

Internal Audit Report

Complaints 2023/24

Draft report: 22 March 2024

Final report: 12 April 2024

Last audited: September 2016 (Satisfactory assurance)

Audit Objective To review that complaints are managed appropriately and in line with statutory requirements.

Assurance Opinion		Number of Actions				
		Priority	Joint	South	Vale	Reference
Reasonable	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.	Priority 1	-	-	-	-
		Priority 2	5	-	-	1,3,5,9 & 10
		Priority 3	5	-	-	2,4 & 6 to 8
		Total	10	-	-	Appendix 1

Key Risks Reviewed

- Complaints are not managed in line with policy and statutory requirements, which may lead to reputational damage and financial penalties.
- The complaints process for council services (including third-party partners) is not clearly published resulting in reputational damage.
- Complaint performance is not managed in line with ombudsman thresholds, resulting in reputational damage.
- Recommendations from external ombudsman reviews are not implemented to mitigate further occurrences.

The audit scope included:

Objective	Audit Scope
1 Policies and procedures	<ul style="list-style-type: none"> Appropriate procedures are in place for managing complaints in accordance with any statutory requirements and preparations are underway to implement the revised joint complaint handling code.
2 Methods of reporting	<ul style="list-style-type: none"> Information on the council complaints procedure is appropriately published and compliant with any statutory requirements.
3 Complaint monitoring and management	<ul style="list-style-type: none"> Complaints are managed in line with policy and statutory requirements, and access to systems and sensitive data is restricted to authorised personnel.
4 Performance reporting	<ul style="list-style-type: none"> Complaint management performance is monitored and reported to the appropriate audience, in line with any statutory requirements.
5 External reviews and lessons learned	<ul style="list-style-type: none"> Recommendations received through external ombudsman reviews are acknowledged and implemented where appropriate and any 'lessons learned' are actioned accordingly.

Key Findings	
Objective	Key Findings
1 Policies and procedures	<ul style="list-style-type: none"> • A Joint Complaints Policy and Procedure was updated in July 2023 to include a procedure for handling landlord services housing complaints, given the recent increase in council managed properties where the authorities act as landlords. • Internal policy and procedures for managing complaints have been developed as a two-stage process, in line with Local Government and Social Care Ombudsman (LGSCO) and Housing Ombudsman (HO) guidance and includes statutory requirements in relation to the handling of landlord housing complaints. • A new Joint Compliant Handling Code 2024 (The Code) has been developed between the LGSCO and HO. This means that organisations who fall under the jurisdiction of both Ombudsmen should be able to provide a co-ordinated complaint handling process across services covered by both Codes. • For housing landlord complaints, the Complaint Handling Code will become statutory from 1 April 2024, meaning that landlords will be obliged by law to follow its requirements. For all other complaints, the LGSCO do not intend on considering the Code as part of the casework processes until April 2026 at the earliest. This gives local councils the opportunity to adopt the Code successfully into working practices and authorities should work towards adopting the Code throughout 2024/25. • A project action plan is in place to assess our readiness to adopt and implement the revised code; however, due to recent staffing changes within Customer Services, progress against the action plan is not actively monitored and target implementation dates are not recorded. • Complaints guidance is available for officers on Jarvis; however, there is no specific guidance for elected members in supporting their constituents. We recommend sharing the LGSCO ‘Workbook for Councillors’ with members.
2 Methods of reporting	<ul style="list-style-type: none"> • Information on how to make a complaint is clearly published to members of the public on council websites, in line with LGSCO and HO requirements. There is also a dedicated phonenumber for complaints and call centre performance is reported within general Customer Service performance reports to senior management and members. • There are plans to update and implement a new Customer Relationship Management (CRM) system through the Transformation team’s project schedule; however, an expected date for implementation is not known. • Although there is a process to submit complaints to the councils, there is no process to submit comments, praise, and suggestions relating to council services. Review of neighbouring councils identified that most authorities offer this function. It may be beneficial for South and Vale to consider offering this facility so members of the public may provide feedback and suggestions on services that sit outside of the complaints process. • Some council services are provided by external third parties and the complaint procedure for those services is initially managed externally and forms part of service agreements within the contract monitoring process. LGSCO guidance states if someone has completed a partner’s complaints process, they should not be expected to go back through the council complaints process; however, we reviewed a sample of third-party complaints procedures, and this was not always the case. The Joint Complaints Policy does not detail a process to advance complaints escalated from service partners, where their complaints process has been exhausted.
Page 44 Complaint monitoring and management	<ul style="list-style-type: none"> • Per the Joint Corporate Complaints Policy, complaints must be acknowledged and responded to within set timescales, in line with ombudsman guidance. For housing (landlord) complaints, the published timescales are statutory. We identified three (15%) complaints that did not meet the (non-statutory) timescales set out in the complaints policy. • Supporting documentation and correspondence relating to complaint management was not consistently retained on individual case files, however, was located on the team’s shared mailbox for nine (45%) of cases reviewed. • There is no clear reporting function to distinguish landlord housing complaints (council owned/managed homes) and general housing complaints (noise issues, neighbouring tenant behaviours, antisocial behaviour etc). These are currently grouped within the same reporting category (Housing Needs). As a result, there is a risk that landlord housing complaints may not be appropriately identified and managed in line with the statutory timeframes.

		<ul style="list-style-type: none"> • In some circumstances, financial compensation (goodwill payments) may be offered to resolve complaints relating to Revenues and Benefits procedural failures administered by Capita. All goodwill payments are agreed by Capita and the Revenues and Benefits team; however, formal documentation was not in place to support consistency and transparency in the assessment and award of goodwill payments. A draft copy of the process, however, was presented at the end of the audit review. It is noted that all goodwill payments are recharged to Capita, resulting in no financial impact to the councils. We validated a sample of recharge payments with no issues noted. • Access to the complaints database and service shared drive is managed through the council’s overarching IT systems access protocol, including Multi-factor Authentication (MFA) to limit access to authorised personnel only. We are satisfied that there are no complaints database access issues from our sample testing. However, the Customer Services team do not currently conduct a regular review of system access permissions.
<p>4</p>	<p>Performance reporting</p>	<ul style="list-style-type: none"> • South and Vale corporate complaint performance is reported annually to the Joint Audit and Governance Committee (JAGC) and the report is published on both council websites, in line with LGSCO requirements. However, review identified the report does not include key performance metrics advised to be included by the LGSCO, including specific actions the council has taken in response to complaint findings (e.g., service improvements) and complaint performance of third parties providing services on behalf of the council. • The Housing Ombudsman (HO) advises that from 1 April 2024 there are statutory requirements in relation to housing (landlord) complaints that require the organisation to conduct annual self-assessment for compliance against The Complaint Handling Code. This requires landlords to submit their self-assessment annually to the Ombudsman and it must be published on the council websites so that residents are able to easily access it. • As of April 2024, the annual self-assessment of housing complaint handing was not completed. A working group is in place across Housing and Customer Services teams to implement the annual self-assessment, in line with Housing Ombudsman Complaint Handling Code 2024 requirement, of 12 weeks after their financial year-end or the date. • In addition to the publication of the joint annual Corporate Complaint Performance report, there are several complaint monitoring and reporting routines that are distributed to relevant stakeholders. This includes a weekly update issued to Heads of Service, the Chief Executive and Head of Legal and Democratic and a monthly Cabinet Report issued to portfolio holders. • Third party complaints performance is routinely monitored by relevant service teams as part of monthly operational meetings and annual contract monitoring procedures against Key Performance Targets (KPTs). Complaint management performance is also reported annually to Scrutiny Committee; however, this data is not currently collated and included within the annual Corporate Complaints Performance Report, as required by LGSCO guidance (see above).
<p>5</p>	<p>External reviews and lessons learned</p>	<ul style="list-style-type: none"> • Performance statistics for complaints escalated to the (LGSCO) are published on their website. Both South and Vale performed better against other local authorities ‘upheld complaint rate’ and recommendations were resolved for 100% (two South and one Vale) complaints where the LGSCO was satisfied the council had successfully implemented their recommendations. • For 2023/24 (as of March 2024), seven (six South and one Vale) complaints were escalated to the LGSCO. All seven complaints were closed after initial enquiries, with no further action. Per review of the Housing Ombudsman website, no complaints were registered for both South and Vale that required ombudsman investigation/review in 2023/24 (as at March 2024). • LGSCO guidance suggest that councils record and report the number of service improvements and any specific actions the council has taken in response to complaint findings. Internal service team ‘actions’ that are communicated to complainants through formal responses are recorded within the complaints database, however, implementation is not monitored and supporting evidence is not retained on case files (e.g., officer training, internal procedures updated etc). We are unable to provide assurance that service actions are being implemented and monitored for completion, which may result in potential reputational damage were a case to be escalated for ombudsman review.