

## Housing Ombudsman Service's good practice guidance consultation

### Overview of our response

Southern Housing is one of the largest housing providers in the UK with close to 79,000 homes across London, the South East, the Isle of Wight and the Midlands. We welcome the opportunity to comment on the Housing Ombudsman's proposed approach to 'good practice' guidance and to requesting self-assessments. While there will be additional consultation for each piece of good practice, as dictated by legislation, this consultation underpins all future pieces of good practice. Accordingly, our response suggests that the Ombudsman should:

1. Make clearer how they intend to measure compliance against Good Practice
2. Consult on how they intend to work with PRPs to implement the 'next steps' after Good Practice has been issued and a self-assessment been completed.
3. Use the creation of Good Practice as an opportunity to provide size-specific guidance in the way that the Complaint Handling Code and the spotlight reports do not.

### Response as submitted via online survey

**1. The Ombudsman intends to use learning from the complaints handled as well as ideas and suggestions from residents and landlords to generate Good Practice. Do you agree with this approach?**

- ☒ Yes
- ☐ No

**2. Do you agree with our proposal with our proposal [sic] to consult with key stakeholders during the development of Good Practice?**

- ☒ Yes
- ☐ No

**3. Do you agree with the principle of only issuing Good Practice for self-assessment when it is the most appropriate tool to handle the issue identified?**

- ☒ Yes
- ☐ No

**4. We have set out above a number of potential topics for good practice. Do you have comments on them and are there other topics you would like to see the Ombudsman issue good practice on? Please provide more details below:**

- The HOS has stated they "do not anticipate issuing Good Practice more than twice in any given 12 month period". We wholeheartedly support this principle. It means that topics must be as impactful as possible, and we believe the best way to do this is to ensure the overarching principle and drafting of the guidance should be rooted in prevention. Too many and too often makes it harder to implement effective

change. While it is good to have guidance, they must not be prescriptive or seen as mandatory, as every PRP is different. And they require flexibility to operate effectively and efficiently to meet business and residents needs.

- **Making an effective apology:** While we support this, we think the consultation on how this is assessed will be particularly important given that each apology is based on an individual circumstance and therefore we'd hope apologies are tailored. We understand that there is plentiful academic and practical evidence and guidance that exists in other sectors (in particular in medicine and dentistry) that we believe the HOS could review and learn from when producing this Good Practice.
- **Deciding on appropriate levels of compensation:** The guidance on remedies provided by the HOS provides a framework PRPs work to in relation to compensation. We'd suggest the remedies guidance should continue to be reviewed regularly in order to keep it up-to-date. Specifically to ensure it encompasses all new precedents set by HOS in its actions on remedies. Ensuring this guidance on remedies is applied consistently by the HOS would also support compliance. These measures and actions would mean additional Good Practice on compensation levels would be unnecessary. We'd prefer this approach because it consolidates the pieces of literature and guidance that PRPs need to refer to in order to be compliant on the topic. It is important that the published document is date stamped so cases being reviewed at a later date can evidence compliance at the time of the complaint was received.
- **Effective complaint handling during merger or stock transfer:** While we recognise the importance of properly preparing for complaints handling post-merger, this is best achieved by reviewing HO's existing investigations and spotlight reports rather than through good practice guidance. Each merger will be distinct and we believe that this means it might prove challenging to provide effective guidance. In addition, self-assessing against the Good Practice after merger might not add much value to either residents nor the PRPs themselves. Learnings from the HOS' investigations into mergers and stock transfers should be upfront and available well in advance of a merger or stock transfer. Self-assessment is too late for learnings to be implemented. The only time this will be useful is at the due-diligence stage.
- **Effective root cause analysis of complaints:** We'd welcome this addition as it's an important topic that has so far not been covered in spotlight reports. While PRPs already have a strong focus on prevention, this Good Practice ought to help provide PRPs with evidence-based strategies and tactics to implement further preventative action. As with 'making an effective apology', we'd like to see the HOS utilise knowledge and recommendations on root-cause analysis of complaints that have accumulated in other sectors (such as health, aviation, and utilities). This should help avoid both HOS and PRPs unnecessarily creating a solution from scratch that already exists, rather than building upon existing knowledge and solutions. As guidance, this would be helpful, but we certainly wouldn't like to see PRPs assessed against their use of root-cause-analysis methods. They should choose a method – and when to implement it – at a time and in a way that suits their organisation.

- **Knowledge and Information Management:** While recognising there is already a spotlight report on this topic, we'd welcome this addition. In particular this guidance would benefit from a size-based approach, where there are versions of guidance based on size of the PRP, reflecting the scale of data management requirements.
- **Additional suggestions:** We'd welcome Good Practice on how and when to appropriately and effectively extend deadlines in complex complaints. In particular, how to do this in a way that puts resident needs at the centre, especially vulnerable residents.

**5. Do you agree with the principle of requesting that landlords self-assess voluntarily against the issue of Good Practice at the point of publication?**

- Yes
- **No**

**6. Do you agree that a tailored self-assessment template, published alongside the relevant issue of Good Practice, would be of assistance?**

- Yes
- **No**

**7. Do you have any other comments on good practice or self-assessment that you would like us to consider?**

- We welcome the Ombudsman making clear that good practice is not best practice and there may be entirely justifiable reasons a landlord feels unable to implement it. This must be about sharing learning rather than issuing advice that must be followed.
- While it would be useful to see examples of what the HOS believes is good practice, it must not be a requirement to comply, or form part of a self-assessment.
- We feel that the purpose of the self-assessment being to record those reasons and for them to be scrutinised by the governing body is too much of a burdensome requirement which goes against the spirit of good practice not being a 'one-size-fits-all'.
- What the HOS sees is the tip of the iceberg based on the few complaints received, compared to the vast majority of positive transactions and behaviours taking place across the sector. We would hope if good practice guidance is implemented, the learning and guidance suggested are based on what's working well in those other, positive interactions. This is in contrast to the HOS coming up with a reactive solution based on complaints where something has likely deviated from an otherwise successful business process.
- It is impossible for good practice to reflect the variances across the sector from small HAs to those with 100,000 homes, and from RPs to LAs. Given the existence of the 'one-size-fits-all' approach in the Complaint Handling Code and the spotlight reports, the Good Practice guidance would be a good place to create **guidance split by size** where appropriate. For example, a five-strong team managing alms houses versus a larger organisation with over 50,000 homes and thousands of staff will

likely welcome tailored guidance that speaks to their day-to-day experiences in managing complaints and services.

- Further clarity is required so PRPs understand if a self-assessment must evidence compliance with all good practice guidance. Which isn't what we'd support.
- We are very concerned about the prospect of real or perceived **non-compliance with self-assessments**. If PRPs submit a self-assessment that the HOS is unhappy with, what procedure will the HOS follow? Specifically in the event that either a) the HOS believes the self-assessment shows the PRP has not 'complied' with the Good Practice, or b) that the HOS deems the self-assessment to have been completed unsatisfactorily. Good practice must not be seen as something PRPs must do, but helpful guidance. We're also keen to understand if and how an action plan will be put in place to support improvement, but would only welcome this if it were suggestive and non-binding.
- We'd also welcome more detail and the opportunity to feedback views on **how the success of adherence to Good Practice guidance will be measured**. Will PRPs be asked to provide KPIs to support the measurement against Good Practice? Will the HOS stipulate which performance indicators to use, or would this be at the PRP's discretion? We'd welcome measurement based on business-as-usual reporting or information already available to/ held by HOS, to avoid a huge increase in work created by measurement.
- There needs to be wide consultation on any good practice to ensure that evidence is not drawn from limited cases, especially given the size and scale of the services being delivered. The stated intention is 'to consult with key stakeholders during the development of Good Practice'.
- We also believe the HOS should consult on how they plan to work with PRPs to **implement the 'next steps'** after Good Practice has been issued and a self-assessment been completed.
- Further clarity is also required in relation to **what constitutes 'justifiable'** when the HOS refers to "entirely justifiable reasons a landlord feels unable to implement it [Good Practice guidance]".