

Homes and Neighbourhoods  
Islington Town Hall

Report of: **Corporate Director of Homes and Neighbourhoods**  
**Cllr O'Halloran Executive Member for Homes and Communities**

Meeting of: Housing Scrutiny Committee

Date: 25<sup>th</sup> September 2023

Ward(s): All Wards across Islington.

---

## Subject: Housing Ombudsman determinations

### 1. Synopsis

- 1.1. In the last 12 months (August 2022 – September 2023), the Homes and Neighbourhoods directorate has seen a significant increase in the number of Severe Maladministration determinations being issued by the Housing Ombudsman and particularly within the last six months.
- 1.2. In December 2022, the Housing Ombudsman notified the council of its intention to launch a 'Paragraph 49 Investigation' into the council's handling of reports of damp and mould, and complaints submitted as a result of these issues.
- 1.3. This report provides details of the Housing Ombudsman determinations relating to Islington Council and also reflects on the national picture around the Housing Ombudsman.
- 1.4. This report provides an honest and transparent assessment to allow our residents to hold the Homes and Neighbourhoods service to account.

### 2. Recommendations

- 2.1. That Housing Scrutiny Committee note the Report and the likely outcome of the upcoming Paragraph 49 Investigation report, as outlined in section 5, below.

- 2.2. The Housing Scrutiny Committee are presented with a strategic action plan at the November 2023 Housing Scrutiny Committee to ensure the Homes and Neighbourhood address the areas identified by the Housing Ombudsman and continuous improvements around the delivery of services to our residents takes place.

## 3. Background

- 3.1. As part of the council's response to these 15 cases, a total of £46,744 has been paid in compensation to our residents.
- 3.2. The earliest of these was issued in March 2023. Prior to this, the department had not been issued with a determination of Severe Maladministration for over five years, which suggests that the criteria for this determination may have changed. It should be noted that the Housing Ombudsman has not published a definition or criteria for 'Maladministration' or 'Severe Maladministration' on its website or in other guidance.
- 3.3. 67% of these determinations were issued in June 2023, bringing them within the scope of the P49 Investigation.
- 3.4. In addition to an increase in the volume of Severe Maladministration determinations, the severity of the orders issued by the Housing Ombudsman has also increased noticeably, with higher levels of compensation being awarded and broader, more far-reaching reviews of both policy and the council's housing stock being either recommended or ordered.
- 3.5. This growing trend is not unique to Islington. Since 2019-20, the Ombudsman no longer reports annually on Severe Maladministration rulings but, instead, issues press releases on individual cases. However, it is still possible to extract this data from the Ombudsman's website:

2019-20: 5 cases of Severe Maladministration  
2020-21: 3 cases of Severe Maladministration  
2021-22: 11 cases of Severe Maladministration  
2022-23: 31 cases of Severe Maladministration  
2023-24 (to date): 23 cases of Severe Maladministration

To date, Islington has not been the subject of a press release for a Severe Maladministration determination.

- Looking at the most up-to-date information published by the Housing Ombudsman 1284 determinations were made in the April 2023 to June period a 69-percentage increase on the January 2023 to March period when 759 determinations were made. Fifty-two percent of all determinations results in compensation being made to residents across England.
- The Homes and Neighborhood service at Islington Council manages 26,000 rented homes and 10,000 leasehold properties. Therefore, severe maladministration has been identified for 0.042 percent of the properties managed by Islington Council. These severe maladministration's determinations are disappointing, and the council will leave no stone unturned to ensure improvements take place.
- If we then analyse the number of repairs completed to Islington Council homes since the first complaint was submitted in March 2020 relating to these fifteen determinations, then severe maladministration has been identified on 0.006 percent of all repairs completed in this time period. Once again, we accept improvements are required to ensure our residents receive the best possible service.
- The council has received 7509 complaints relating to the provision of housing services from residents in the period of the Housing Ombudsman investigations over the last three years and six months. Therefore, the severe maladministration determinations relates to 0.20 percent of all complaints received in this period.
- If we, therefore, analyze the residents who have accessed our Housing services in this period of the Housing Ombudsman investigation it shows we have provided services to 456788 individual requests for service provision. This, therefore, shows that severe maladministration has been identified in 0.003 percent of interactions for the areas within the determination framework of the Housing Ombudsman.
- Consequently, given the housing crisis, the financial position faced by Islington Council's Housing Revenue Account as result of Central Government decisions impacting the level and quality of services which can be provided to residents of Islington, then the council will need to consider carefully the best way to address our improvement and resident empowerment journey in the future and make some difficult decisions in light of these Housing Ombudsman determinations.
- Every complaint is important, and we need to acknowledge and respect each complaint as if the complaint was made by a member of our own family.

- 3.6. The Ombudsman publishes individual case summaries on its website for each case in which it has made a determination of Severe Maladministration. These are also issued as press releases. They do not collate or report on the total number of determinations of Severe Maladministration within these cases. The 15 cases in which Islington have received one or more Severe Maladministration determinations this year are not included in the 23 cases cited above, as they have not yet been published. The Ombudsman is currently publishing these case summaries, typically 4-6 months after the determinations are issued, so we should certainly expect to see some of Islington's cases being published imminently.
- 3.7. Whilst the council is currently the subject of a P49 investigation by the Housing Ombudsman, we have not been singled out as other landlords have in wider or more public forums. This includes Housing Secretary, Michael Gove, writing to 14 social landlords over findings of severe maladministration. It is likely, however, that we will be named in various publications over the coming months, due to these more recent determinations. The P49 Investigation report will also be made public.

## 4. Themes and Trends

### 4.1 Complaints Handling

Complaints handling accounted for 39% of the determinations of Severe Maladministration issued against Islington Council.

Despite these determinations being issued between March and August 2023, due to a historical backlog of complaints at Stage 2 of the council's complaints procedure, as well as lengthy delays in the Ombudsman's own investigations, many of the cases being reviewed date back a number of months or even years.

In November 2022, the council developed a corporate Complaints Improvement Board and council-wide Complaints Improvement Plan. At the time, the Stage 2 backlog, which accounts for the vast majority of the Severe Maladministration determinations in this area, saw complaints being responded to at Stage 2 between eight and ten months outside of the timeframe set out by the Ombudsman's complaints handling code. This matter was also the subject of an investigation by the Local Government and Social Care Ombudsman.

In December 2022, the Corporate Complaints Team recruited an additional 10 officers to work to reduce the backlog, which was cleared in March 2023. Since then, Stage 2 complaints have consistently been responded to within the timescale set out within the Complaints Handling Code and the council's own complaints procedure.

The following actions have also been taken:

- An independent review of the council's complaints handling was commissioned, the findings of were developed into the Complaints Improvement Plan.
- Weekly Board meetings are held with CMB representation to review performance at all stages of the procedure.
- The corporate Complaints Procedure has been reviewed and updated in line with the Ombudsman's Complaints Handling Code.
- The Complaints Improvement Plan is reviewed and updated weekly, designed to drive up quality and performance in complaints handling across the organisation.
- A new Customer Relationship Management system has been procured and is currently being configured. This will improve complaints handling, information management and reporting.

#### 4.2 Management of reports of damp and mould

Whilst the council's management of damp and mould reports does not stand out as a theme within the Severe Maladministration determinations received, being referenced only twice within the 23 determinations issued, it is the key subject of the Paragraph 49 Investigation launched by the Housing Ombudsman.

In the last 12 months, Housing Property Services has undertaken the following actions with regards to damp and mould:

- The Repairs service has conducted a full review of damp and mould across the council's housing stock. Wider analysis of damp and mould data enabled Property Services to run resident engagement events in partnership with Tenancy and other Homes and Neighbourhoods services. Diagnostic surveyors have attended events with colleagues within other teams, such as SHINE, to provide support and to carry out inspections where residents have reported damp and mould issues.
- External expertise, including Building Pathologist Mike Parrett, was brought in to train and advise staff. A review has been completed of all properties that have had a damp and mould inspection over the last two years and a bespoke dashboard has been designed to prioritise these in order of risk, depending on varying factors such as vulnerability and overcrowding. Further investment has been made within capital programming to reduce damp and mould issues.
- There has also been increased recruitment within the Housing Direct service and a dedicated phone line and e-mail address has been set up for residents to contact the council to raise issues relating to damp and mould. This sits alongside the weekly call-over meetings with colleagues across the department to review high risk casework, in addition to weekly meetings that are held to review the

newly developed damp and mould framework. The department has also been working closely with a 'critical friend' in HQN and has reviewed all damp and mould processes and procedures.

- In addition, technical training in diagnosing damp and mould has been provided for Diagnostic Surveyors as well as basic technical training for all Housing Direct staff.

#### 4.3 Anti-social behaviour and noise nuisance

Low-level noise nuisance and noise transference between properties has been a consistent theme since the first national lock-down, with all landlords reporting a spike in both reports and complaints.

Recent determinations demonstrated that some of our practices and procedures were outdated, and no longer fit for purpose. Record keeping, specifically in relation to ASB cases, has also been poor, undermining our ability to demonstrate where good practice has taken place.

As a result, the department has taken a number of actions to address these issues:

- **Improve data recording:** Steps have been taken to ensure that correct processes are being followed by officers and an improved data recording system is currently being developed for all areas of Tenancy Management, including ASB.
- **Staff training: Improved training for all** processes, including data input, has been developed and rolled out to all staff and was undertaken in July, August and September.
- **A Tenancy Management Restructure is being developed and implemented** in line with a new vision for the service.
- **Procedural changes:** The previous ASB Procedure, dated 2015, was updated in July 2023 and implemented with immediate effect. This will be reviewed alongside the wider ASB program and any recommendations that might stem from this program surrounding good practice will be implemented. The council also employed the Housing Quality Network to undertake Mystery Shopping exercises in this area of our work.
- The service is developing better ways of recording performance and monitoring ASB using a new live Power BI tenancy ASB dashboard. - We are developing a new ASB corporate policy as we recognise the last policy is dated 2015 following the wider ASB review program, and this is currently being drafted. In addition to this we are developing a good neighbourhood policy as recommended by the housing ombudsman. The service will also be implementing tenancy visits (audits) to ensure we gain a better understanding of our tenants needs and properties.

## 5 Paragraph 49 Investigation

5.1 In December 2022, the Housing Ombudsman notified the council of its intention to complete a Paragraph 49 Investigation into the council's handling of reports of damp and mould,

and complaints submitted as a result. Paragraph 49 gives the Ombudsman powers to investigate thematic issues arising from complaints, as opposed to investigating individual cases. This was due to four maladministration determinations being issued in relation to damp and mould in the year 2021-22.

5.2 Officers from the Housing Ombudsman have held three meetings with the council to date, to discuss the progress of and likely outcome of the report. The Ombudsman has advised that they may bring other topics and themes into the scope of the investigation depending on the cases reviewed throughout the investigation.

5.3 The period within scope for the P49 Investigation was January – June 2023. 67% of the Severe Maladministration rulings issued during this period were issued in June.

5.4 Through discussions with the Ombudsman, and reviewing the determinations issued over this period, it is likely that the Ombudsman will include the council's approach to anti-social behaviour and complaints handling within the scope of the investigation, alongside our approach to reports of damp and mould.

5.5 The council has been working collaboratively and in cooperation with the Ombudsman throughout their investigation to highlight and share the work that has already taken place to improve our approach in these three key areas.

5.6 A final meeting with the Housing Ombudsman is scheduled to take place on 18 September, where we expect that they will advise us of the broad findings of their investigation and when they expect to issue their draft report. At present, this is likely to be in October 2023 and the council will be given the opportunity to comment prior to publication.

## 6 Financial Implications

6.1 The cost to establish a taskforce to effectively tackle damp and mould issues in the Housing Revenue Account (HRA) stock is estimated at £2.001m in 2023-24 and an on-going budget requirement of £1.021m with effective from 2024/25.

6.2 The 2023/24 budgets do not include a provision to meet the anticipated costs associated with damp and mould. It is expected that costs will in the first instance be met from HRA contingency and or any identifiable underspends with the wider HRA. Costs that cannot be met by the forementioned will need to be met from HRA reserves. The on-going budget requirement currently estimated at £1.021m per annum will be included in the HRA base budget from 2024/25 as part of the budget setting process. This budget adjustment would represent growth to the HRA.

6.3 The investment outlined in 6.1 does not allow for the payment of compensation to residents or any penalties that could arise once the Financial Ombudsman's paragraph 49 investigations have concluded. It is anticipated that any payments of compensation or penalties will be met from the existing HRA compensation budgets (£0.187m) and HRA contingency.

6.4 The current HRA business plan is operating a balanced position on the basis that savings of £6.000m will be achieved over the next few years. To date, £5.000m worth of savings have been agreed with £1.000m of savings yet to be identified.

The HRA business plan is being updated to incorporate the anticipated financial impacts of emerging base budget pressures which includes Damp and mould £1.021m, Increasing Legal

Disrepair cases £1.000m, Building Safety £1.191m and the 23/24 pay settlement that is likely to be significantly greater than anticipated £2.312m. It is extremely likely that the growth generated from the emerging pressures mentioned above will result in the requirement to identify further savings from major works (capital) or from day-to-day landlord activities such as housing management or repairs.

## 7 Legal Implications

7.1 The Monitoring Officer has a duty under section 5A of the Local Government and Housing Act 1989 to report from time to time to the executive on findings of maladministration by the Ombudsman service. If a s5 report is prepared the executive have to respond with a suitable action plan to respond to the findings. This report confirms that a strategic action plan will be presented at the November 2023 Housing Scrutiny Committee to ensure the Homes and Neighbourhood address the areas identified by the Housing Ombudsman and continuous improvements around the delivery of services to our residents takes place. The Monitoring Officer will review at that stage whether a further report is required.

## 8 Conclusion

8.1 It is of the greatest importance the council implements service wide improvements to address the findings of the Housing Ombudsman's findings contained within this report to ensure the council provides the best possible services to our residents. However, we must also recognise until the housing crisis is addressed, we will continue to see rising casework. The new regulatory settlement will have a significant and positive impact. The root causes also need addressing, otherwise the risk of more service failure is acute. The council aims to provide the best housing services in the country and the Housing Ombudsman work will assist with these service improvements.

### Appendix 1 – Case Summaries

#### **Case 1**

**Date:** March 2023

**Number of Severe Maladministration orders:** 1

**Order(s) for:** Handling of repairs and noise reports from property above

**Case summary:** The complaint was about the landlord's handling of repairs and reports of noise nuisance for the flat above the resident's property and its complaints handling and communication with the resident.

**Action taken:** Compensation paid, and apology issued. Inspection completed of property above and repairs carried out, including too noisy floor joists. Tenant supported to install appropriate floor coverings.

**Compensation awarded:** £1,400.

#### **Case 2**

**Date:** March 2023

**Number of Severe Maladministration orders:** 1

**Order(s) for:** Handling of repairs to a leak

**Case summary:** The complaint was about the landlord's handling of repairs to a leak which caused damp and mould in the resident's property.



**Action taken:** Compensation paid, and apology issued. Seeking to gain access to complete outstanding works. Review undertaken of similar properties in the block.

**Compensation awarded:** £1,801.

### **Case 3**

**Date:** April 2023

**Number of Severe Maladministration orders:** 1

**Order(s) for:** Handling of ongoing leak

**Case summary:** The resident has complained about the landlord's handling of an ongoing leak issue, including the standard of workmanship and the service provided.

**Action taken:** Compensation paid, and apology issued. Further investigations completed by a leak detection specialist - further works identified and completed.

**Compensation awarded:** £6,050.

### **Case 4**

**Date:** June 2023

**Number of Severe Maladministration orders:** 2

**Order(s) for:**

Repairs to the roof and gutter to address water ingress.

Complaints handling

**Case summary:** The resident complained about the landlord's handling of reports of repairs to the roof and guttering to address water ingress and the landlord's complaint handling and the resident's request for compensation for damage to her property.

**Action taken:** Compensation paid, and apology issued. Outstanding works identified and completed. A self-assessment of the Ombudsman's Spotlight report on Landlord's engagement with private freeholders and managing agents is in progress with the PFI, TMO and Home Ownership Teams.

**Compensation awarded:** £2,300.

### **Case 5**

**Date:** June 2023

**Number of Severe Maladministration orders:** 1

**Order(s) for:** Complaints handling

**Case summary:** The complaint was about the landlord's handling of the resident's reports of antisocial behaviour and complaint handling.

**Action taken:** Compensation paid, and apology issued. Training rolled out to all Tenancy staff on ASB case management and record keeping.

**Compensation awarded:** £1,050.

### **Case 6**

**Date:** June 2023

**Number of Severe Maladministration orders:** 2

**Order(s) for:**

Handling of the installation of extra radiators in the home

Complaints handling

**Case summary:** The complaint was about the landlord's handling of the resident's report of a sewage leak into her home and her concern that it did not adequately investigate the cause, reports of items disposed of after the leak, the installation of extra radiators in the property, the resident's request to insulate her home, and related concerns about damp and mould in the property, the installation of a flue safety chain, the boxing in of pipes and complaints handling.

**Action taken:** Compensation paid, and apology issued. Drainage within the block reviewed. Flooring replaced and a heat loss survey completed. Completed installation of thermal board insulation to the external walls to the bedroom and living room.

**Compensation awarded:** £2,720.

### **Case 7**

**Date:** June 2023

**Number of Severe Maladministration orders:** 2

**Order(s) for:**

Consideration of vulnerabilities

Complaints handling

**Case summary:** The complaint was about the landlord's handling of the resident's request for repairs to a leak from the bathroom, in particular from her toilet and shower into the living room. She further complained about the windows in her property, requested that the landlord remedy garden drainage issues causing rainwater to enter the property and repairs to the shed and her toilet. The resident also complained about the handling of her request for her shed to be replaced or made watertight, the handling of reports of damp and mould throughout the property, the response to her request for her kitchen to be repaired or replaced and the handling of the complaint, including the level of compensation offered.

**Action taken:** Compensation paid, and apology issued. Blitz cleans of the property arranged and all outstanding repairs completed. Further inspections of the property and a garden drainage survey completed.

**Compensation awarded:** £8,468.28.

### **Case 8**

**Date:** June 2023

**Number of Severe Maladministration orders:** 1

**Order(s) for:** Complaints handling

**Case summary:** The complaint was about the landlord's handling of repairs to the roof of the building and the standard of workmanship provided by the landlord as well as the handling of the complaint.

**Action taken:** Compensation paid, and apology issued. Review completed of the handing of repairs to the roof.

**Compensation awarded:** £1,025.

### **Case 9**

**Date:** June 2023

**Number of Severe Maladministration orders:** 2

**Order(s) for:**

Handling of reports of noise nuisance

Complaints handling

**Case summary:** The complaint was about the landlord's handling of the resident's reports of noise from the upstairs property and complaint management.

**Action taken:** Compensation paid, and apology issued. Inspection completed of property above to ensure adequate floor coverings. Training rolled out to all Tenancy staff on ASB case management and record keeping, in particular with regards to recording vulnerabilities.

**Compensation awarded:** £4,500.

**Case 10****Date:** June 2023**Number of Severe Maladministration orders:** 2**Order(s) for:**

Handling of the resident's reports of noise nuisance

Complaints handling

**Case summary:** The complaint was about the landlord's handling of the resident's reports of noise nuisance, the handling of reports that she was experiencing ingress of urine through her hallway ceiling and complaint handling.**Action taken:** Compensation paid, and apology issued. Inspection completed of property upstairs to ensure adequate floor coverings. Training rolled out to all Tenancy staff on ASB case management and record keeping, with an emphasis on completing risk assessments.**Compensation awarded:** £3,920.**Case 11****Date:** June 2023**Number of Severe Maladministration orders:** 1**Order(s) for:** Complaints handling**Case summary:** The complaint was about the landlord's response to the resident's request to replace bathroom fixtures to match, about communications regarding cyclical bathroom improvements, the response to the resident's request to remove a disused fireplace, skirting boards and floor beading which contained asbestos, the response to the resident's request to relocate the kitchen extractor fan, the response to the resident's reports of repairs to plaster and complaints handling.**Action taken:** Compensation paid, and apology issued. Complaints Improvement Plan shared with Ombudsman.**Compensation awarded:** £825.**Case 12****Date:** June 2023**Number of Severe Maladministration orders:** 2**Order(s) for:**

Replacement of fob key

Complaints handling

**Case summary:** The complaint was about actions in providing a replacement key fob and the associated offer of compensation and complaint handling.**Action taken:** Compensation paid, and apology issued. Review completed into the handling of the request for a replacement fob.**Compensation awarded:** £4,394.04.**Case 13****Date:** June 23**Number of Severe Maladministration orders:** 1**Order(s) for:** Complaints handling**Case summary:** The complaint was about the handling of the resident's reports of antisocial behaviour and complaint handling.**Action taken:** Compensation paid, and apology issued. Training provided to all Tenancy staff on ASB case management and record keeping.**Compensation awarded:** £1200.

**Case 14****Date:** July 2023**Number of Severe Maladministration orders:** 1**Order(s) for:** Management of the mutual exchange**Case summary:** The complaint was about the landlord's management of the mutual exchange process; the management of the major works transfer process and complaints handling.**Action taken:** Compensation paid, and apology issued. Trial launched to conduct joint inspections for mutual exchange properties with a tenancy officer and a surveyor.**Compensation awarded:** £1,275.**Case 15****Date:** August 2023**Number of Severe Maladministration orders:** 3**Order(s) for:**

Handling of repairs

Response to reports of damp and mould

Complaints handling

**Case summary:** The complaint was about the landlord handling of repairs reported at the property, the response to the resident's reports of damp and mould and the handling of the resident's complaint.**Compensation awarded:** £5,816.10.**Action taken:** Compensation paid, and apology issued. Inspection carried out with an independent mould specialist, works completed and measures put in place to monitor whether works have been effective.**Final report clearance:**

Signed by:

Jed Young **Corporate Director of Homes and Neighbourhoods****Councillor O'Halloran Executive Member for Homes and Communities**Date: 14<sup>th</sup> September 2023.

Report Author: Jed Young, Acting Corporate Director of Homes and Neighbourhoods

Tel: 0207 527 2597

Email: [Jed.Young@islington.gov.uk](mailto:Jed.Young@islington.gov.uk)

Financial Implications Author: Lydia Hajimichael

Tel:

Email: Lydia.Lydia.Hajimichael@islington.gov.uk

Legal Implications Author: Marina Lipscomb

Tel:

Email: [Marina.Lipscomb@islington.gov.uk](mailto:Marina.Lipscomb@islington.gov.uk)