Cobalt Board of Management
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Annual Complaints Learning Report 2025-26

Appendix 1: Refreshed Complaint Policy and Complaints Compensation Matrix
Appendix 2: Annual Self Assessment of Compliance with the HOS code and MRC Statement
These can be viewed **here.**

Executive Summary:

This report provides a comprehensive assessment of 2025/26 complaints performance, confirming full compliance with the Housing Ombudsman Complaint Handling Code and the Regulator of Social Housing's Transparency, Influence and Accountability Standard.

Performance has strengthened, with 100% compliance on response timescales, improved data insight, and a reduction in Ombudsman determinations. Centralisation of the complaints function and implementation of ActiveH have enhanced governance, accountability and oversight.

Complaint volumes reduced by 15%, primarily at Stage 1. This trend has been triangulated against access channels, Tenant Satisfaction Measures and operational data to ensure it reflects genuine improvement rather than reduced accessibility. Contact centre performance further supports this conclusion.

Stage 2 complaints increased slightly, indicating that while early resolution has improved, the quality and consistency of initial responses remains an area for continued focus.

Repairs and workmanship remain the main drivers of dissatisfaction, accounting for over half of Stage 1 complaints. Emerging themes – such as installation damage and issues linked to new technologies like air source heat pumps – highlight the need for strengthened quality control, clearer communication and expectation management.

Cobalt has taken decisive action, including transitioning to an in-house repairs service, strengthening cross-team working and enhancing quality assurance. Early indicators are positive, but these improvements are still embedding and require sustained focus.

Customer perception of complaint handling has improved, with the complaints-related TSM rising from 36.4% to 40.7%. While still a lower-performing area, this mirrors sector trends and reflects progress in communication and responsiveness.

Learning from complaints is now more systematically captured, shared and embedded, with insight used to inform service design, address root causes and prevent recurrence.

Looking ahead, priorities include strengthening a customer-first culture, improving "right first time" delivery, embedding clearer expectations, and using insight more proactively to drive measurable improvement. This will ensure complaint handling continues to support service quality, regulatory assurance and improved customer outcomes.

In line with the Code, this report includes:

- Analysis of complaint volumes, performance, and outcomes
- Insight into key themes and root causes
- Learning and resulting service improvements
- Summary of Housing Ombudsman determinations and associated learning
- Evidence of compliance with timescales and handling requirements
- Transparency on compensation and redress
- Progress on systems, processes and customer experience

Recommendations

The Board is asked to note the contents of this report and Cobalt's continued compliance with all regulatory and legislative requirements.

Key Implications		
Corporate plan theme	**Priority 1** - We will provide excellent customer services	
Budget & Finance	There is a compensation budget in place which is monitored and complies with the Housing Ombudsman redress requirements.	
Value for money & Efficiency	Service improvements from each of the updates contained in this report will enable efficiencies and value for money when implemented.	
Equality & Diversity	There are no direct E&D implications to this paper. However, all complainants should be assessed for any reasonable adjustments.	
Health & Safety	There are no health and safety implications to this paper.	
Customer Impact & Customer Voice	Involvement and feedback from complainants will play a key part in service improvements.	
Social Impact	Social impact is delivered through all our operational service delivery.	
Environmental Impact	There are no direct environmental impacts relating to this paper.	
Regulatory & Legal Requirements	The Social Housing (Regulation) Act 2023 places a duty on the Housing Ombudsman to monitor landlord compliance with the Complaint Handling Code. The revised Code, effective from 1st April 2024, made compliance a legal requirement for all landlords. In addition, the Regulatory Consumer Standards and Tenant Satisfaction Measures (TSMs) require landlords to submit accurate data as part of regulatory oversight. The performance and assurance set out in this report demonstrate that Cobalt continues to meet these statutory and regulatory obligations.	
Strategic Risk Management		
Title ST 19: Customer Expectations and Service	**Description** Service delivery does not meet customers' needs, expectations or service standards.	**Score 16** Impact 4 (high) x Likelihood 4 (likely)
Report Impact	A residual risk remains in relation to service quality, particularly within repairs and planned works. This is being mitigated through strengthened quality assurance, enhanced cross-	

	team coordination and ongoing monitoring of complaint trends and escalation rates. On this basis, the report does not change the current risk score.
Board collective risk appetite	**Target Risk Score** 8 - Impact 4 (high) x Likelihood 2 (unlikely). We must do our best to meet customer expectations, whilst recognising that we can only deliver what is possible within our resources. This may mean that expectations are not always achievable or affordable.

1. Performance Summary 2025/26

1.1. Complaint handling performance in 2025/26 demonstrates strong organisational maturity, with 100% compliance against statutory timescales and continued focus on learning and service improvement. This provides clear assurance of regulatory compliance.

1.2. Complaint insight is now being used more proactively to identify root causes and inform service redesign, particularly in repairs, planned works, and customer communication. While repairs-related issues remain the main driver of dissatisfaction, the move to an in-house service and strengthened oversight position the organisation for sustained improvement.

1.3. A positive complaint handling culture is embedded. All complaints were accepted into the formal process, with no refusals or exclusions, ensuring full compliance with the Complaint Handling Code.

1.4. **Key Highlights**

- 100% compliance with Housing Ombudsman response timescales
- 358 formal complaints investigated (270 Stage 1; 88 Stage 2) - a 15% reduction overall
- 42% reduction in Housing Ombudsman determination, reflecting stronger early resolution
- Successful implementation of ActiveH, improving oversight, tracking, and identification of service failure
- Delivery of a major service transformation through the internalisation of repairs, strengthening accountability and addressing historic contractor issues

1.5. **Table 1** illustrates complaint volumes and response times across 2025/26.

Indicator – Complaints Management	2024/25 Actual	Target 2025/26	Q1 25-26	Q2 25-26	Q3 25-26	Q4 25-26	25-26 Total	Status
Stage 1 complaints logged	332	N/A	79	52	72	67	270	
Stage 1 complaints closed in 10 working days	99%	100%	100%	100%	100%	100%	100%	
Stage 2 complaints logged	84	N/A	18	19	24	27	88	
Stage 2 complaints closed in 20 working days	94%	100%	100%	100%	100%	100%	100%	

Table 1: Complaints performance 2025/26

1.6. **Table 2** below illustrates transactional performance, comparing 2025/26 against 2024/25.

Performance indicator	2024/25	2025/26	Difference
Stage 1 complaints received	332	270	-20%
Stage 2 complaints received	84	88	+5%
Total formal investigations	421	358	-15%
Response compliance (within target)	98%	100%	+2%
Housing Ombudsman determinations	12	7	-42%

Table 2: Transactional Complaint Performance Data

1.7. Overall volumes reduced, particularly at Stage 1, indicating improved early resolution. A small rise in Stage 2 cases reflects customers escalating where expectations were not met at the first stage.

1.8. The organisation maintained 100% on-time responses, providing strong assurance of adherence to the Code.

1.9. In line with Code requirements, all requests to raise a complaint were accepted; no cases were declined, reinforcing a transparent and customer-centred approach.

1.10. Where issues are better addressed through alternative processes, customers are clearly signposted. These instances are now recorded to identify gaps in service, communication or signposting, supporting continuous improvement.

2. Complaint Trends and Insights

2.1. The reduction is complaint volumes has been tested against access channels, Tenant Satisfaction Measures and contact data to ensure it reflects genuine service improvement and early resolution rather than reduced accessibility or disengagement. This will continue to be monitored as part of ongoing assurance.

2.2. Volumes stabilised during 2025/26, with several clear themes emerging from detailed analysis.

2.3. **Repairs and Quality of Finish**: Repairs remain the main driver of complaints, with around 51% of Stage 1 cases relating to quality or incomplete works. This reflects historic contractor performance and transitional challenges during service transformation.

2.4. **Installation Damage (emerging theme):** A rise in complaints linked to damage during internal installations (eg kitchens) indicates gaps in contractor processes and oversight.

2.5. **Air Source Heat Pumps (ASHP):** Q4 saw an increase in ASHP-related complaints, reflecting the challenge of new technology. Weekly multi-disciplinary reviews now distinguish between technical issues and customer understanding or expectations. Additional resource with our customer voice.

2.6. **Anti-Social Behaviour:** Some complaints relate to customer expectations outside legal or policy frameworks (eg immediate eviction). This highlights the need for clearer communication and expectation management.

2.7. **Development (Waterdale Gardens):** Drainage issues identified through complaints were resolved in Q3 through targeted remedial works and revised specifications, demonstrating effective use of learning.

3. Learning from Complaints & Service Improvements

3.1. Cobalt has strengthened its approach to capturing and acting on learning from complaints, in line with the Housing Ombudsman Code. Insight is now routinely used to identify root causes, inform service redesign and prevent recurrence.

The themes outlined in Section 2 have directly shaped the improvement actions summarised below.

3.2. **Centralised Complaint Handling:** The centralised complaints model introduced in late 2024/25 is now fully embedded. It has created a single point of ownership for each case, improving accountability, consistency and customer rapport. This shift from a transactional process to a customer-focused insight-led model has contributed to 100% on-time responses and improved outcomes.

3.3. **Tenant Satisfaction Measures (TSMs):** The complaints-handling TSM increased from 36.4% to 40.7%, reflecting better communication and responsiveness. While still a sector-wide challenge, the improvement aligns with strengthened processes and customer engagement. Overall TSM results improved across all measures for the second consecutive year.

3.4. **Repairs and Quality of Finish:** A high proportion of complaints related to incomplete or poor-quality repairs informed the strategic decision to bring repairs in-house. Although still embedding, the service is showing improved consistency and accountability. Weekly joint case reviews and a stronger “right first time” focus are reducing repeat visits. Repairs-related TSMs saw some of the strongest gains, with overall satisfaction rising from 64.4% to 74.1%. Quarterly TSM surveys and post-complaint transactional surveys will further strengthen insight.

3.5. **Installation Damage:** Complaints about damage during installations highlighted gaps in condition verification. A mandatory pre- and post-works inventory sign-off will be piloted in June 2026 to improve record keeping and contractor accountability.

3.6. **Air Source Heat Pumps (ASHP):** Increased ASHP complaints reflected a gap between technical performance and customer understanding. Weekly multi-disciplinary reviews now assess root causes, and clearer customer guidance is being developed to support realistic expectations.

3.7. **Anti-Social Behaviour (ASB):** ASB complaints often stemmed from expectations outside legal or policy frameworks. Front-end communication and signposting have been strengthened, alongside staff training to ensure consistent, empathetic messaging.

3.8. **Development and Planned Works:** Complaints relating to schemes such as Waterdale Gardens led to targeted remedial works and specification changes. Lessons have been embedded into Development processes to strengthen future scheme design and oversight.

Key Lessons Learned 2025-26

Customer expectation management is critical

3.9. Some complaints (ASB, ASHP) arose from misaligned expectations rather than service failure, highlighting he need for clearer, earlier communication.

Right first-time drives value

3.10. Repeat visits and poor-quality completion remain major contributors to dissatisfaction and cost; improving first-time resolution remains a priority.

Robust record keeping

3.11. Historic Ombudsman findings reinforce the need for accurate, consistent records to support both service delivery and regulatory compliance.

Positive complaint culture is embedded

3.12. Learning is reviewed through operational forums, shared across services, tracked through improvement plans, and scrutinised by the Member Responsible for Complaints. It is also reported to the Customer Committee and Board, ensuring complaints drive continuous improvement in line with Ombudsman expectations.

4. Housing Ombudsman Determinations

4.1. The Housing Ombudsman issued seven determinations in 2025/26, containing 11 findings, all relating to historic cases from 2023/24. This is a 42% reduction in the number of determinations in comparison to the previous year and indicates further improvement. The findings centred on repairs handling, complaint administration, and communication/record keeping, consistent with themes previously reported.

4.2. Table 3 below demonstrates a summary of the Housing Ombudsman's findings:

Outcome	Total
Outside Jurisdiction	2
Service Failure	3
Maladministration	6
Total Findings	11

Table 3: Housing Ombudsman findings

4.3. In responding to the Ombudsman, Cobalt has demonstrated clear action to minimise recurrence, including:

- Internalising the repairs service to strengthen oversight and accountability
- Centralising the complaints function to improve ownership, consistency and quality
- Strengthening governance around learning, assurance and reporting

4.4. These actions provide assurance that the organisation has addressed the root causes of historic failings and is aligned with the expectations of the Housing Ombudsman Complaint Handling Code.

5. Compensation

5.1. The Housing Ombudsman has continued to emphasise its approach to fair and proportionate redress, and Cobalt has further reviewed and refined its Complaints Compensation Matrix to ensure full alignment with this guidance. The updated matrix remains consistent with the Ombudsman's expectations and considers the following factors:

- Complaint handling, including time and effort incurred by the customer outside of the formal process
- Record keeping and accuracy of information
- The impact on the customer, including the extent to which the issue has affected the enjoyment of their home

5.2. The revised Compensation Matrix is publicly available on the Cobalt's website, ensuring transparency for customers and consistency in its application.

5.3. **Compensation overview**

Total compensation awarded in 2025/26 was £37,068.92, comprising:

- £26,572.92 at Stage 1
- £10,496 at Stage 2

5.4. This represents a 30% reduction from the 2024/25 total of £53,000, indicating improved early resolution and fewer repeat service failures.

5.5. The reduction reflects stronger complaint-handling practice, earlier intervention and more effective resolution at Stage 1, reducing the need for escalated redress.

5.6. Implementation of ActiveH has improved the organisation's ability to capture and monitor compensation data. While there were transitional limitations, the system now provides clearer oversight and will support more detailed analysis of compensation trends and value for money.

5.7. Cobalt continues to review the most appropriate routes for managing claims relating to damage or personal injury, working with insurance partners to ensure fair, proportionate handling that balances financial impact with customer experience.

5.8. Strengthened oversight provides assurance that compensation is applied fairly, consistently and in line with Housing Ombudsman guidance, while supporting improved value for money and informing ongoing service improvement.

6. Policy, Process and Future Improvements

6.1. Cobalt continues to maintain a robust, transparent and customer-focused Complaints Policy, ensuring full alignment with the Housing Ombudsman Complaint Handling Code and wider regulatory expectations.

6.2. Throughout 2025/26, the Complaints Policy has been kept under regular review to ensure ongoing compliance with the Code and sector best practice.

6.3. The Complaints Policy and Compensation Matrix remain publicly available on the website, supporting accessibility and transparency. They set out:

- How customers can raise a complaint
- Expected response timescales
- How complaints are investigated and resolved
- The approach to compensation and redress

6.4. The organisation has ensured that:

- No complaints were unreasonably refused, in line with Code requirements
- Customers are clearly signposted where alternative processes apply
- Reasonable adjustments are offered to support accessible complaint handling for all customers

7. Process Improvements & Assurance

7.1. Significant improvements have strengthened how complaints are managed, monitored and reviewed, including:

- Implementation of Active-H, improving oversight, tracking and reporting
- A strengthened case-management approach focused on early resolution and clear communication
- Multi-disciplinary reviews for complex or high-risk cases
- Enhanced governance and reporting, ensuring visibility at operational and Board level

7.2. A positive and constructive working relationship with the Member Responsible for Complaints (MRC) is now well established. Quarterly meetings provide structured oversight, supported by a detailed thematic report shared with the MRC, Customer Committee and Board. This enables scrutiny, challenge and shared learning across governance forums.

7.3. Ongoing communication with the MRC outside formal meetings ensures timely visibility of Housing Ombudsman determinations and any process changes arising from learning or continuous improvement activity.

7.4. These enhancements support a more proactive, insight-led approach to complaint handling, ensuring service failure is identified and addressed at the earliest opportunity and strengthening overall organisational assurance.

8. Future Improvements and Priorities

8.1. Future improvement activity will align with Cobalt's Customer Strategy 2025–2028, strengthening customer-centred service delivery and building trust through responsive, transparent and high-quality services.

8.2. A key priority is embedding a stronger customer-first culture, ensuring services are designed around customer needs, and lived experience. This includes improving accessibility and offering consistent, reliable engagement across all channels.

8.3. Cobalt will continue to embed the customer voice within complaint handling and wider service delivery. Insight from complaints, engagement and satisfaction measures will be systematically used to drive service improvement and demonstrate clear, evidence-based learning.

8.4. Supporting successful tenancies remains central. A more proactive, tailored approach to understanding household needs will help address issues earlier, reduce escalation and improve complaint resolution by tackling root causes.

8.5. The organisation will strengthen its approach to community impact and social value, recognising the role of partnerships, wellbeing initiatives and wider support in sustaining tenancies and improving customer experience.

8.6. Collectively, these priorities will support a more proactive, insight-driven approach to complaint handling, ensuring learning is embedded, services continuously improve and customers experience a responsive and accountable service.

9. Conclusion

9.1. The 2025/26 complaints performance provides strong assurance of full compliance with the Housing Ombudsman Complaint Handling Code and demonstrates a more mature, consistent and insight-driven approach to complaint handling.

9.2. Governance, timeliness, and culture have all strengthened. The centralised complaints model, improved systems and better data quality have enhanced visibility, accountability and organisational learning.

9.3. However, key service challenges remain. Repairs quality, customer communication and expectation management continue to drive dissatisfaction, and the rise in Stage 2 complaints shows further improvement is needed in early resolution.

9.4. Service improvements—particularly those linked to the in-house repairs model and new delivery approaches—are still embedding. Sustained focus will be required to ensure these changes deliver consistent, measurable improvements and reduce repeat service failure. Further work is needed to strengthen the internal culture towards a fuller understanding of what a customer centric means in expectations of all colleagues.

9.5. A residual risk remains around service delivery and customer expectations. This is being actively managed through strengthened quality assurance, cross-service coordination, monitoring of complaint trends and increased use of customer insight to support proactive intervention.

9.6. Overall, Cobalt is well-positioned to move from compliance to continuous improvement. By embedding learning more systematically, strengthening “right first time” delivery and amplifying the customer voice in service design, complaint handling will continue to drive service quality, customer trust and regulatory assurance.