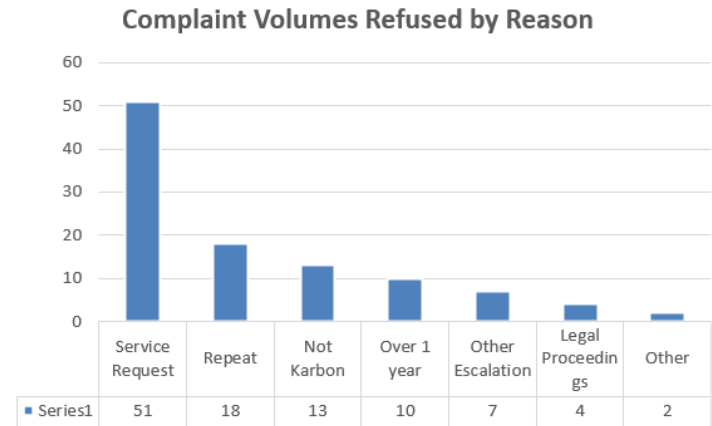
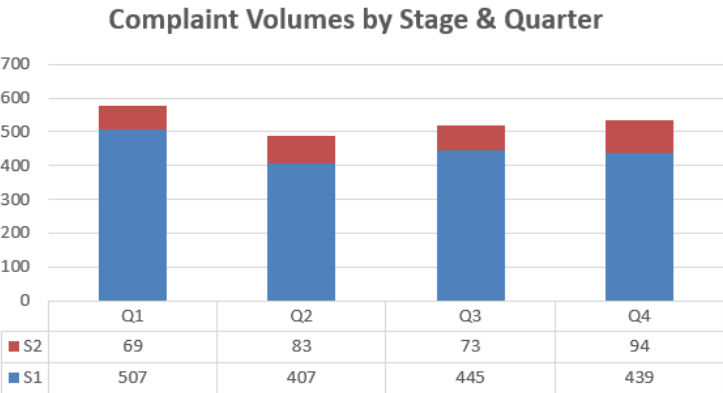


Section 1: Complaint Volumes & Complaints Refused



Complaints

2,117

- 513
On last year

Stage 1

1,798

- 543
On last year

84.9%
Of all

Stage 2

319

+ 30
On last year

15.1%
Of all

Complaint outcomes by Stage

Stage 1

73.2% Upheld

26.8% Not upheld

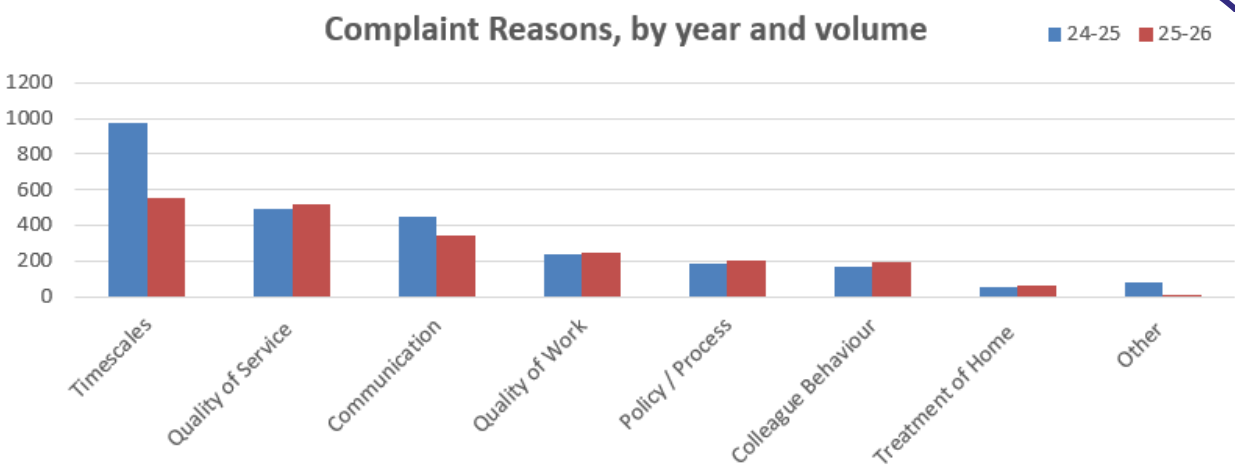
Stage 2

76.2% Upheld

23.8% Not upheld

- 1.1 The tables above illustrate the trend of the 2,117 complaints handled during 2025-2026, for all tenures. Complaints reduced by 513 (-19.5%) on last year.
- 1.2 There were 1,798 (84.9%) Stage 1 complaints, down 543 (-23.2%) on last year. They declined mainly from a reduction of repair timescales complaints.
- 1.3 There were 319 (15.1%) Stage 2 complaints, up 30 (+10.4%) on last year. This reflects as increase across the sector, whilst we remain behind the reported 22% average.
- 1.4 We upheld or partly upheld 73.2% Stage 1 and 76.2% Stage 2 complaints, both a decline on 24/25, back to 23/24 levels, relating to the reduction in timescale complaints which were more commonly upheld.
- 1.5 Our Complaints Policy outlines matters we may refuse to hear as a complaint. In 2025/26 105 complaints were refused. Most commonly customers were raising service requests, of the 51 this included reporting Anti Social Behaviour, repair requests, reporting new build defects and compensation requests. We also refused 18 complaints where this had already been responded to. Plus 13 were refused when the issue or service was with another organisation, typically Choice Based Lettings and Council Services. All were refused in line with our Complaints Policy and the Housing Ombudsman Complaint Code.

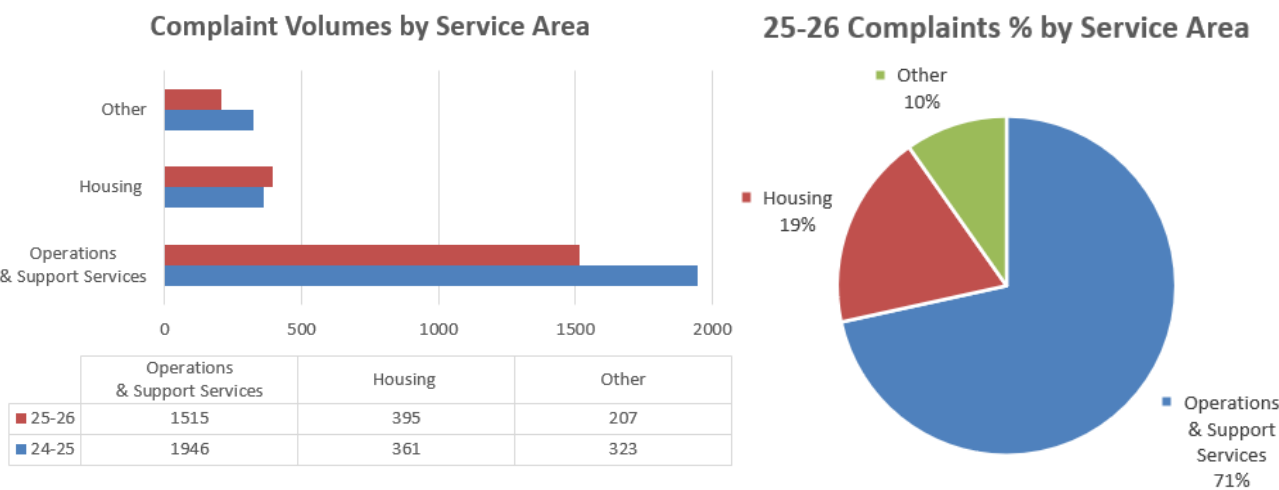
Section 2: Complaint Reasons & Service Areas



2.1 Timescales represented 552 (26%) of all complaints, the majority relate to repairs. This reduced from 977 last year (-43.5%), following improvements in repair timescales.

2.2 Quality of Service remains the 2nd largest area with 520 cases (24.6%) up from 495 last year.

2.3 Communication remains the 3rd largest area with 344 cases (16.2%) down from 444 last year.



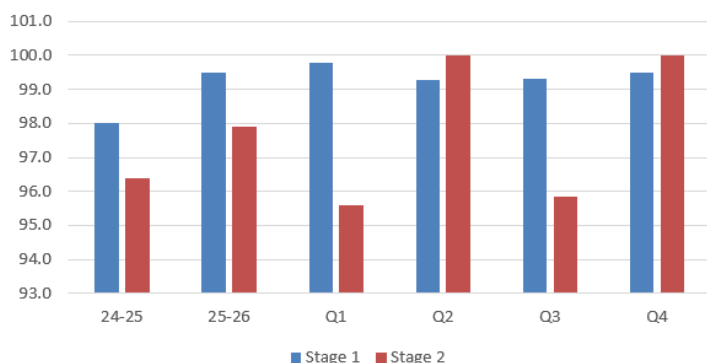
2.4 Operations & Support Services received 1,515 complaints (71%). This was a reduction of 431 on last year, mainly with the improvement in repair wait times.

2.5 Housing received 395 complaints (19%). This was an increase from 361 last year, but there was a decline in the fourth quarter.

2.6 Other Service Areas received 207 complaints (10%). This is a reduction from 323 last year. Within this group Asset and Regeneration had 55, Customer Relationship 52, Investment 37, Development 31, Compliance 19, Customer Engagement & Community 7 and Other 1.

Section 3: Complaint Handling Performance

Complaints responded in Timescales



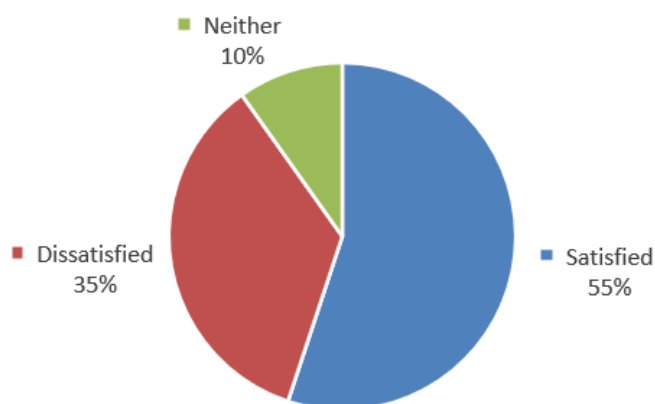
99.5%

Responded in
timescales
Stage 1

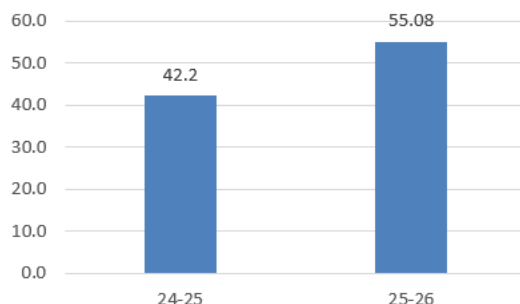
97.9%

Responded in
timescales
Stage 2

LCRA Satisfaction with Complaint Handling



LCRA Complaint Satisfaction



£384k

Total compensation

£202

Average compensation

3.1 We asked Low Cost Rental Accommodation (LCRA) customers, 'How satisfied or dissatisfied are you with Karbon's approach to complaints handling?'. Of 2,470 surveyed, 305 (12.3%) said they had raised a complaint. Here 55.1% were satisfied, 35.1% were dissatisfied and 9.8% were neither. This was a great improvement on last year (42.2%).

3.2 Dissatisfied customers describe issues with communication and issues not being resolved to their satisfaction. However most dissatisfied customers had not raised a complaint, most had raised service requests, including repairs and reports of Anti Social Behaviour. Conversely satisfied customers are more likely to have had a formal complaint raised, describing feeling listened to and issues are handled quickly.

3.3 With 84.5% complaints resolved at Stage 1, we achieved the 80% customer standard.

3.4 Complaints responded to timescales, improved on last year. Stage 1 achieved 99.5%, up from 98%. Stage 2 achieved 97.9% up from 96.4%.

3.5 A total of £384k was offered in Compensation, £288k at Stage 1 and £96k at Stage 2, with an average value of £170. Whilst an increase in the total value offered, this is a reduction in average value. This increase follows changes in Ombudsman guidance.

Section 4: Escalations including Housing Ombudsman Case Outcomes

319

Stage 2

15%

Of all Cases

17.7%

Escalated to Stage 2

4.1 With 319 Stage 2 complaints, this represents 15% of all cases. On average 17.7% of cases were escalated to Stage 2. Housemark reports that on average the escalation rate is 22%, so we remain in a positive position.

4.2 Policy & Procedure complaints are escalated at a higher rate (29%), there is a correlation with this reason for complaint also having a low upheld rate at Stage 1. Housing complaints also have a higher escalation rate than average (33.9%). Here also there is a lower upheld rate, as Policy & Procedure, including related to ASB. This is found to not be related to case handling, but the nature of the complaints.

Adjudications

18

2

Outside
jurisdiction

4

No Mal-
administration

12

Non-
compliance

4.3 In 2025-26, Karbon had 18 cases with by the Housing Ombudsman where:

- 2 were considered outside jurisdiction,
- 4 were found with no maladministration and
- 12 were found with some non-compliance

4.4 Most cases were heard by Karbon in 2023 and 2024, with 3 in 2025. All orders and recommendations were fully completed on time, including all compensation.

4.5 Themes in upheld cases complaint handling timescales, record keeping, handling of repairs and ASB.

4.6 Case reviews were completed for all upheld adjudications and learnings determined.

4.7 We have 14 cases from 2024 and 2025 with the Ombudsman awaiting adjudication.

4.8 In September 2025 we received the enclosed 2024-25 Landlord Performance Report from the Housing Ombudsman. There were 12 cases and outcomes were:

- 3 were considered outside jurisdiction,
- 4 were found with no maladministration and
- 5 were found with some non-compliance

The Ombudsman determined a 56% maladministration rate in comparison to the national 71%. We complied with all orders and recommendations.

Section 5: Compliments and Suggestions Performance

Compliments

1,073

+201

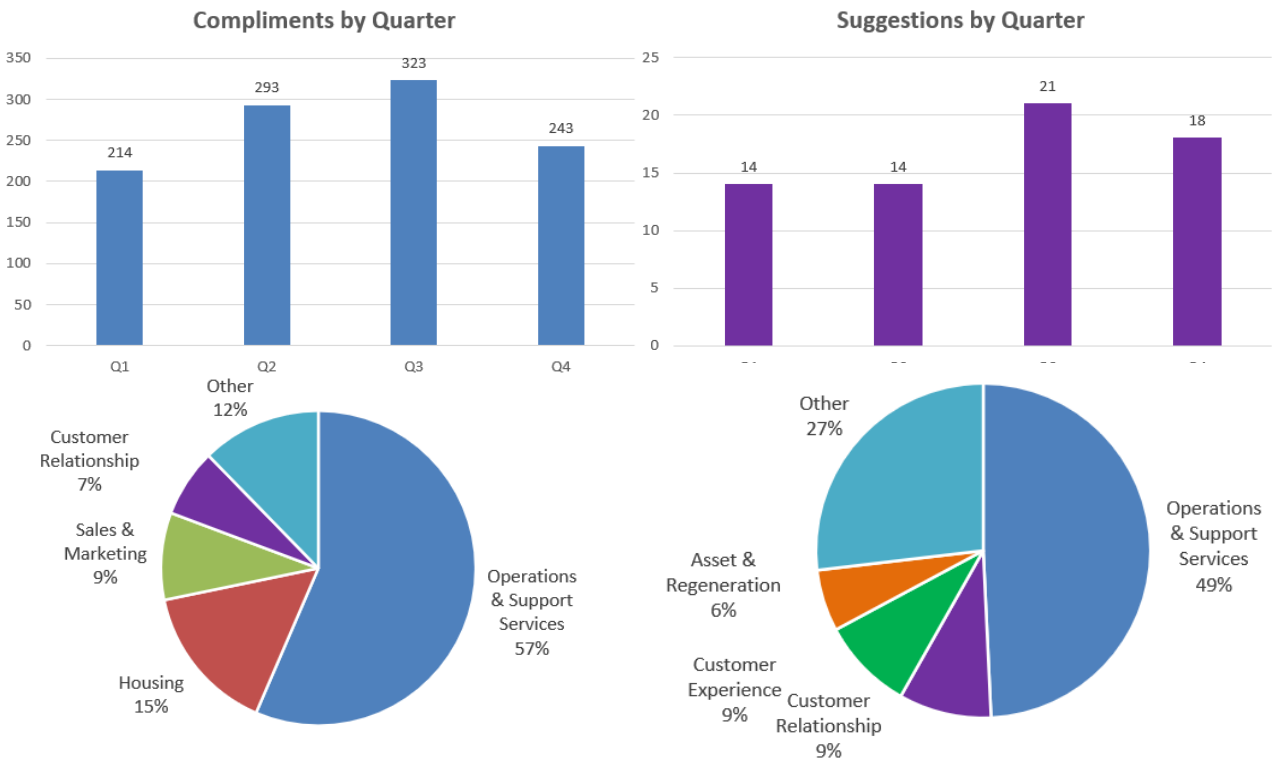
On last year

Suggestions

67

+39

On last year



5.1 We received 1,073 compliments, an increase of 201 on last year. The majority regarded Karbon colleagues. Operations & Support Services received 57%, followed by the Housing with 15% and Sales & Marketing with 9%, examples include:

‘I want to compliment the man who attended my property this morning, he was fantastic, credit to your company, he explained everything what is happening, pleasant, kind and respected the property.’ KPS Operations.

‘Everything was explained and sorted quickly, efficiently, and they were friendly. I find them easy to talk to, they explain and they get everything sorted straight away.’ Housing.

‘I just want to say a big thank you for your help and keeping me updated throughout the process of me buying my share of the house.’ Sales & Marketing

5.2 We received 67 suggestions, an increase of 39 on last year. 49% were for Operations & Support Services, the most common of which is for more personalized communications with the SMS service, and we are now exploring opportunity for improvements.

5.3 We received 9% of suggestions for the Customer Relationship Team and the most common suggestion was to change the on-hold music. In May we are consulting with come customers on different music options and we will plan on launching this in June.

Section 8: Learnings, Actions & Service Improvements

8.1 Each quarter we report complaint learnings to the Karbon Leadership Team, Resident Committee and Group Customer Committee. We present information to customers on our website and in the annual report. We hold case reviews and capture learnings from individual cases. We completed a deep dive on Stage 2 Escalations. This is so we can learn from complaints, act to prevent them repeating and demonstrate our learnings to colleagues and customers. A selection of examples are below:

8.2 Reducing the wait time for repairs

Feedback: The highest volume of complaints is the wait time for repairs.

Action: Following an intensive repairs recovery plan last year, we continued to work on reducing the wait time for repairs this year.

Impact: We continue to see complaints reduce for this.

8.3 Understanding of what a complaint is and how to make one

Feedback: In satisfaction reports, some customers believe they have raised a complaint when this has been reports of Antisocial Behaviour or reporting repairs.

Action: We have continued to promote what a complaint is and how to make this, with a dedicated section on our website. We also use stories and information demonstrating how customer feedback has shaped service improvements.

Impact: Visibility of the complaints and compliments process for customers has been strengthened through clearer and more consistent communications.

8.4 Property Services Repairs and Servicing Appointment Times

Feedback: Customers expressed dissatisfaction with a lack of clear appointment times and instances of operatives attending without the correct materials.

Action: We implemented a new system to identify and flag repeat jobs, expanded use of automated text messaging to give customers clearer appointment times for gas servicing, electrical testing and repairs, including advance notifications and no-access follow-ups. We also introduced a new special material process where we review all special items that have been ordered the following morning. This gives us the ability to address poor information to ensure the correct materials are ordered right first time.

Impact: Complaints on this reduced and cancelled appointments also reduced (previously due to materials not being available).

8.5 Improving Complaint Service Satisfaction

Feedback: Customer feedback through Tenant Perception Measures and Ombudsman adjudications indicated response timescales and complaint satisfaction could improve.

Action: A dedicated Complaint Team was established to manage complaints. This introduced more colleague capacity, clearer guidelines, consistent decision making, oversight of response times and proactive management of timescales, shared learning from complaints, plus ongoing focus to improve complaint handling quality. We also completed a Stage 1 Investigation review and reviewed our approach to complex cases.

Impact: Both response times and satisfaction with complaint handling has improved, reflecting greater consistency, clearer communication with customers, and increased confidence in how complaints are handled.

Section 8: Learnings, Actions & Service Improvements**8.6 Compensation consistency**

Feedback: Some customers reported inconsistency with compensation, causing confusion and dissatisfaction.

Action: The Compensation and Goodwill policy was updated, providing clearer guidance. The new dedicated Complaint Team now leads the calculation of complaint compensation, to enable a more consistent approach.

Impact: Compensation awards are now applied more consistently, with clearer calculations and improved transparency for customers.

8.7 Recording and acting on customer vulnerabilities

Feedback: Housing complaints have highlighted failures to record and act on customer vulnerabilities and reasonable adjustments, resulting in poor service.

Action: Following the launch of the 'Getting to Know You' campaign where we capture customer's needs, all Housing colleagues are being briefed on this, the Customer Vulnerability Policy and the importance of updating customer records. A Stage 2 Case was anonymised to use as a training case study.

Impact: Recording customer vulnerabilities and reasonable adjustments has improved, supported by increased awareness amongst colleagues of the importance of keeping customer information accurate and up to date.

8.8 Communication during planned maintenance works

Feedback: Customers reported frustration with fragmented communication, lack of progress updates, and inconsistent messaging during planned maintenance works.

Action: The team focused on improving communication ahead of planned works by introducing clearer customer tools, including explanatory videos and increasing face-to-face engagement prior to works commencing to support understanding and expectations.

Impact: Customers are reporting higher satisfaction with communication prior to works.

8.9 Management of complex repairs

Feedback: Repairs complaints highlighted a negative experience for customers who required complex repairs, often involving multiple contractors.

Action: The Major Works team was introduced to manage repairs that involved communication and co-ordination with multiple contractors and the customer. The major works manager oversees all repairs of this nature through to completion.

Impact: We have seen a reduction in complaints related to complex repairs when managed by the Major Works team.

8.10 Increase in Stage 2 complaints

Feedback: We saw an increase in escalations to Stage 2, despite a reduction in Stage 1.

Action: We delivered intensive support for colleagues with above average escalation rates. We looked at service areas with higher escalations and found they were less likely to be upheld at Stage 1. We also found Policy and Procedure cases more likely to be escalated, as they too are less likely to be upheld at Stage 1.

Impact: Stage 2 escalations have plateaued and now benchmarks below the National average reported by Housemark.