

Complaint Performance & Improvement Report

2025-26

Hanif Malik
Board Member Responsible for Complaints

Dear Customers, Colleagues and Partners,

Karbon's Member Responsible for Complaints (MRC)

As Karbon's Member Responsible for Complaints (MRC) I have lead responsibility for complaints, which includes fostering a positive complaint handling culture.

I am supported by Ian Johnson, Executive Director of Customer Services who is our Executive MRC, to oversee more closely the operational side of complaints.

Here we're presenting the response from Karbon's Board to our 2025/26 annual complaints performance and service improvement report, including our annual self-assessment against the Complaint Handling Code.

Scrutiny of the annual report

We reviewed the annual performance and service improvement report to scrutinise the data and performance information. We also reviewed the prior three quarterly reports for consistency, and considered the Group Customer Committee's scrutiny throughout the year.

We also sought assurance on how the commentary and context were critically evaluated, to ensure that it is a fair and reasonable assessment. With involvement of multiple colleagues in the development of the report and the scrutiny from ourselves, we can confirm it is accurate, reliable and consistent with that reported on a quarterly basis throughout the year.

Whilst our satisfaction scores were an improvement on last year, we wanted to assure ourselves during the course of the year and at the end of the year that we were handling all complaints appropriately and our findings are below:

Complaint Satisfaction

Pleasingly satisfaction increased and whilst this is high performing across the sector, this remains open to further improvement. We note the challenge with customers' understanding the difference with formal complaints and Service Requests. We commend the dedicated section on our website with ways to explain the process in accessible ways, whilst we want to continue our efforts to raise more awareness of the service to reduce this issue.

Reduction in Stage 1 Volume

We are satisfied that the majority of the reduction relates to the improvement in repair wait times and other service improvements which led to reductions. We critiqued a sample of refused complaints and are assured that these are within the scope of the Code and our policy.

Increase in Stage 2 Volume

Whilst we understand our performance is favourable to the national average according to Housemark, despite this through the year we sought assurance on this performance, by understanding where Stage 2 complaints were more like to be raised. We found where Stage 1 was not upheld, this was more likely to result in a Stage 2. We also noted that some specific service areas and complaint types were also more likely to be escalated and these were also more likely to be not upheld. We had samples of cases reviewed and determined that the outcomes were reasonable, based on available information. We also noted the increase with the transition to and start of the New Complaint Team, and the actions taken with individual's performance. We are aware of the continued work on improving the Stage 1 investigation which is positive, whilst we propose continued focus on quality of investigations and customer communications, not least where cases are not upheld.

New Complaint Handling Team

Here we reviewed an evaluation of the introduction of the new Complaint Handling Team and looked at performance step changes from its introduction. Despite the immediate increase in Stage 2 escalations, we found this has been a positive step forward. Customer Satisfaction, response timescales and compensation consistency have all improved. We agreed the team's focus should be on quality in the coming year.

Increase Ombudsman Adjudications upheld

Whilst we understand our performance is favourable to the national average and we have made significant changes in the complaint service since the cases were adjudicated, we are concerned that upheld cases have increased. Throughout the year we are updated and are pleased to hear of the improvement already made and we seek continued focus on learnings.

Learning from complaints

With a dedicated post to complaint learning, and with the advent of the new team creating space in operational teams for service improvements, the extent of complaint learnings and service improvements were positive. However we want to see us further refine our approach to ensure we are maximising all the learnings, to improve the customer experience.

Scrutiny of the self-assessment

We reviewed the evidence cited in the self-assessment, ensuring it's complete and accessible to readers. We found assurance that we continue to report being compliant with the Code. Whilst this is internal assessment, we queried what 3rd party assurance we could seek and were pleased to learn we have a complaint service audit planned in 2026. We concluded the evidence to be thorough and satisfactory, with no further queries or challenge needed.

Risks identified

In our assessment, we identified risks with our performance and compliance with the code. These areas include where we want to improve on performance.

- Customer awareness of how to raise a complaint, and the difference to service requests
- Complaint response times
- Satisfaction with our complaint service
- Ombudsman Adjudications upheld

Areas of achievement

We would like to highlight some key areas of achievement:

- Reduced the wait time for repairs and associated complaints
- Improved complaint response times
- Improved complaint satisfaction

In conclusion

On behalf of Karbon Group Board we were pleased to see improvements in our complaint performance and the focus remaining on areas we need to improve on. Seeing the many service improvements was also reassuring, as we aim to use learning to improve all our customer's experiences. We also found assurance in our future plans, as we continue to strive to deliver a positive complaint experience and ultimately the service our customers deserve across all our services.