021, the Levelling Up, Housing and Communities Select Committee announced its inquiry into the regulation of social housing. We submitted written evidence before Christmas and the Ombudsman appeared as a witness in mid-April 2022, calling for increased powers to enable us to improve complaint handling and housing services across the social housing sector. These were echoed in the Committee's report recommendations. Subsequently, the government laid amendments to the Social Housing (Regulation) Bill to allow us to put the Complaint Handling Code on a statutory footing, give us a duty to monitor compliance against the Code and make wider learning orders that will remedy beyond the individual complaint, extending fairness to all residents.

Media coverage continued to shine a light on conditions in some social housing this year, with a renewed focus on damp and mould following the tragic death of Awaab Ishak. The Ombudsman gave evidence on our damp and mould spotlight report at the coroner's inquest and, following publication of the coroner's report, we took a number of actions:

- Published an open letter to all social landlords to remind them about our damp and mould spotlight report recommendations.
- Published a follow-up to our original damp and mould Spotlight report that analysed how a sample of landlords had responded to the recommendations and identified ten key tests for governing bodies to use in evaluating their organisation's response to damp and mould issues.
- Updated our guidance on complaint handling during the pre-action protocol to make clear repairs should still be attempted.
- Launched a Paragraph 49 wider investigation into Rochdale Boroughwide Housing's handling of complaints and wider service failures.

We also used our influence to reach a national audience through appearances on all major national TV news programmes, as well as appearances on flagship shows such as Good Morning Britain and BBC Radio 4's Today programme. Our online news article reach during this month was 28.4 billion readers and listeners – reflecting the breadth of our coverage.

Previous work to influence the landscape came into effect this year as the 'Designated Persons' requirements were removed on 1 October 2022 and residents could now come directly to us on completion of their landlord's complaints procedure rather than waiting a further eight weeks or requesting a referral via a councillor, Member of Parliament or designated tenant panel. Removal of these requirements is something we had campaigned for as it unfairly disadvantaged social housing residents compared to other sectors and created an unnecessary barrier to our service. As a result of this change, and other factors in the operating environment, complaints received for investigation in the second half of the year were 70% higher than in the first.

Working with others in the sector

As in previous years, we continued to work with others to maximise our efforts to provide an efficient and effective service and to shape its development.

The Ombudsman meets regularly with the Regulator of Social Housing and we have a strong working relationship. We share information under our Memorandum of

Understanding to provide insight and to help form a shared understanding of issues and events that impact the sector. During 2022-23, we formally referred 31 complaints to the Regulator. We continued to share the findings from our learning reports and discuss emerging trends and issues of common interest when we meet. We also began writing to Members of Parliament when we published a case with a severe maladministration finding brought to us by a resident in their constituency.

We are members of the Ombudsman Association (OA), and the Ombudsman remained its Chair since his election in September 2021. As Chair, the Ombudsman has been focused on promoting awareness and understanding of the role of Ombudsman offices amongst government departments, and of the Service Standards amongst members. We attend the OA's special interest group meetings which bring people from common disciplines together to share best practice and provide a discussion forum. These include casework, legal, HR, communications and policy work. The Ombudsman is also a member of the Administrative Justice Council.

We continued to meet regularly with the Local Government and Social Care Ombudsman. Close working on casework continues where complaints have elements that fall into both parties' jurisdictions and we issued our first joint investigation report in early 2023-24. During 2022-23, we also developed an aligned Complaint Handling Code, based heavily on our existing Code. Consultation to put this on a statutory footing commenced in September 2023 with this expected to take effect from 1 April 2024.

The Building Safety Act created the Building Safety Regulator and the New Homes Ombudsman. During the year we have met with both organisations to discuss joint working and the creation of Memoranda of Understanding to set clearly how we will co-operate in practice.

Register of interests

The [register of interests](#) is available on our website and discloses information for all members of ELT, the Audit and Risk Assurance Committee and the Advisory Board.

As noted above, the Ombudsman is Chair of the Ombudsman Association. In June 2022, he was appointed as a trustee of the British Library. The Chief Operating Officer became an Independent Advisory Member of the LGSCO's Commission from 1 February 2023.

Personal data

Information management within the Housing Ombudsman is strong, however, in any organisation dealing with high volumes of personal data on a daily basis, some minor lapses due to human error are unavoidable. During the year, there were two incidents reported to the Information Commissioner's Office (ICO) – one involving an external cyber-attack and the other an internal disclosure error. Both of these incidents were appropriately contained and mitigated, with the ICO requiring no further action.

Statement of Accounting Officer's responsibilities

Under the Government Resources and Accounts Act 2000, the Secretary of State has directed the Housing Ombudsman Service (HOS) to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of HOS and of its income and expenditure, Statement of Financial Position and cash flow for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe any Accounts Direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgments and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts
- prepare the accounts on a going concern basis and

- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Principal Accounting Officer of the Department for Levelling Up, Housing and Communities has designated the Housing Ombudsman as Accounting Officer of HOS. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding HOS's assets, are set out in '*Managing Public Money*' published by the HM Treasury.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that HOS's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

Governance statement

Scope of responsibility

As Accounting Officer, I am personally responsible for maintaining effective governance and a sound system of internal control that supports the achievement of the Service's objectives while safeguarding its funds and assets.

Legislation and Scheme

The Housing Act 1996 (Schedule 2, paragraph 10) provides that a Scheme approved by the Secretary of State may be administered either by a "body corporate" or by a "corporation sole". With effect from 1 April 2013, the Scheme has been administered by the latter - The Housing Ombudsman (THO). This change was effected by The Housing Ombudsman (Corporation Sole) Order 2013, made by the Secretary of State for the Department for Levelling Up, Housing and Communities.

As a corporation sole, which is a distinct legal entity with legal capacity, THO can make legally binding contracts, employ staff, and enter into leases. A corporation sole is typically created to allow the corporate entity to pass from one office holder to the next successor-in-office. A corporation sole does not have a board of directors; that role and function, and all property, rights, assets, and liabilities, are vested in the person who is the corporation sole.

THO operates in accordance with the Scheme which was approved by the Secretary of State for the Department for Levelling Up, Housing and Communities under the provisions of the Housing Act 1996.

The Scheme applies to social landlords registered in England as well as to other 'for profit' landlords who join voluntarily. THO receives its funding via an annual 'per housing unit' subscription from member landlords.

Under the legislation and the Scheme, THO is solely responsible for the conduct of dispute resolution and the determination of disputes. THO must be completely independent and reach fair and impartial decisions when exercising these responsibilities. THO employs staff to deliver the responsibilities under the Scheme and, collectively, is known as the Housing Ombudsman Service (HOS).

Department for Levelling Up, Housing and Communities and Local Government sponsorship and the Framework Document

THO operates in accordance with the requirements set out in a Framework Document agreed with the Department for Levelling Up, Housing and Communities as sponsor department, Cabinet Office's controls over expenditure and '*Managing Public Money*'. Any potential conflict between the Framework Document and the Scheme must be resolved in favour of the Scheme.

The Framework Document was agreed in December 2017 with the annexes updated in June 2021, allowing for the replacement of the Panel of Advisors with the Advisory Board and other minor changes to reflect the passage of time.

The Ombudsman and other senior staff attend regular Accounting Officer meetings with officials at the Department where performance and policy issues are discussed.

Compliance with Corporate Governance in Central Government Departments: Code of Good Practice

THO and HOS comply with the principles and the provisions set out in the *Corporate Governance in Central Government Departments: Code of Good Practice*, in so far as they apply to a non-departmental public body and a corporation sole.

While THO as a corporation sole cannot have a board, its functions are covered by alternative arrangements. Strategic clarity, commercial approaches, people development, approval of key projects and scrutiny over performance are provided by the ELT. These approaches are then tested and assured in combination through the Advisory Board, the Audit and Risk Assurance Committee (ARAC), the Department for Levelling Up, Housing and Communities at Accounting Officer meetings, and the sector as part of HOS's annual consultations on our business plans.

Overall, these alternative arrangements are sufficient to support THO in the role of corporation sole and allow compliance with the principles and supporting provisions of the Code.

Roles and responsibilities

Advisory Board (see page 8 for membership)

The Advisory Board provides support and advice to the Ombudsman and brings an external perspective to assist in leadership, good governance and the development of the organisation. In particular, the Advisory Board provides advice and support to the Ombudsman on the development and implementation of vision, values and objectives; strategic direction and business planning; and public accountability for the subscriptions received.

The Advisory Board held their first full cycle of meetings this year, meeting four times, with a further joint away day session with the Audit and Risk Assurance Committee (ARAC) in February 2023 to discuss internal and external challenges facing the organisation and to further develop the relationship between the Advisory Board and the ARAC. All members were in attendance for the quarterly meetings with the exception of the May 2022 meeting where there was a single member absence (Kevin Williamson).

The Advisory Board undertakes risk horizon-scanning before the start of each financial year to feed into the zero-based review of our corporate risk register. During the year, the Advisory Board may identify potential risks that it will pass to the ARAC for them to then assure the management response.

Audit and Risk Assurance Committee (see page 8 for membership)

In making decisions about governance, risk management and internal control, the Ombudsman is assured by the Audit and Risk Assurance Committee (ARAC). The ARAC's terms of reference are set out in the Framework Document. Two members of the ARAC are also members of the Advisory Board, bringing strategic knowledge from that forum to enhance the ARAC's ability to challenge the comprehensiveness and reliability of the assurances it receives. The committee Chair, Tim Leslie, was a member all year, with David Horne attending all meetings until the end of his tenure and his replacement, Tim Archer, attending from October 2022.

The ARAC follows a regular meeting schedule. At three meetings in the year, the ARAC takes a deep dive into one or two areas, drawn from either the corporate risk register, the assurance maps or directorate risk registers, to review the comprehensiveness and reliability of the related assurances. The March meeting

considers the outcome of management's zero-based reviews of the corporate risk register, risk appetite, assurance maps and risk management policy.

The ARAC also advises the Ombudsman as Accounting Officer on key accounting policies and the integrity of the Annual Report and Accounts, including management's going concern assessment and examination of the assumptions supporting the pension valuation. It also advises on the internal audit programme for the year and discusses the external audit strategy.

The outcome of the ARAC's assurance activities is recorded in an annual report to the Ombudsman and it conducts a regular effectiveness self-assessment to ensure it remains focussed on the right areas and comprises the right skills. The most recent effectiveness review in April 2023 had positive responses, demonstrating the Committee's effectiveness, positive attitude in being a 'critical friend', expertise provided and compliance with good practice. The previous review took place in September 2021 as the role of Chair changed hands.

Four meetings were held during the financial year, with some changes to the usual timings due to accommodate delays to the receipt of pension assurances in support of the external audit. All members attended all meetings held during their respective tenures.

Executive Leadership Team (see page 6 for membership)

Internally, the Ombudsman is supported by an Executive Leadership Team (ELT) who work with them to set the strategic direction and the framework within which the organisation operates. The ELT meets twice per month, looking alternately at strategic and performance matters and all meetings were quorate.

Strategic matters considered during the year revolved around the development and design of strategic programmes and projects as set out in the 2022-23 business plan; preparations for legislative changes; and business planning for 2023-24. Performance against KPIs and the corporate risk register are reported to each performance ELT and an update from each Director is also provided. Other performance matters considered on a quarterly basis are outturn against budget, progress against business plan deliverables and changes to assurance maps. Other key items considered during 2022-23 were: planning for the organisational

expansion; the implementation of a new project management framework; learning reports on service complaints and case reviews; all internal audit reports; and preparations for the removal of the delegated person requirements and managing its impact on casework delivery. ELT are satisfied with the quality of the data used to inform its decision making as this is quality assured and subject to regular internal audit review. The same data is provided to the Advisory Board and ARAC.

At the start of 2022-23, the decision to reduce ELT membership to just Director roles and above took effect. This was an agreed outcome from the previous year's self-assessment exercise and was aimed at streamlining decision-making and freeing up time for others to deliver.

Supporting the ELT are three Directorate Management Teams (DMT) which meet monthly and consider their directorate's performance, projects and risk management before reporting this up to ELT. All DMTs were subject to a terms of reference review in year to ensure appropriate agenda management, attendance and escalated reporting to the ELT.

The quality of data reported to ELT is considered acceptable as this is drawn directly from source data systems and is first reviewed by Directorate Teams. Supporting reports are available to provide an audit trail and this is subject to regular internal audit review. The same data is provided to the ELT and, hence, onward to the Board and ARAC.

Following the creation of a new Business Information and Reporting team mid-year, planned improvements to management information reporting began through a dedicated project to move all governance reporting requirements into Power BI. The project started to deliver new reporting suites from early 2023-24.

Risk management

Risk management is active and embedded throughout the organisation. The key risks managed throughout the year are detailed in the Performance Report (page 22). HOS's approach is documented in our risk management policy which complies with the latest version of HM Treasury's *Orange Book: Management of Risk - Principles and Concepts* and is reviewed annually alongside our risk appetite. Additionally in 2022-23, HOS adopted the Department for Levelling Up, Housing and Communities' (DLUHC) approach to recording risk to support consistency in

information management and reporting across all of its arms-length bodies. We have submitted a copy of our corporate risk register twice a year and the Department is satisfied with our approach.

For each risk, the controls currently in place to manage them and future planned mitigations, with due dates, are captured. Sources of assurance over the risk and the frequency of that assurance activity are also identified. Each risk is then scored based on an impact and likelihood assessment to give both a post-control and post-future mitigation risk rating. Target ratings are also identified in line with our risk appetite to indicate whether a risk is over- or under-controlled. Each risk is assigned a manager and an owner who are responsible for its management and reporting.

Operational risks are assured through directorate risk registers at the monthly DMT meetings. Where necessary, they are escalated to ELT for consideration as to whether they should be included in the corporate risk register. At each ELT meeting, the corporate risk register is reviewed with changes highlighted for more focussed discussion.

Following implementation of our new project management framework, all HOS projects also have their own risk register. Risks are monitored and managed by the project team and, where necessary, they are escalated to the DMT for consideration as to whether they should be included in the directorate risk register.

Before the start of each financial year, ELT undertakes a zero-based review of the corporate risk register, considering challenges to the delivery of strategic objectives and business plan commitments, the external operating environment and directorate risk registers. This is informed by the horizon risk-scanning exercise undertaken by the Advisory Board.

Risk management is enhanced by our assurance maps. For each activity/function within the organisation, the map identifies the sources of assurance available across each of the lines of defence, the frequency of that assurance, where this is reported and any related operational or corporate risks.

Additionally for 2022-23, all relevant areas of the organisation have been reviewed against the government's Functional Standards to review mandatory compliance and complete action plans where improvement work was necessary. Ongoing review against these best practice standards is now incorporated into our assurance maps.

Each year, we use the risk registers and assurance maps to inform the proposed internal audit programme, targeting areas that are high risk, low assurance or that have not been audited for some time.

Internal control

Each director is responsible for ensuring appropriate internal control within their portfolio. HOS has continued its approach of cyclically reviewing its policies and guidance to update for external changes, best practice and lessons learned. In addition, this year we also established a policy library to introduce corporate oversight of policy revision schedules for management planning, with an accessible central location for all approved policies. Our primary Dispute Support and Resolution policies have been updated in year following the statutory removal of the designated person requirements and the introduction of casework risk assessments. Our key HR recruitment and induction policies were revised in advance of the significant organisational expansion. We have also conducted the annual reviews of the risk management and anti-corruption policies including, whistleblowing, anti-fraud and anti-bribery policies.

All new policies and policy updates are approved by ELT. In all, 16 corporate policies were developed or reviewed in 2022-23.

The Government Internal Audit Agency (GIAA) provides the internal audit service to HOS. This enables HOS to benefit from GIAA's government-wide programme of audits and advice. The internal audit programme is linked to the key risks facing the organisation during the year to provide assurance over these. The 2022-23 internal audit programme encompassed seven planned audits which are set out below:

1. Key Financial Controls
2. HR Policies including EDI
3. Digital Portal and GDPR
4. Business Continuity Planning
5. Building the Workforce
6. Monitoring and Managing Performance – Business Planning
7. Programme and Project Management

The HR Policies audit was deferred to quarter one 2023-24 due to an unplanned absence in the People Team which meant there was a lack of internal capacity to support this work.

Our overall assurance rating for the year from our Head of Internal Audit was substantial.

The internal audits provided management with recommended areas for improvement, reflecting best practice in similar organisations. In total, we received 17 recommendations of which nine were rated as medium and eight as low. There were no high priority recommendations. We have implemented all due recommendations by their target dates.

Reviewing effectiveness

Risk management is assured at ARAC meetings. At each meeting, the ARAC receives the latest version of the corporate risk register and assurance maps. As well as reviewing these, it also undertakes a deep dive into two areas from these documents, as noted above.

The ARAC also provides assurance to the Ombudsman over management's zero-based review of the corporate risk register, the organisation's risk appetite, and the risk management policy.

The ARAC receives all reports from the internal and external auditors and tracks the implementation of management actions to agreed dates. It uses this information to assure the Ombudsman on the strength of internal controls and the appropriateness of governance.

The ARAC also receives the Annual Report and Accounts, advising on the content of the Governance Statement for the year and commenting on the integrity of the document as a whole.

Sources of assurance

In preparing this Governance Statement, the Ombudsman has been informed by:

- The annual report from the ARAC to the Ombudsman as Accounting Officer setting out its opinion on the effectiveness of governance, risk management and control. This concluded "it was satisfied that appropriate governance, risk management and internal control processes operate within HOS".
- The annual report and opinion from the Head of Internal Audit which gave a substantial assurance opinion.

- The NAO's audit completion report and management letter.
- The outcome of quarterly Accounting Officer meetings with the Department for Levelling Up, Housing and Communities.
- The assurance statement from the Chief Operating Officer to the Ombudsman as Accounting Officer setting out the effectiveness of governance, risk management and control operated within HOS during the year.
- The regular update and zero-based reviews of the corporate risk register and the assurance maps.

Conclusion on governance, risk management and internal control

The systems set out above have been in place for the year under review and up to the date of the approval of the Annual Report and Accounts.

Based on the assurances received, the Ombudsman is content that HOS is operating effective governance, risk management and internal control.

The key challenges for 2023-24 will be completing our significant organisational expansion and taking forward our planned projects to create an independent, visible and proactive Ombudsman, while delivering the planned increases to casework and meeting our high quality standards.

Remuneration and staff report

Remuneration of senior managers

The office of Housing Ombudsman is a public appointment made by the Secretary of State in accordance with Section 51 of the Housing Act 1996 and paragraphs 73-78 of the Housing Ombudsman Scheme. Under The Housing Ombudsman (Corporation Sole) Order 2013, appointment to the office of The Housing Ombudsman (THO) is as a corporation sole and hence THO is not an employee. The Ombudsman's salary is set in their appointment letter.

HOS does not have a remuneration committee. Remuneration of employees is linked to contractual entitlement and salary scales for those appointed to their current post prior to November 2015. Colleagues joining after this date are employed on spot pay.

No awards were made to any senior manager in year. In particular, no allowances or bonuses were paid to senior management in year. No element of remuneration is non-cash. Information on the remuneration paid to the Ombudsman and each senior manager is detailed in tabular form on the next page.

Pension benefits are also detailed in the table. There were no contributions to a money purchase scheme. There were no payments in respect of allowances, bonuses, compensation and non-cash benefits during the year. The members of the Audit and Risk Assurance Committee and Advisory Board referred to on pages 6 and 7 are not senior managers of HOS.

Single total figure of remuneration and pension disclosures 2022-23 (subject to audit)

Notes	Single Total Figure of Remuneration				Real increase in pension and related lump sum at pension age	Pension Entitlement Details			
	Salary and fees	Pension benefits	2022-23 Total	2021-22 Total		Accrued benefits at end of year & related lump sum	Cash Equivalent Transfer Value (CETV) at start of year	CETV at end of year	Real increase in CETV
	In bands of £5,000	To the nearest £1,000	In bands of £5,000	In bands of £5,000	In bands of £2,500	In bands of £5,000	To the nearest £1,000	To the nearest £1,000	To the nearest £1,000
Ombudsman & Directors									
Richard Blakeway Housing Ombudsman	115,000-120,000	36,000	155,000-160,000	150,000-155,000	0-2,500	5,000-10,000	64,000	93,000	13,000
Andrea Keenoy Chief Operating Officer	100,000-105,000	31,000	130,000-135,000	120,000-125,000	0-2,500	15,000-20,000	152,000	185,000	18,000
Kathryn Eyre Director of Quality, Engagement & Development (from 27/6/22)	65,000-70,000	21,000	80,000-85,000	N/A	0-2,500	0-5,000	N/A	17,000	11,000
Jo Parry Seconded Transition Director (from 1/9/22)	85,000-90,000	N/A	85,000-90,000	N/A	N/A	N/A	N/A	N/A	N/A
Joyce Adu Director of Dispute Support & Resolution (until 30/6/22)	20,000 – 25,000	-4,000	15,000-20,000	95,000-100,000	-2,500-0	25,000-30,000	417,000	437,000	5,000
Gillian Day Director of Finance & Corporate Services (until 31/03/23)	85,000-90,000	27,000	110,000-115,000	100,000-105,000	0-2,500	0-5,000	23,000	46,000	14,000

The capitalised value of individual pension entitlements have been calculated in accordance with IAS19.

1. Kathryn Eyre was appointed Director of Quality, Engagement and Development on 27 June 2022. Between 27 June 2022 and 31 March 2023, she received a salary of £65,485. This salary was for 9 months, with her full year equivalent salary in the band of £85-90k.
2. Jo Parry took up the temporary position of Transition Director on 1 September 2022 until 3 July 2023. Jo is seconded from the Department of Education and is not an employee or remunerated by the Housing Ombudsman. The amount recorded under salary and fees represents the amount HOS is paying as secondment fees; these include salary, national insurance and pension contributions plus VAT. As a secondee, we have not included pension entitlement details as HOS is not ultimately responsible for funding her pension. The amount payable to her employer in year was £85,789 (inclusive of VAT). Her full year equivalent salary as Transition Director including on-costs and VAT was in the band of £140-145k).
3. Joyce Adu was in post till 30 June 2022. Between 1 April 2022 and 30 June 2022, she received a salary of £22,291. This salary was for 3 months, with her full year equivalent salary in the band of £85-90k.

Explanation of terms used in the single total figure of remuneration and pension disclosures

Salary

'Salary' includes gross salary; overtime; and any other allowance to the extent that it is subject to UK taxation. This report is based on payments made by HOS and thus recorded in these accounts.

Cash equivalent transfer values (CETVs)

A CETV is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement that the individual has transferred to the Local Government pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost.

CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from lifetime allowance tax that may be due when pension benefits are taken.

CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2023. HM Treasury published updated guidance on 27 April 2023; this guidance will be used in the calculation of 2023-24 CETV figures.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Fair Pay disclosure (subject to audit)

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce. Agency staff have been excluded from this calculation.

	2022-23 £	2021-22 £
Band of highest paid individual's remuneration*	115,000-120,000	115,000-120,000
% change in salary & allowances	0%	0%
% change in performance pay & bonuses*	N/A	N/A
Upper quartile remuneration of staff**	47,619	52,779
Median remuneration of staff*	47,619	46,297
Lower quartile remuneration of staff*	37,387	36,588
Employees –		
Average % change in salary & allowances	3.12%	N/A
Average % change in performance pay & bonuses*	N/A	N/A
Ratio between lower quartile remuneration and mid-point of banded remuneration of highest paid individual	3.1:1	3.2:1
Ratio between median remuneration and mid-point of banded remuneration of highest paid individual	2.5:1	2.5:1
Ratio between upper quartile remuneration and mid-point of banded remuneration of highest paid individual	2.5:1	2.2:1
The range of annualised staff remuneration (excluding the Housing Ombudsman)	22,000-102,000	24,000-100,000

*No staff receive performance pay or bonuses

**Salaries are annualised staff remuneration

In 2022-23, nil employees received remuneration in excess of the highest-paid director (2021-22: nil).

Total remuneration includes salary. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions. The significant rise in the number of employees has changed the balance of the staffing, so that the median role (adjudicator) is also the upper quartile role reflecting that we have proportionately more adjudicators than managers and Executive Leadership employees than in 2021-22.

Exit Packages (subject to audit)

Exit package cost band	Number of compulsory redundancies 2022-23 (2021-22)	Number of other departures agreed 2022-23 (2021-22)	Total number of exit packages by cost band 2022-23 (2021-22)
£0 - £25,000	0 (0)	1 (0)	1 (0)
£25,001 - £50,000	0 (0)	0 (0)	0 (0)
£50,001 - £100,000	0 (0)	1 (0)	1 (0)
£100,001 - £150,000	0 (0)	1 (0)	1 (0)
£150,001+	0 (0)	0 (0)	0 (0)
Total number	0 (0)	3 (0)	3 (0)
Total cost	£0 (0)	£208,000 (£0)	£208,000 (£0)

Staff costs (subject to audit)

	Permanent staff £'000	Temporary staff £'000	2022-23 Total £'000	2021-22 Total £'000
Wages and salaries	7,807	988	8,795	6,186
Social security costs	931		931	562
Pension service costs	3,358		3,358	2,546
Redundancy cost	208		208	
Total Costs	12,304	988	13,292	9,294
Cost of secondments into HOS	86		86	
Recoveries in respect of outward secondments	(39)		(39)	(77)
Total Costs	12,351	988	13,339	9,217

HOS is an Admitted Body to the City of Westminster Pension Fund, a defined benefit scheme. The Pension Fund is operated under the Local Government Pension Regulations 1997.

The triennial valuation from March 2022 has been undertaken to set contributions for the period from 1 April 2023 to 31 March 2026. The actuary recommended an employer's contribution rate of pensionable salaries for THO as follows:

Year Ended 31 March	Contribution Rate %
2024 onwards	23.8%

Employee contribution rates range from 5.5% to 12.5% depending on salary. More details can be found in Note 14.

Staff composition

The permanent Housing Ombudsman is not an employee of HOS.

HOS had five employees (excluding the Housing Ombudsman) classified as senior managers during the year as detailed in the Remuneration Report. HOS had a full time equivalent total of 298.5 staff in post as at 31 March 2023, of which 167 were female, 90 were male and 41.5 chose not to disclose.

Staff numbers (subject to audit)

The average full-time equivalent (FTE) number of employees (including part-time employees, agency workers, and secondees) during the year was as follows:

	Average No. of Permanent Staff FTE	Average No. of Seconded in Staff FTE	Average No. of Temporary Staff FTE	Average Staff 2022-23 FTE	Average Staff 2021-22 FTE
Ombudsman	1.0	-	-	1.0	1.0
Dispute Support & Resolution	126.9	-	12	138.9	94.2
Quality, Engagement and Development	17.3	1	-	18.3	13

Finance & Corporate Services	26.8	1	1	28.8	17.5
Total	172	2	13	187.0	125.7

Staff Turnover

	2022-2023	2021-2022
Permanent Staff	11%	13.6%

Sickness absence

During the year employee sickness levels were recorded as 3% in respect of short-term sickness and 1% in respect of long-term absence.

People strategy and staff policies

The most significant staffing activity in-year was the extensive expansion programme which encompassed all business areas but with the majority of roles falling within the Dispute Support and Resolution directorate. Recruitment has been successful with 232 permanent, fixed term or bank new starters in the year.

We have prioritised work on our employer brand, emphasising what we have to offer new and existing employees and focusing on our values and behaviours, learning and development offer, our commitment to flexibility and work life balance, corporate social responsibility and how our business impacts wider society.

We introduced a Corporate Social Responsibility Strategy that allows us to build on existing activities, initiatives and relationships while encouraging new ideas to be developed. It links with and complements our existing initiatives, including Health and Wellbeing and Learning and Development, as well as our new policy that details volunteering leave.

We received unprecedented volumes of applications to many of our vacancies and adapted our recruitment process as a result, for example, looking at our shortlisting and testing procedures. Recruitment is undertaken on a 'blind' basis to remove bias and allow the focus to be on skills set and suitability to the role. Over the year we have continued to refine our recruitment process through lessons learned after each tranche of activity. These developments have had a positive impact on our time to

recruit throughout the year. Our average time to hire was 84 days across May and June 2022, reducing to 72 days by March 23.

The scale of recruitment necessitated the development of a structured approach to caseworker induction. This has been provided by our dedicated learning facilitators and specialists. The new approach included a six-week classroom-based induction which new recruits attended in cohorts. This enabled opportunities to meet other new starters, understand more about the organisation and build relationships with new and established colleagues. This has also improved the first impressions of the organisation and the feedback has been incredibly positive.

As a result of the rapid expansion to our workforce, we implemented regular pulse surveys during the year to monitor staff engagement, covering areas such as employee satisfaction, team communication and relationships, organisational culture, physical wellbeing and effective team working. The feedback is shared with the Executive Leadership Team and then all staff, including actions that we will be taking to address any areas of concern. We also intend on resuming a more detailed staff survey in 2023-24 now that the bulk of recruitment has been completed.

Internal colleagues continued to progress their careers by undertaking training and/or mentoring, gaining promotions or taking up secondment opportunities. Altogether twenty colleagues were promoted, one took on an external secondment and fifty three colleagues successfully completed their probation.

Learning and development remained a key component of our employee offer at HOS and our people programme was expanded to cover all staff throughout 2022-23. Coaching was encouraged for senior leaders and the training allowance uptake across the organisation rose by 455%. We procured a new learning management system (LMS) that will align with our current HR software and allow us to deliver and manage our learning content, and drive performance across the organisation.

We also began to update our policies and procedures as part of a full review of all such documents to ensure they meet the needs and expectations of a larger organisation. We will be introducing new policies, including menopause and pregnancy loss during 2023-24, and ensuring that our policies are forward thinking with regard to equality, diversity and inclusion. An equality impact assessment is

carried out on all policies – new or refreshed – as well as research into current best practice, case law and legislation.

Gender

Among our permanent staff, 60% of colleagues are female and 31% are male with 9% undisclosed.

The table below shows that female colleagues dominate across all earnings quartiles with the closest match to male colleagues in the low-mid quartile and the greatest difference in the lower quartile.

Our ‘mean gender pay gap’ is 0.08%, meaning that, on average, men are paid 0.08% more per hour than women, which compares favourably with the civil service figure of 13.67%. There is no difference between the median male and median female employee’s hourly rate as shown in the ‘median gender pay gap’ table (page 10).

Percentage of men and women in each hourly pay quartile 2022-23

% in each quarter	Upper (%)	Upper Mid (%)	Lower Mid (%)	Lower (%)
M	37%	32%	37%	31%
F	63%	68%	63%	69%

Equality, Diversity and Inclusion

As a service, we respect and value the contribution of a diverse workforce to the delivery of our business aims. Our commitment to equality, diversity and inclusion is translated into practice through our policies and procedures, and the open and transparent way in which they are applied. We are committed to ensuring that no discrimination occurs in recruitment or employment, and that we provide equality of opportunity in all aspects of employment including recruitment, promotion, opportunities for training, pay and benefits. This is demonstrated through the 98 recruitment campaigns we ran in 2022-23; of the successful candidates, 62% were female, 19% identified as BAME and 8% self-identified as having a disability. Nationally 51% of the population is female, 14% from a non-white minority ethnic background and 20% (working age) identify as disabled. In social housing (England only) 54% of household have at least one person who has a disability, 19% have at least one person from a BAME background and 57% of occupants are female.

We ensure there is equality of access to employment opportunities for people with disabilities including making any reasonable adjustments for applicants to ensure they can give their best in the selection process and offering permanent home working as an option. We also agree reasonable adjustments for existing employees who disclose or become disabled during their employment. To demonstrate our commitment to equality, diversity and inclusion we are part of the Disability Confident employer scheme, meeting – and exceeding where possible – the standards it sets out. As an organisation we will always strive to be fully inclusive and will continue to embed these values into our culture, strategy and operations. As noted above, to ensure fairness, we now operate a blind recruitment process to eliminate any potential unconscious bias and ensure that opportunities are equally available to all candidates whether within our existing workforce or external to our service.

Our Equality, Diversity and Inclusion Group (EDI) continues to meet regularly and provides information and events to promote diversity and inclusivity at HOS, for example, we celebrate national awareness events such as Neurodiversity Celebration week and International Women’s Day.

Expenditure on consultancy

HOS did not incur any consultancy costs during 2022-23 (2021-22: nil).

Off-Payroll engagements

There were no off-payroll engagements for more than £245 per day that had lasted for longer than six months as at 31 March 2023 (2021-22: none).

No. of new engagements, or those that reached six months in duration, between 1 April 2022 and 31 March 2023	0
of which...	
No. assessed as caught by IR35	0
No. assessed as not caught by IR35	0
No. engaged directly (via PSC contracted to department) and are on the departmental payroll	0
No. of engagements reassessed for consistency/assurance purposes during the year.	0

No. of engagements that saw a change to IR35 status following the consistency review.	0
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For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2022 and 31 March 2023:

No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Total no. of individuals on payroll and off-payroll that have been deemed “board members, and/or, senior officials with significant financial responsibility”, during the financial year.	3

As the Housing Ombudsman is a corporation sole, we have no board members. The three individuals disclosed above are the Housing Ombudsman, the Chief Operating Officer and the Director of Finance and Corporate Services.

Parliamentary Accountability and Audit Report

Regularity of expenditure (subject to audit)

There were no losses, special payments or gifts during 2022-23 that require disclosure in the Annual Report and Accounts.

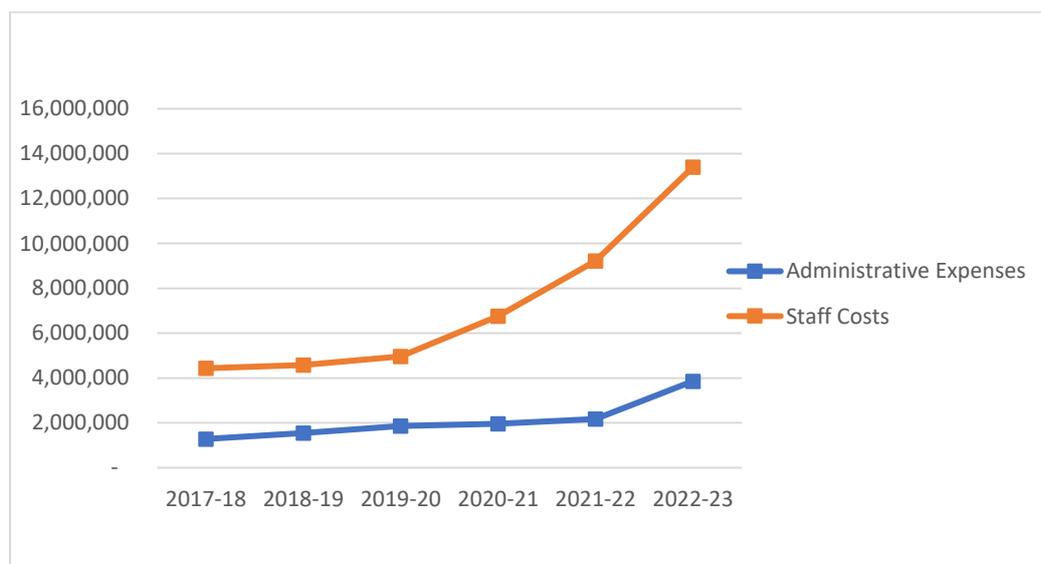
Fees and charges (subject to audit)

HOS is fully funded by a per housing unit subscription fee on members, set in line with the requirements of the Housing Ombudsman Scheme. The costs of delivering the service are recorded as expenditure in the accounts.

The annual membership subscription fee in 2022-23 was £4.60 per housing unit (2021-22: £2.16) and this is pro-rated if a member joins during the year. The total income received in the year from subscriptions was £18.1 million (2021-22 £10.4 million). In order to reflect the level of service delivered in 2022-23; and a need to build further capacity in 2023-24, in addition we recognised a £4.8 million of deferred income to be used to reduce the 2023-24 subscription rate by £1.00.

In 2022-23 an additional 13 mandatory members were added to the Scheme and four members merged with other members. Voluntary membership did not change.

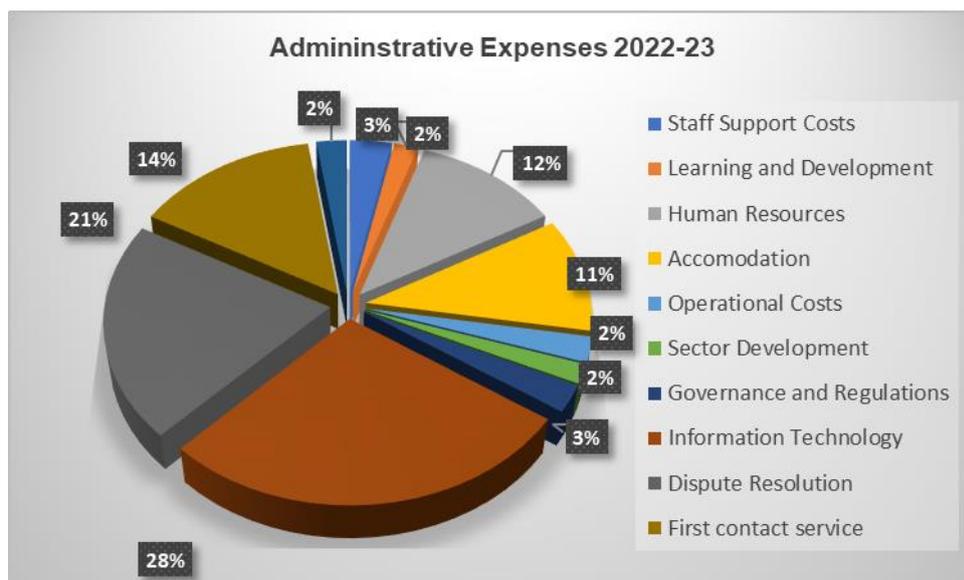
Long-term expenditure trends



During 2022-23, we expanded significantly to meet the unprecedented growth in demand on the service experienced in 2021-22 and the further growth expected in

current and future years. As a result, staff costs increased by 45% from £9.2 million to £13.3 million.

Administrative expenditure increased by 80.5% from £2.1 million to £3.9 million. In addition to higher non-pay costs related to our larger headcount, this reflected greater expenditure on outsourcing and our first contact reception service to meet increased casework demand.



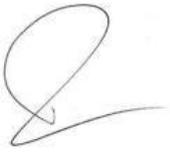
The resulting year-end position showed a surplus after tax of £0.8m (2021-22: £1.1 million deficit) which was due to some new colleagues joining later than originally planned – in expansion at this scale and without precedent, some variation is to be expected. The following year will see significant growth in both income and expenditure with the new subscription rate of £6.75 funding a full year of salary costs for new starters and a further expansion in our workforce to meet on-going demand increases. The payable 2023-24 subscription rate is reduced by £1.00 as a result of the £4.8 million deferred income from 2022-23.

Remote contingent liabilities (subject to audit)

There are no remote contingent liabilities (2021-22: none).

Auditor remuneration (subject to audit)

The audit fee for 2022-23 is £57,000 (2021-22: £54,000). No remuneration was paid to the auditors for non-audit work.



Richard Blakeway
Housing Ombudsman and Accounting Officer

8 March 2024

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

Opinion on financial statements

I certify that I have audited the financial statements of The Housing Ombudsman for the year ended 31 March 2023 under the Government Resources and Accounts Act 2000.

The financial statements comprise The Housing Ombudsman's:

- Statement of Financial Position as at 31 March 2023
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standards.

In my opinion, the financial statements:

- give a true and fair view of the state of The Housing Ombudsman's affairs as at 31 March 2023 and its surplus after taxation for the year then ended; and
- have been properly prepared in accordance with the Housing Act 1996 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022). My responsibilities

under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I am independent of The Housing Ombudsman in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that The Housing Ombudsman use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on The Housing Ombudsman ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for The Housing Ombudsman is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises the information included in the Annual Report, but does not include the financial statements nor my auditor's certificate and report. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Housing Act 1996.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the Housing Act 1996; and
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of The Housing Ombudsman their environment obtained in the course of the audit, I have not identified material misstatements in the Statutory Other Information.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- Adequate accounting records have not been kept by The Housing Ombudsman or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, The Housing Ombudsman, as both the Accounting Officer and the corporation sole, is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within The Housing Ombudsman from whom the auditor determines it necessary to obtain audit evidence;

- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- ensuring that the financial statements give a true and fair view and are prepared in accordance with Secretary of State directions issued under the Housing Act 1996;
- ensuring that the annual report, which includes the Remuneration and Staff Report, is prepared in accordance Secretary of State directions issued under the Housing Act 1996; and
- assessing The Housing Ombudsman's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless The Housing Ombudsman as Accounting Officer anticipates that the services provided by The Housing Ombudsman will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, Certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- inquired of management, The Housing Ombudsman head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to The Housing Ombudsman policies and procedures on:
 - identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance.
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including The Housing Ombudsman's controls relating to The Housing Ombudsman's compliance with the Government Resources and Accounts Act 2000, Managing Public Money;
- inquired of management, The Housing Ombudsman and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations;
 - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team and the relevant external specialists, including in relation to pensions, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within The Housing Ombudsman for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, bias in management estimates and revenue recognition. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override of controls.

I obtained an understanding of The Housing Ombudsman's framework of authority as well as other legal and regulatory frameworks in which The Housing Ombudsman operates, focusing on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of The Housing Ombudsman. The key laws and regulations I considered in this context included the Government Resources and Accounts Act 2000, Managing Public Money, Employment Law and Pensions Legislation.

In addition, I undertook specific risk assessment procedures performed relating to fraud, non-compliance with laws and regulations and regularity including: risk-based review of manual journals to identify those presenting a higher risk of fraud, informed by planning risk assessment; review of estimates presented within the accounts and an analysis of income to address the potential risk of fraud in revenue recognition.

Audit response to identified risk

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Assurance Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;
- in addressing the risk of fraud through management override of controls, I tested the appropriateness of journal entries and other adjustments; assessed whether the judgements on estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- ensuring that income charged is in accordance with the fee approved by the Secretary of State.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists and significant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies

12 March 2024

Comptroller and Auditor General

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Financial statements

Statement of Comprehensive Income for the year ended 31 March 2023

		2022-23	2021-22
	Notes	£'000	£'000
Revenue			
Subscriptions		18,089	10,351
		18,089	10,351
Expenditure			
Administrative expenses	2a	(3,926)	(2,175)
Staff costs	2b	(13,339)	(9,217)
Surplus (Deficit) from Operations		824	(1,041)
Interest receivable/(payable)	3	4	(53)
Surplus/(Deficit) before taxation		828	(1,094)
Taxation	4	(3)	(3)
Surplus/(Deficit) after taxation		825	(1,097)
Other comprehensive income			
Net actuarial gain/(loss) on pension fund	14c	2,892	2,995
Total Comprehensive Income		3,717	1,898

All operations are classified as continuing. Items of other comprehensive income are not potentially re-classifiable to profit or loss.

The notes on pages 96 to 113 form part of these financial statements.

Statement of Financial Position as at 31 March 2023

	Notes	As at 31.3.23 £'000	As at 31.3.22 £'000
Non-current assets			
Right of use assets	11	265	0
Property, plant and equipment	5	25	42
Intangible assets	6	209	149
		<u>499</u>	<u>191</u>
Current assets			
Trade receivables and other current assets	7	1,366	477
Cash and cash equivalents	8	12,710	5,212
Total current assets		<u>14,076</u>	<u>5,689</u>
Current liabilities			
Trade payables and other current liabilities	9	6,812	603
Current tax liabilities		3	4
Lease liabilities	11	137	
Total current liabilities		<u>6,952</u>	<u>607</u>
Total assets less current liabilities		7,623	5,273
Non-current liabilities			
Provisions	10	20	20
Lease liabilities	11	166	0
Net pension liability	14f	0	1,533
Total non-current liabilities		<u>186</u>	<u>1,553</u>
Assets less liabilities		<u>7,437</u>	<u>3,720</u>
Reserves			
General fund reserve		7,437	5,253
Pension fund reserve			(1,533)
Total reserves		<u>7,437</u>	<u>3,720</u>

The notes on pages 96 to 113 form part of these financial statements.



Richard Blakeway

Housing Ombudsman and Accounting Officer

8 March 2024

Statement of Cash Flows for the year ended 31 March 2023

	Notes	2022-23 £'000	2021-22 £'000
Cash flows from operating activities			
Surplus/(Deficit) from operations		824	(1,041)
Depreciation and amortisation charges	5,6	92	71
Depreciation (Buildings)	11	37	0
Movement in provisions	10	-	-
Pension scheme service and admin costs	14a	3,358	2,546
Pension scheme contributions	14e	(2,059)	(1,313)
(Increase)/Decrease in receivables	7	(888)	(95)
Increase/(Decrease) in payables	9	6,209	(162)
Cash generated from operations		7,573	6
Bank and other interest received		48	86
Corporation tax paid	4	-	-
Net cash inflow/(outflow) from operating activities		7,621	92
Cash flows from investing activities			
Purchases/Investment - intangible assets	6	(123)	(54)
Net cash inflow/(outflow) from investing activities		(123)	(54)
Net increase/(decrease) in cash and cash equivalents in the period		7,498	38
Cash and cash equivalents at the beginning of the period		5,212	5,174
Cash at end of period		12,710	5,212

The notes on pages 96 to 113 form part of these financial statements.

Statement of Changes in Taxpayers' Equity as at 31 March 2023

	General Fund £'000	Pension Fund £'000	Total £'000
Balance as at 1 April 2021	4,976	(3,217)	1,759
Transfer between reserves	63		63
Total comprehensive income	1,898		1,898
Transfer between reserves in respect of pension fund liability	(1,684)	1,684	-
Balance as at 31 March 2022	5,253	(1,533)	3,720
Initial adoption of IFRS 16 as at 1 April 2022	0		0
Transfer between reserves			
Total comprehensive income	3,717	-	3,717
Transfer between reserves in respect of pension fund asset	(1,533)	1,533	-
Balance as at 31 March 2023	7,437	0	7,437

HOS reports two reserves: a general fund reserve and a pension fund reserve.

The general fund reserve represents the cumulative surplus of income over expenditure as at the date of the Statement of Financial Position.

The pension reserve represents the liability arising from HOS's participation in the Local Government Pension Scheme, as determined by the scheme actuary.

The notes on pages 96 to 113 form part of these financial statements.

Notes to the financial statements for the year ended 31 March 2023

1. Accounting policies**a) Basis of accounting**

The financial statements are prepared in accordance with International Financial Reporting Standards as adapted by the Government Financial Reporting Manual (FReM) following a direction issued by the Department for Levelling Up, Housing and Communities (DLUHC) under the Housing Act 1996 and the Housing Ombudsman Scheme. The accounts have been prepared under the historical cost convention. The accounting policies are set out below and have been consistently applied.

Going concern

These accounts have been prepared on a going concern basis. HOS's Statement of Financial Position as at 31 March 2023 shows net assets of £7.4 million (21-22: £3.7 million). This includes a pension asset, receivable in future years. The Ombudsman's role is statutory and membership subscription fees are mandatory. HOS maintains sufficient reserves to cover four months of expenditure at all points during the year and our cashflow forecasts for the next 12 months show we expect to meet all liabilities as they fall due. Therefore, there are no known material uncertainties or conditions that may cast significant doubt over our ability to continue as a going concern.

b) Subscriptions

Subscriptions are the annual amount payable by member landlords of the Housing Ombudsman Scheme for the year ended 31 March 2023. Subscription fees are set at a standard rate per housing unit charge applied to the number of units owned or managed by member landlords.

The subscription rate is set based on a forecast level of cases with the expectation that the rate will cover the cost of delivering the cases. In accordance with IFRS15 revenue is recognised when the goods or services (case determinations) are transferred to the customer at the transaction price (subscription rate). The subscription income is set to cover the resources

required to deliver our forecast case levels. In the event of an underspend, this will be treated as deferred income. Any subscriptions paid in advance are also treated as deferred income.

Subscription charges for 2022-23 are £4.60 (2021-22 £2.16)

c) Property, Plant and Equipment

HOS invests in enhancements to its rented property which are capitalised as building improvements and valued at depreciated historical cost. Management consider that, in the absence of a readily obtainable market for such items as they cannot be marketed separately from the building, this provides a suitable approximation for current value in existing use.

Non-property assets are considered to be of sufficiently low value and short useful life for the adoption of depreciated historical cost basis as a proxy for current value in existing use.

The capitalisation threshold for property, plant and equipment is £5,000.

Property, plant and equipment are disclosed at cost less accumulated depreciation. Depreciation is provided on all property, plant and equipment on a straight-line basis calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life as follows:

- Leasehold improvements (fixtures and fittings) - period of the lease
- Computer equipment - 5 years
- Office equipment – period of the lease

d) Intangible assets

Intangible assets comprise computer software, our website and our intranet, and are stated at cost less accumulated amortisation and impairment. Amortisation is charged on a straight-line basis over the estimated useful economic life of the software (five years), or website and intranet (three years). The impairment of intangible assets is considered annually, or whenever events or changes occur. The valuation policy for intangible assets is to use amortised cost as a proxy for current value in existing use as all assets are short life and low value.

The capitalisation threshold for intangible assets is £5,000.

e) Financial asset

HOS recognises financial assets in accordance with IFRS 9. For HOS, these financial assets are primarily trade receivables in the form of outstanding member subscriptions.

f) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and balances with banks. These are liquid investments that are readily convertible to known amounts of cash.

g) Pension costs

HOS participates in a multi-employer funded defined benefit scheme. HOS is exposed to actuarial risks associated with their current and former employees' membership of the fund. The actuary has been able to perform a notional allocation of HOS' share of the Fund and therefore has performed an actuarial valuation at 31 March 2023 using IAS19 principles.

The effect of this accounting policy is to recognise a pension asset in the Statement of Financial Position. Current service costs, past service costs, gains and losses on settlements and curtailments, interest and the expected return on pension scheme assets are charged to the Statement of Comprehensive Income. As detailed in note 14, pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis and discounted at a rate equivalent to the current rate of return of a high quality corporate bond of equivalent currency and term of the scheme liabilities.

h) IFRS 16 Leases

Short term and low value leases

In line with IFRS16, leased assets, with the exception of low value and short term leases, are treated as non-current assets with a corresponding liability. Leases include office buildings. Low value leases are for office equipment. Short term leases on transition have been expensed and not recognised as a right of use asset.

Extension and termination options

Extension and termination options are included in the property leases held by HOS. These are used to maximise operational flexibility in terms of managing assets used in HOS' operations.

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease terms if the lease is reasonably certain to be extended (or not terminated).

For office leases, the following factors will normally be considered in any decision to extend or terminate a lease: significant penalties for termination or extension, significant remaining value of any improvements made to the property, costs and business disruption required to replace the leased asset. The lease term will be reassessed if an option is actually exercised.

The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs which affects this assessment. No leases contain a residual value guarantee clause.

i) Changes in accounting policy

HOS has considered, in accordance with IAS 8, whether there have been any changes to accounting policies arising from IFRS and the FReM which have an impact on the current and prior periods, or may have an effect on future periods.

The following changes to accounting policies during 2022-23 in relation to IFRS 16 and the application of the lease of HOS London Office (10 South Colonnade) as detailed in Note 11 (leases). The lease for Harbour Exchange ended in

February 2023, and therefore no need to re-assess its initial application or a need for a prior year adjustment.

j) Standards issued but not yet effective

HOS has also reviewed new or amended standards issued by the IASB that are not yet effective, to determine if it needs to make any disclosures in respect of those IFRS's that are or will be applicable. We anticipate that there are no new standards which will impact the financial statements for 2023-24.

k) Key sources of estimation uncertainty

As disclosed in Note 14, HOS is an admitted member to the City of Westminster Pension fund, a defined benefit scheme. The valuation of the scheme assets and liabilities is based on a range of assumptions made by management, based on advice from a professional actuary, and are reviewed annually.

l) Reserves

HOS operates two reserves: a general fund reserve and a pension fund reserve. HOS maintains sufficient liquidity within its general fund reserve to meet future liabilities and maintain its status as a going concern.

The pension fund reserve is based on the actuarial valuation of HOS' share of the pension fund assets and liabilities. A Net pension asset of £6.249m crystallised based on the actuarial valuation as of 31st March 2023.

HOS has applied IFRIC 14 limits the measurement of the defined benefit asset to the 'present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan'. In considering any impact of IFRIC 14, there are 3 judgements to be applied:

- The economic benefit available as a refund;
- The economic benefit available as a reduction in future contributions; and
- Any additional minimum liability from agreed past service contributions.

HOS has considered these judgements and have chosen not to recognise the Pension Asset.

2a. Administrative expenses

	2022-23	2021-22
	£'000	£'000
Staff Support Costs	126	45
Learning and Development	74	46
Human Resources	437	40
Accommodation	377	331
Operational Costs	169	96
Sector Development	69	26
Governance and Regulations	100	113
Information Technology	1081	569
Dispute Resolution	804	509
First contact service	559	329
Interest Charges (Leases)	1	0
Depreciation (Leases)	37	0
Depreciation and amortisation	92	71
	3,926	2,175

The audit fee for 2022-23 is £57,000 (2021-22: £54,000). No remuneration was paid to the external auditors for non-audit work in 2022-23 (2021-22: nil).

2b. Staff Costs

	Note	2022-23	2021-22
		£'000	£'000
Wages and salaries		8,795	6,186
Social security costs		931	562
Pension service costs	14a	3,358	2,546
Redundancy costs		208	-
		13,292	9,294
Recoveries in respect of outward secondments		(39)	(77)
Costs of inwards secondment into HOS		86	-
Total Costs		13,339	9,217

3. Interest receivable/(payable)

	Notes	2022-23	2021-22
		£'000	£'000
Bank and other interest receivable		64	25
Interest cost on pension obligation	14d	(719)	(515)
Interest on pension scheme assets	14e	659	437
		4	(53)

4. Taxation

HOS is only subject to tax on its interest receivable. The tax assessed for the period is the standard rate of corporation tax in the United Kingdom of 19%.

	2022-23 £'000	2021-22 £'000
Tax on interest received	3	3

5. Property, Plant and Equipment

	Leasehold Improvements Fixtures and Fittings £'000	Information Technology £'000	Office Equipment £'000	Total £'000
Cost				
As at 1 April 2022	107	147	24	278
Additions	-	12	-	12
Disposals	-	-	-	-
As at 31 March 2023	107	159	24	290
Depreciation				
As at 1 April 2022	90	126	20	236
Charge for the year	16	9	4	29
Disposals	-	-	-	-
As at 31 March 2023	106	135	24	265
Net book value: As at 31 March 2023	1	24	-	25

	Leasehold Improvements Fixtures and Fittings £'000	Information Technology £'000	Office Equipment £'000	Total £'000
Cost				
As at 1 April 2021	107	159	24	290
Additions	-	-	-	-
Disposals	-	(12)	-	(12)
As at 31 March 2022	107	147	24	278
Depreciation				
As at 1 April 2021	74	112	16	202
Charge for the year	16	14	4	34

Disposals	-	-	-	-
As at 31 March 2022	90	126	20	236
Net book value:				
As at 31 March 2022	17	21	4	42

All assets are owned by HOS.

6. Intangible assets

	Computer Software £'000	Website & Intranet £'000	Total £'000
Cost			
As at 1 April 2022	570	190	760
Additions	123		123
Disposals	-	-	-
As at 31 March 2023	693	190	883
Amortisation			
As at 1 April 2022	431	180	611
Charge for the year	60	3	63
Disposals	-	-	-
As at 31 March 2023	491	183	674
Net book value:			
As at 31 March 2023	202	7	209
	Computer Software £'000	Website £'000	Total £'000
Cost			
As at 1 April 2021	504	190	694
Additions	66		66
Disposals	-	-	-
As at 31 March 2022	570	190	760
Amortisation			
As at 1 April 2021	397	177	574
Charge for the year	34	3	37
Disposals	-	-	-
As at 31 March 2022	431	180	611

Net book value:			
As at 31 March			
2022	139	10	149

All assets are owned by HOS.

7. Trade receivables and other current assets

	As at 31st March 2023 £'000	As at 31st March 2022 £'000
Member subscriptions	1,366	393
Staff loans	-	(2)
Prepayments	-	86
	<u>1,366</u>	<u>477</u>

8. Cash and cash equivalents

	As at 31st March 2023 £'000	As at 31st March 2022 £'000
Cash on hand and balances with bank	12,710	5,212
	<u>12,710</u>	<u>5,212</u>

All balances are held with a commercial bank.

9. Trade payables and other current liabilities

	As at 31st March 2023 £'000	As at 31st March 2022 £'000
Trade payables	(3)	21
Other payables	340	139
Tax & NI payables	382	143
Accruals	1,293	300
Deferred Income	4,800	-
	<u>6,812</u>	<u>603</u>

10. Provision for liabilities and charges

	Buildings £'000	Total £'000
As at 1 April 2022	20	20
Movement in-year	0	0
Balance as at 31 March 2023	<u>20</u>	<u>20</u>

Provision had been made for dilapidation costs in line with HOS' commitments under the accommodation lease agreement.

11. Leases

The Statement of Financial Position includes the following amounts relating to leases.

	Office Building £'000	Total £'000
Right of use assets		
As at 1 April 2022	0	0
Additions	302	302
As at 31 March 2023	302	302
Depreciation		
As at 1 April 2022	0	0
Charge for the year	37	37
As at 31 March 2023	37	37
Net book value:	265	265

	Office Building £'000	Total £'000
Lease Liabilities		
As at 1 April 2022	0	0
Additions	302	302
As at 31 March 2023	302	302
As at 1 April 2022	0	0
Interest charge	1	1
Lease payment	-	-
As at 31 March 2023	1	1
Net book value:	303	303
Due within 1 year	137	137
Due within 2-5 years	166	166
<i>undiscounted cashflows</i>		

The expense relating to payments not included in the measurement of the lease liability is as follows:

	2022-23
	£'000
The Income Statement includes the following amounts relating to leases:	
Short term lease - London Office (ended in February 2023)	138
Short term lease – Manchester Office	44
Total charge to operating profit	182

The lease on HOS London commenced on the 2nd of December 2022 and expires 2nd September 2025. As the lease commenced prior to January 2023 and in the 2022 calendar year, a discount rate of 0.95% has been used for the basis of the lease calculation.

The Manchester office is a licence to occupy 10 desks and is a 12 month contract. For the purposes of the lease calculation, this has been treated as a short-term lease.

The opening balance of the lease commitments was £138k and relates to the lease for Harbour Exchange, London that ended in February 2023. This has been treated as short-term lease on transition expensed in the year and not recognised as a right of use asset.

12. Financial Instruments

HOS uses various financial instruments which include cash, trade and other receivables and trade and other payables that arise directly from its activities. The main purpose of these financial instruments is to raise finance for HOS' activities and manage its working capital requirements.

The existence of these financial instruments exposes HOS to a number of financial risks namely, credit risk, liquidity risk and market risk. The Ombudsman as advised by the Audit and Risk Assurance Committee has reviewed and agreed policies for managing each of these risks to ensure that exposure is to an acceptable level.

Credit Risk

HOS exposure to credit risk is limited to the carrying amount of financial assets recognised at the Statement of Financial Position date. The risk on cash balances and deposits is managed in a risk averse manner, being held with UK clearing banks with high credit ratings assigned by international agencies.

The Ombudsman considers that all of the financial assets are of good credit quality. The trade credit risk is mainly attributable to subscription income. There is no concentration of risk in this area, as income is diversified over a large number of subscribing members.

Liquidity risk

HOS's business model, with subscription fees falling due annually results in the majority of working capital requirements being received in the first quarter of the financial year. This results in a high proportion of the organisation's asset base being cash on deposit. These deposits are actively managed to ensure that working capital requirements are met at all times. Non-current liabilities such as the future funding of the pension deficit are dependent on future subscription income.

Market risk

Income and expenditure relating to HOS's activities are fully sterling dominated and hence exposure to exchange rate volatility is nil.

HOS does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

13. Related Parties

HOS is a Non-Departmental Public Body sponsored by DLUHC. Any other bodies sponsored by DLUHC are considered to be related parties. During the year, HOS has had no material transactions with DLUHC.

Under IAS 24, the Local Government Pension Scheme is defined as a related party to HOS.

The Ombudsman, senior management, ARAC and Advisory Board members are considered related parties and have not undertaken any material transactions with HOS during the year. Advisory Board and ARAC members were remunerated for attending meetings.

14. Pension

HOS is an Admitted Body to the City of Westminster Pension Fund, a defined benefit scheme. The Pension Fund is operated under the Local Government Pension Regulations 1997 (as subsequently amended) and provides for the payment of

benefits to employees and former employees based on career average revalued earnings. These benefits include retirement pensions, early payment of benefits on medical grounds and payment on death benefits where death occurs either in service or in retirement. HOS pays different contribution rates compared to other employers participating in the Fund and is exposed to actuarial risks associated with their current and former employees' membership of the Fund. The contributions are determined by an independent, qualified actuary at Hymans Robertson. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments, discount rate, contributions paid to the fund and benefit payments. Participating in a defined benefit pension scheme means that HOS is exposed to a number of risks:

- Investment risk: The Fund holds investment in asset classes, such as equities, which have volatile market values and while these assets are expected to provide real returns over the long-term, the short-term volatility can cause additional funding to be required if a deficit emerges.
- Interest rate risk: The Fund's liabilities are assessed using market yields on high quality corporate bonds to discount future liability cashflows. As the Fund holds assets such as equities the value of the assets and liabilities may not move in the same way.
- Inflation risk: All of the benefits under the Fund are linked to inflation and so deficits may emerge to the extent that the assets are not linked to inflation; and
- Longevity risk: In the event that the members live longer than assumed a deficit will emerge in the Fund. There are also other demographic risks.

In addition, as many unrelated employers participate in the City of Westminster Pension Fund, there is an orphan liability risk where employers leave the Fund but with insufficient assets to cover their pension obligations so that the difference may fall on the remaining employers.

All of the risks above may also benefit HOS e.g. higher than expected investment returns or employers leaving the Fund with excess assets which are eventually inherited by the remaining employers.

Assets and liabilities for all employers in Local Government Pension Scheme (LGPS) funds are identifiable on an individual employer basis. There are no minimum

funding requirements in the LGPS but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions. Any deficit on withdrawal is required to be paid by the withdrawing employer and any surplus is retained by the fund.

The triennial valuation from March 2022 has been undertaken to set contributions for the period from 1 April 2023 to 31 March 2026.

The actuary recommended an employer's contribution rate of pensionable salaries for THO as follows:

Year Ended 31 March 2024 onwards	Contribution Rate % 23.8%
-------------------------------------	------------------------------

Under the scheme which came into effect on 1 April 2008 employee contribution rates changed from 6% of pensionable salaries to a rate ranging from 5.5% to 12.5% depending on salary.

The Actuary has advised HOS that its additional contributions in previous years have been taken into account when determining the HOS's share of the assets at the valuation date. The choice of assumptions is made following advice from the actuary. The assumptions chosen are the best estimates from a range of possible actuarial assumptions which may not necessarily be borne out in practice.

	31.03.23	31.03.22	31.03.21	31.03.20	31.03.19
RPI Inflation	3.15%	6.8%	3.15%	2.65%	3.4%
CPI Inflation	3.05%	8.5%	2.85%	1.85%	2.4%
Rate of increase in salaries	3.95%	4.15%	3.85%	2.85%	3.9%
Rate of increase of pensions in payment/deferred pensions	2.95%	3.15%	2.85%	1.85%	2.4%
Discount rate	4.75%	2.75%	2.05%	2.35%	2.45%
Life Expectancy from Age 65 (years)					
- Retiring Today	22.8	21.4	21.6	21.8	23.4
- Males	23.7	24.1	24.1	24.4	24.8
- Females					

- Retiring in 20 years	23.0	22.9	22.9	23.2	25.0
- Males	26.0	26.1	25.3	25.8	26.6
- Females					

The principal assumptions used by the actuary were:

HOS's average weighted duration is estimated as 25 years.

HOS's notional share of the assets in the scheme and the expected rate of return together with the net funding position were:

	2022-23	2021-22	2020-21	2019-20
	£'000	£'000	£'000	£'000
Equities	16,933	14,887	15,619	10,384
Property	1,708	1,643	1,343	1,676
Other Bonds	2,267	2,810	2,820	2,403
Other Debt Securities	1,270	1,158	-	-
Infrastructure	2,182	948	-	-
Other Investment Funds	1,198	636	-	-
Cash	658	807	738	214
Total Assets	26,216	22,889	20,520	14,677

Assets break down as follows	Quoted £(000)	Unquot ed £(000)	Total £(000)	Percentage of Total Assets
Equities	16,931	2	16,933	64.7%
Property	1,152	556	1,708	6.5%
Other Bonds	2,267		2,267	8.6%
Other Debt Securities	1,270		1,270	4.8%
Infrastructure		2,182	2,182	8.3%
Other Investment Funds	543	655	1,198	4.6%
Cash	658		658	2.5%
Total Assets	22,821	3,395	26,216	100%

HOS utilises a building block approach in determining the rate of return on fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The assumed rate of return on each asset class is set out within this note. The overall expected rate of return on assets is then derived by aggregating the expected return for each asset class over the actual asset allocation for the fund at 31 March 2023.

To maintain a fair value of plan assets greater than the benefit obligation, the Fund employs the use of derivatives for efficient portfolio management purposes and to reduce certain investment risks, in particular foreign exchange risk. All uses of derivatives are outsourced to the Fund's external asset managers which must adhere to the detailed requirements set out in their investment management agreements. The Fund uses interest rate futures to hedge some of the non-Sterling interest rate risk and forward foreign exchange contracts to reduce the foreign currency exposure from overseas bond holdings that are within the portfolio.

14a) Analysis of amounts charged to the operating result

	2022-23	2021-22
	£'000	£'000
Service cost - current	3,299	2,546
Service cost - past	59	
Total	3,358	2,546

b) Net finance charge on pension scheme

	2022-23	2021-22
	£'000	£'000
Interest income on plan assets	659	437
Interest cost on defined benefit obligation	(719)	(515)
Net interest charge	(60)	(78)

c) Re-measurements in other comprehensive income

	2022-23	2021-22
	£'000	£'000
Return on plan assets in excess of interest	(1,496)	340
Change in financial assumptions	11,937	2,781
Change in demographic assumptions	893	(68)
Experience gains/(loss) on defined obligations	(2,193)	(58)
Asset Ceiling	(6,249)	
Actuarial gain / (loss) recognised	2,892	2,995

We have assessed whether we can recognise the surplus under IFRIC 14 and determined that an asset ceiling applies, so the surplus has not been recognised.

d) Changes in the present value of liabilities

	2022-23	2021-22
	£'000	£'000
Opening present value of liabilities	(24,423)	(23,738)
Current service cost	(3,358)	(2,546)
Interest cost	(719)	(515)

Changes in financial assumptions	11,937	2,781
Changes in demographic assumptions	894	(68)
Experience gain on defined obligations	(4,146)	(58)
Estimated benefits paid net of transfers in	368	74
Contribution by other Scheme Participants	(520)	(353)
Closing present value of liabilities	(19,967)	(24,423)

e) Changes in the fair value of scheme assets

	2022-23	2021-22
	£'000	£'000
Opening fair value of scheme assets	22,889	20,520
Interest on assets	659	437
Return on assets less interest	(1,496)	340
Other experience	1,953	-
Contributions by employer	2,059	1,313
Contributions by Scheme participants	520	353
Benefits paid net of transfers in	(368)	(74)
Closing present value of scheme assets	26,216	22,889

f) Movements in deficit during the year

	2022-23	2021-22
	£'000	£'000
Deficit in scheme at beginning of the year	(1,534)	(3,218)
Movement in year:		
Past and Current service cost	(3,358)	(2,546)
Net interest cost	(60)	(78)
Change in financial assumptions	11,937	2,781
Change in demographic assumptions	894	(67)
Experience gains on defined obligations	(2,193)	(58)
Return on assets	(1,496)	340
Administration expenses	-	-
Contributions by employer	2,059	1,313
Scheme surplus/(deficit)	6,249	(1,533)

g) Reconciliation of funded status to Statement of Financial Position

	Value as at				
	31.03.23	31.03.22	31.03.21	31.03.20	31.03.19
	£'000	£'000	£'000	£'000	£'000
Fair value of assets	26,216	22,889	20,520	14,677	14,000
Present value of funded defined benefit obligation	(19,967)	(24,423)	(23,738)	(16,581)	(17,310)
Asset Ceiling	(6,249)	-	-	-	-
Net asset/(liability)	-	(1,534)	(3,218)	(1,904)	(3,310)

We have assessed whether we can recognise the surplus under IFRIC 14 and determined that an asset ceiling applies, so the surplus has not been recognised.

h) Sensitivity Analysis

	£'000	£'000	£'000
Adjustment to discount rate	0.1%	0.0%	-0.1%
Present Value of Total Obligation	19,495	19,967	20,439
Projected Service Cost	2,827	3,299	3,771
Adjustment to long term salary increase	0.1%	0.0%	-0.1%
Present Value of Total Obligation	19,994	19,967	19,940
Projected Service Cost	3,326	3,299	3,272
Adjustment to pension increase and deferred revaluation	0.1%	0.0%	-0.1%
Present Value of Total Obligation	20,423	19,967	19,511
Projected Service Cost	3,755	3,299	2,843
	+1		-1
Adjustment to life expectancy assumptions	Year	None	Year
Present Value of Total Obligation	20,766	19,967	19,168
Projected Service Cost	4,098	3,299	2,500

15. Events after the reporting period

The accounts were authorised for issue by the Housing Ombudsman as Accounting Officer on the date they were certified by the Comptroller and Auditor General. There are no other significant events after the reporting period.

Annex A - Ombudsman Association

Service Standards

The Ombudsman Association has a Service Standard Framework setting out the public commitments and service standards that can be expected when using an Ombudsman Service. The Framework provides measures on five commitments:

- a) **Accessibility**
- b) **Communication**
- c) **Professionalism**
- d) **Fairness**
- e) **Transparency**

Adherence to the framework is not mandatory. However, members of the Ombudsman Association are expected to assess and report on their performance towards meeting the service standards and publish this on a regular basis, at least annually.

Accessibility

Standard	Met?
<i>Members' service should be free to complainants</i> Our service is free to complainants.	
<i>Members should ensure that their procedures are customer focused</i> We aim to place customers firmly at the heart of what we do and our policies and guidance aim to deliver our statutory functions whilst retaining our customer focus. Our policies and guidance are available on our website and we seek customer feedback to track performance here.	
<i>Members should work with complainants to understand their needs, in order for complainants to access their service early</i> Our dispute support and dispute resolution teams work with complainants to identify how best to assist them in accessing our service.	

Standard	Met?
<p><i>Members should make reasonable efforts to support access to their services for any user, including working with representatives and others to support complainants through their service, and publish their procedures for doing this</i></p> <p>We maintain a variety of access routes into our service and we make reasonable adjustments to enable access. Complainants are able to bring complaints to us via a representative of their choosing. This is clearly stated in the Housing Ombudsman Scheme and on our website.</p>	
<p><i>Members should listen to what complainants want from them and ensure they understand their complaint. If a complainant is complaining about an organisation or issue that the member cannot consider complaints about, where possible they should direct the complainant to the relevant Association member, or another organisation who may be able to help.</i></p> <p>Our enquiries team listens to complainants and ensures that they are signposted to the organisation most likely to be able to assist with resolving the dispute if this is not us. We have a memorandum of understanding with the Local Government and Social Care Ombudsman allowing information sharing to ensure that complaints are considered by the correct ombudsman. Caseworkers will speak to complainants and consider all the evidence provided to ensure that they fully understand the key issues of the dispute and define this appropriately.</p>	

Communication

Standard	Met?
<p><i>Members should treat service users courteously, respectfully and with dignity</i></p> <p>One of our dispute resolution standards is 'We always treat you professionally and with respect'.</p>	
<p><i>Members should communicate with complainants through complainants' own chosen method where possible</i></p> <p>We ask complainants to identify their preferred method of communication. This is logged on their casefile and followed.</p>	
<p><i>Members should explain their role to service users</i></p> <p>Caseworkers will explain to residents what actions we are able to take at each stage of our process. They will explain the Ombudsman's role and purpose, ensuring that they are managing customers' expectations in relation to outcome and reach.</p>	
<p><i>Members should let complainants know what they can and cannot do, and, if they are unable to help them explain why</i></p> <p>One of our dispute resolution standards is 'We listen to what you want from us and explain clearly what we can do for you. We also explain if we cannot help'.</p>	

Standard	Met?
<p><i>Member should clearly explain to service users their process for handling complaints about organisations and likely timescales</i></p> <p>Each stage of the casework process is explained to our customers along with the actions that we can undertake at each stage. Once a complaint is accepted in our formal remit, the customer will be advised of this and given an approximate timescale for the investigation.</p>	✓
<p><i>Members should keep service users regularly informed of the progression of their case, and how long things are likely to take</i></p> <p>On receipt of a formal complaint, caseworkers will contact the resident to establish the outstanding issues and the outcome sought and the best path to resolution. On allocation, the Adjudicator will introduce themselves to the resident and remain in touch as the case is investigated.</p>	✓
<p><i>Members should tell service users who they can contact if they have any questions at different stages in handling of the case, and how they can do so</i></p> <p>For all complaints that we investigate, an Adjudicator is assigned and the resident is advised who they are.</p>	✓
<p><i>Members should be accurate in their communications with service users using plain and clear language</i></p> <p>We have a style guide to ensure that all our correspondence is written in plain and clear language that the customer will understand and promotes plain English.</p>	✓

Professionalism

Standard	Met?
<p><i>Members should ensure that the staff who consider complaints have the relevant knowledge, training and skills to make decisions, or have access to suitable professional advice</i></p> <p>Annual learning and development programmes ensure that staff knowledge and expertise is kept up-to-date. Legal advice is available for complex cases.</p>	✓
<p><i>Members should deal with complaints in a timely manner, taking into account the complexity of the case</i></p> <p>We are committed to dealing with complaints in a timely manner with KPIs to support this. We determined 54% of cases within six months and 87% of cases within 12 months during the year. This was due to the impact of an unprecedented surge in volumes during the prior year and the lead time needed to recruit and train effective caseworkers.</p>	✓
<p><i>Members should ensure that remedies are appropriate and take account of the impact any identified faults have had on the complainant</i></p> <p>Our approach to remedies is consistent with this standard and is set out in our guidance which can be found on our website.</p>	✓

Standard	Met?
<p><i>Members should use the outcomes of complaints to promote wider learning and improvement to the service and the sector complained about</i></p> <p>We published one ‘<i>Spotlight on</i>’ report to share our learning from complaints in 2022-23 covering noise. We also produced a follow-up report on damp and mould and two learning reports on individual landlords, as well as numerous other learning tools.</p>	
<p><i>Members should ensure their record keeping is accurate and that they hold data securely</i></p> <p>Information security is an operational risk and appropriately managed. This is also reviewed as part of our quality assurance process.</p>	
<p><i>Members should ensure that if and when sharing of information is necessary, it is done appropriately</i></p> <p>How we handle information is set out in our privacy notices which are available on our website.</p>	
<p><i>Members should follow their published processes when dealing with complaints about their own service, and they should acknowledge and apologise for any mistakes they make</i></p> <p>This standard is captured in our guidance for dealing with complaints about our service which is available on our website.</p>	
<p><i>Members should actively seek feedback about their service and use it to improve</i></p> <p>We seek customer feedback from residents and landlords and act on this to drive improvements to quality.</p>	

Fairness

Standard	Met?
<p><i>Members should work with service users without discrimination or prejudice</i></p> <p>We make reasonable adjustments for users to access our service. This is confirmed through our quality assurance processes. The information we collect through our equalities monitoring is not visible to those dealing with individual cases.</p>	
<p><i>Members should make decisions on cases based on their independent and impartial evaluation of the relevant evidence</i></p> <p>We have an ongoing programme of learning and development to ensure impartiality. This is confirmed through our quality assurance processes. We seek annual confirmation of conflicts of interest and take effective management action to ensure independence.</p>	
<p><i>The reasons for decisions should be documented and explained to relevant parties</i></p> <p>Our investigation guidance captures these standards and is on the website. This is also tested through our quality assurance processes.</p>	

<p>Members should publish information concerning any opportunities that may exist for service users to challenge their decisions</p> <p>Every decision letter informs both landlords and residents of the right to request a review. The related policy is available on our website.</p>	✓
<p>Members should make clear to service users their approach to unacceptable behaviour</p> <p>Our unacceptable behaviour policy and guidance is on our website. This is provided to customers if we find their behaviour to be unacceptable.</p>	✓

Transparency

Standard	Met?
<p>Members should publish information about the most senior staff in charge of decisions on complaints within their organisation, including the rules under which members operate</p> <p>Information about the members of our Executive Leadership Team, including those with responsibility for complaints, is available on our website. The Scheme sets out the rules under which we operate and is available on our website.</p>	✓
<p>Members should have procedures in place to deal with any conflicts of interest around the handling of complaints</p> <p>We have a conflicts of interest policy which requires annual reconfirmation from all staff, and is available on our website.</p>	✓
<p>Members should be transparent about their investigation with the relevant service users</p> <p>We inform both parties at all stages of our process. An investigation decision is sent to both residents and landlords setting out the key issues identified, the evidence relied upon, the conclusions drawn and our reasoning.</p>	✓
<p>Members should publish the learning that can be drawn from the complaints they handle in order to drive service improvement across the sector</p> <p>Landlord specific learning is identified in our determinations and sent to both the landlord and the complainant. Wider learning is shared via our range of online tools and reports.</p>	✓
<p>Members should provide service users with information explaining the approach they take to handling complaints about their own service</p> <p>This is sent out in our Complaints about us leaflet and policy which are available on our website or upon request.</p>	✓
<p>Members should explain to complainants the procedures in place about what action can be taken if remedies are not implemented by the organisation complained about</p> <p>Our policy on dealing with non-compliance with the Ombudsman's orders is available on our website and sets out the action we may take.</p>	✓

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