

Birmingham City Council

City Council

13 June 2023



Subject: **Housing Ombudsman Special Report (update)**

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Report author: Naomi Morris, Head of Strategic Enabling

Does the report contain confidential or exempt information? ☐ Yes ☒ No

If relevant, state which appendix is exempt, and provide exempt information paragraph number or reason if confidential:

1 Executive Summary

- 1.1 The purpose of this report is to update members on the ongoing engagement with the Housing Ombudsman following 'The Special Report on Birmingham City Council' published by the Housing Ombudsman in January 2023. [Birmingham-Special-Report-FINAL-January-2023-1.pdf \(housing-ombudsman.org.uk\)](#)
- 1.2 This document will outline the main aspects of the report in relation to the complaints procedure failings and the recommendations set out by the Housing Ombudsman to direct the development of Birmingham City Council's action plan to prevent further maladministration.

2 Recommendation(s)

- 2.1 That City Council notes the report.

3 Background

- 3.1 The special report identified 14 cases that fell within the scope of this investigation during the six-month monitoring period. All complaints concerned the landlord's handling of repairs and the subsequent complaint and compensation process, and focuses on the 14 cases between 2017-2020, of these there were 5 severe maladministration cases.

- 3.2 Following the report in January 2023, Birmingham City Council were required to publish and provide the Ombudsman an action plan based on an independent review within three months of the report, including recommendations towards repairs, record keeping, complaint handling and compensation.
- 3.3 Succeeding the Action plan being completed and provided, formal monitoring commenced in January 2023 with the Ombudsman monthly, which concluded on 26 April 2023.
- 3.4 Since the formal monitoring period ended, there have been two severe maladministration cases published which are focused on repairs and one maladministration case focused on Housing Management. These are historic cases dated between 2020-2021 and it is likely we will see more of these over the next few months. A new corporate complaints process was introduced in May 2021 which preceded the date of the cases included in the Paragraph 49 investigation. This included bringing in additional dedicated resources with the objective of delivering a consistently high standard of service, reducing delays and improving the quality of responses.
- 3.5 Housing Ombudsman Action plan is monitored through a weekly complaints action group, monthly compliance delivery group and then monthly compliance board. New resources have been deployed to work closely with services on all Ombudsman activity, particularly around repairs.
- 3.6 CLT assurance board and Cabinet Member briefing structure have been amended to provide a specific slot for Ombudsman activity, this shows corporate oversight.
- 3.7 On 18 May 2023, the Ombudsman contacted Birmingham City Council confirming we have complied with the recommendations, acknowledging the action plan and new policies in place to address the failings identified in the report. Further emphasis was advised towards the importance of monitoring and acting on outstanding repairs through accurate record keeping and effectively responding to complaints, offering appropriate compensation through its complaints policy.
- 3.8 The Ombudsman will be meeting with Birmingham City Council on 7th August 2023 to mutually deliver a 'Meet the Ombudsman' event with the purpose of sharing knowledge from the overall engagement, tenants will have the opportunity to ask questions and learn from this session. This consultation was requested by The Ombudsman due to the high level of satisfaction from our engagement and progression following the Special report.
- 3.9 The Ombudsman will continue to monitor us to ensure the plans in place are put into action and embedded in the culture of the landlord. They are satisfied with the Para 49 Action plan created, and a further six months has been granted to ensure all measures are incorporated, returning to review this in approximately December 2023.

4 Options considered and Recommended Proposal

4.1 None.

5 Legal Implications

5.1 The Ombudsman makes the final decision on disputes between us and our residents. All decisions are independent, impartial and fair, promoting positive change in the housing sector.

5.2 When the Ombudsman published the special report, they made a referral to the Regulator of Social Housing who have since issued a Regulatory Notice against Birmingham City Council. This is common practice when they undertake any form of deep dive investigation.

5.3 Our engagement with the Regulator will continue for an undefined period, until Birmingham City Council has been able to assure the Regulator that compliance has been achieved against both the Home Standard and Tenant Involvement and Engagement standard.

5.4 The publication of unlawful decision making from Birmingham City Council from both the Ombudsman and the Regulator impacts our tenants negatively and instigates a breakdown of trust between BCC and our tenants, damaging our reputation publicly.

6 Financial Implications

6.1 The Ombudsman's investigations and identification of Birmingham City Council's maladministration proceeded to financial repercussions for the organisation. During 1 April 2022 to 31st March 2023. 38 (37%) LGO matters were upheld, and £62,611.00 was paid in compensation.

6.2 Additionally in March 2023, £11,500 compensation was paid for 5 upheld Housing Solution matters.

6.3 Birmingham City Council are developing a compensation policy to provide additional governance around spending, ensuring payments are consistent. A draft Compensation Policy was sent to the Housing Ombudsman for review and comments on 23 March 2023.

7 Public Sector Equality Duty

7.1 None.

8 Other Implications

8.1 **How are the recommended decisions consistent with the City Council's priorities, plans and strategies?**

- 8.2 Birmingham City Council's 'Corporate Plan 2022-2026' sets out our mission to support, serve and level up.
- 8.3 Positive engagement with the Housing Ombudsman demonstrates that we are supporting our tenants effectively, contributing to making Birmingham a great place to live.
- 8.4 The Ombudsman contribute to the Council giving citizens a voice and enabling them to be heard.

9 Background Papers

- 9.1 None

10 Appendices

- 10.1 None