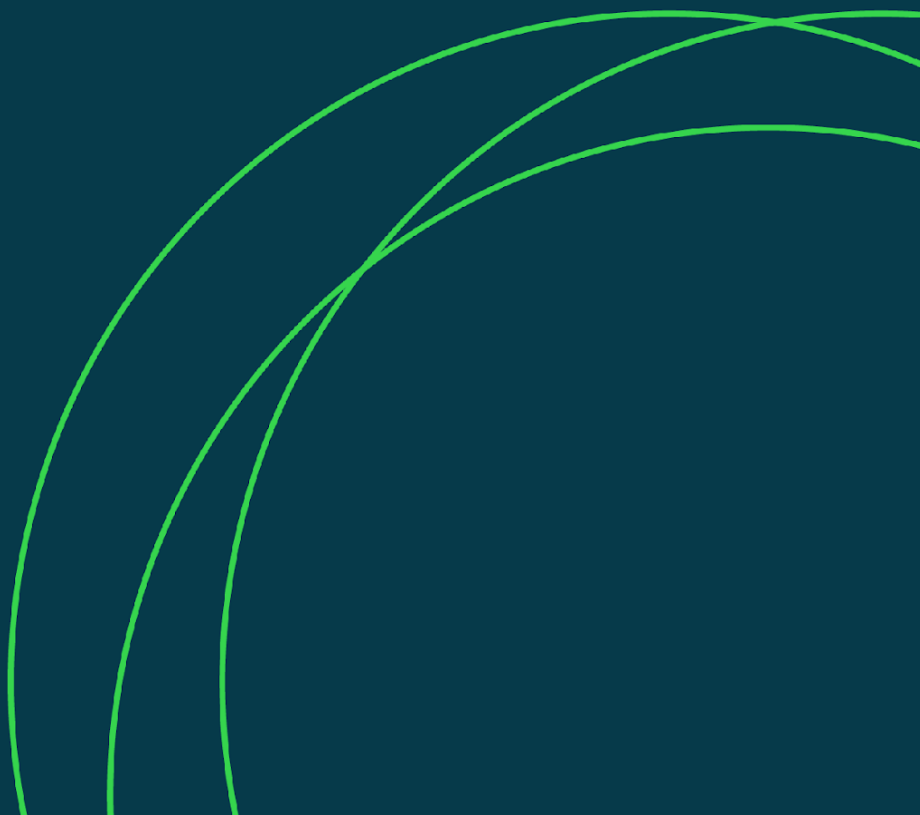
Sparrow
Shared Ownership

Annual Complaints Performance and Service Improvement Report

2025-2026

Prepared for the Housing Ombudsman and published in line with the Complaint Handling Code



Foreword

Amanda Davies – Board Member, Chair of the Customer Scrutiny Panel, and Member Responsible for Complaints

This report sets out Sparrow's complaints performance and service improvement position for 2025–26 and marks our first full year of reporting under our own management.

Complaints provide us with a vital insight into where customer experience has not met expectations. They help us identify points of failure in service delivery and offer an important source of learning as we continue to improve. This report provides a valuable view of **service performance**, **customer voice** and **Sparrow's organisational response**.

Performance this year is encouraging. We have seen a **significant reduction in complaint volumes,** reflecting fewer defect-related cases and operational improvements following the move to a smaller, dedicated customer service team. There has also been a continued reduction in complaints linked to previous management arrangements. Where complaints have been upheld, the focus has been on identifying root causes and strengthening underlying processes, with learning embedded into Sparrow's controls. Where complaints are not upheld, we aim to support customers to understand the reasons for our decisions.

As we look ahead, two things give me confidence we are on the right path:

First is the growing role and influence of the Customer Scrutiny Panel. Expanded membership and oversight of our complaints policy and service improvements mean customer insight is influencing decisions earlier and reducing reliance on complaints as a corrective mechanism. This year, that insight will be further strengthened as the Panel leads a series of focus groups to capture wider customer perspectives.

Second is the regulatory foundation we are building on. Earlier this year, we received a C1 grading from the Regulator of Social Housing at our first inspection - the highest rating for consumer standards. This provides a strong baseline for trust and assurance, which we are committed to maintaining and strengthening through the continued use of customer insight.

While upheld complaints performance has improved, there is more to do. Underlying themes around communication, resales, service charges and repair responsibilities need further attention. The improvement programme set out in this report defines how these issues will be addressed. The Board can take assurance that complaints insight is being used systematically to improve services, strengthen governance and uphold the standards customers are entitled to expect from Sparrow.

Finally, I would like to thank the customers who took the time to share their experiences. Honest feedback remains one of our most valuable sources of learning.

Amanda Davies
Member Responsible for Complaints

Executive Summary

This is Sparrow Shared Ownership's (SSO) first Annual Complaints Performance and Service Improvement Report covering a full year under our own management, following the transfer of management from Sage Homes on 19 May 2025.

Headline results

69 Stage 1 complaints received (down 36% year-on-year)	**94%** Of complaints responded to on time	**3** Housing Ombudsman determinations

What the numbers show

- Complaint volumes have fallen significantly, driven by the close-out of legacy defect cases and the impact of a smaller, dedicated customer service team
- Response times have improved at both Stage 1 and Stage 2
- The proportion of complaints upheld or partially upheld has dropped year-on-year but remains high (52% for Stage 1 and 49% for Stage 2) indicating further improvement is needed in underlying service delivery
- Recurring complaint themes are consistent with the wider sector pressures and inform our improvement priorities
- Three complaint requests were declined, each with documented and proportionate reasons.
- Total compensation paid following Ombudsman determinations was £2,015

Service improvements

During 2025–26 we strengthened complaints governance, refreshed training on record-keeping and customer communication, updated procedures, and introduced dedicated oversight of complex repairs cases across developers and warranty providers.

Our 2026–27 improvement plan focuses on three priorities: customer journey mapping and service reviews, structured customer engagement developed with the Customer Scrutiny Panel, and a customer service team strengthened around early resolution.

Governance and oversight

The Member Responsible for Complaints (MRC), Amanda Davies, also chairs Sparrow's Customer Scrutiny Panel (CSP). CSP members have been directly involved in developing the complaints policy and the wider customer engagement model. Complaints performance and lessons learned are a standing item at MRC meetings, with visibility to the SSO Board.

Commentary by the Head of Customer Service

David Hunter

We've seen **a significant decrease in the number of complaints compared to 2024-25**. This has been largely driven by reductions in complaints relating to defects and snags, as the last of our homes came out of their initial defects period. We have also seen a drop in complaints related to communication, as customers benefitted from our move to a smaller, dedicated customer service team under Sparrow's management.

94% of both our Stage 1 and Stage 2 complaints were responded to on time. While this is positive, we continue to work toward 100% of complaints being handled on time.

The **number of complaints we upheld has dropped significantly since last year**, with this drop also affected as defect issues were finalised on many of our homes. The upheld rate remains higher than we would like, and it has been important for us to receive and fairly judge this feedback in our first year of management.

The **Housing Ombudsman determinations we have received this year all related to historic defect handling**. Sparrow does not currently sell new homes or manage a defects process, but we have ensured the learning from these outcomes has been fed back to relevant parties.

We continue to welcome feedback from all our customers — including when they take the time to set out their experience through our complaints process.

1. Complaints performance

Measure	2025-26	Change year-on-year
Stage 1 complaints received	69	Down **36%**
Cases escalated to Stage 2	35	Down from **51%**
Stage 1 complaints responded to on time	94%	Up from **84%**
Stage 2 complaints responded to on time	94%	Up from **93%**
Stage 1 complaints upheld or partially upheld	52%	Down from **84%**
Stage 2 complaints upheld or partially upheld	49%	Down from **78%**

2. Complaint request refusals

Sparrow will sometimes decline to handle an issue through our complaints process. Where this happens, we explain to the customer the reasons for declining, and we record those reasons.

In 2025-26 we declined complaint requests on **three** occasions:

- An issue related to **build defects** handled under previous management. The issue had arisen four years previously and given the time that had passed it was not possible to investigate.
- Two issues related to **anti-social behaviour**. In both instances the perpetrator was a tenant of another housing association and Sparrow had no responsibility for managing the case.

3. Engagement with the Housing Ombudsman

During the year, we received **three determinations from the Housing Ombudsman Service relating to complaints about customers' previous provider**. The outcomes of these cases are summarised below.

Case 1

- Maladministration related to defect handling
- Reasonable Redress for complaint handling

Case 2

- Maladministration related to the handling of a defect causing loss of heating and hot water.
- Maladministration related to insufficient consideration of household vulnerabilities.
- No Maladministration related to the handling of a query about heat meter charges.

Case 3

- Two findings of Reasonable Redress related to defect and complaint handling.

A total of £2,015 was paid in compensation following these Ombudsman determinations.

4. Lesson learned and service improvements

4.1 The themes behind this year's complaints

Review of the underlying complaint issues indicates that dissatisfaction most frequently stemmed from delays, communication concerns, resales and service charge matters. In several cases, complaints reflected the complexity of resolving issues involving multiple responsible parties.

Analysing the nature of complaints further, the most common drivers of customer dissatisfaction were:

- Communication and service delivery issues
- Resale-related delays
- Property defects and latent defect concerns
- Service charge queries
- Maintenance and repair issues

These themes broadly reflect the operational pressures within housing management, and reinforce the continued importance of clear communication, effective expectation management, and coordinated working across teams and external stakeholders, including managing agents.

4.2 Year-on-year comparison

Compared with 2024–25, the profile and distribution of complaints in 2025–26 remain broadly consistent. In both years, complaints were primarily linked to customer transactions, property and defect-related issues, and rent and service charges. Recurring themes, including communication, resale delays, defects, service charge clarity, and maintenance and repairs, have persisted. This consistency highlights ongoing pressures across the customer journey and reinforces the need for sustained focus on communication, clear ownership, and coordinated service delivery.

4.3 Learnings

Learning from complaint handling and service delivery during 2025–26 has informed targeted service improvements. Analysis of Stage 1, Stage 2 and Ombudsman cases has reinforced the importance of early intervention, clear case ownership, and proactive communication. Recurring issues, particularly around defects management, complaint handling, and complex cases involving multiple parties, have driven changes to staffing structures, processes, training and oversight.

These actions are intended to reduce escalation, improve customer experience, and strengthen coordination with third parties, including developers and managing agents.

4.4 Service improvements and actions implemented

Defects and repairs management

- All Sparrow homes are now beyond the defect's liability period. Sparrow does not operate a defects process but continues to support customers with warranty claims.
- A small number of live defects cases transferred on 19 May 2025 and were managed to completion by the previous provider.
- Complaints and Ombudsman cases relating to defects reduced significantly in 2025–26 compared with 2024–25. Learning has been captured and shared.
- A dedicated officer now oversees complex repairs using a multi-track approach, progressing developer engagement, warranty claims and internal works.

Complaints handling and governance

- The complaints process has been strengthened, with improved monitoring of open cases, response times and escalation points.
- Member Responsible for Complaints meetings are now embedded, providing regular visibility of complaints performance and learning at Board level.

Training, systems and record-keeping

- Targeted training delivered on accurate and timely record-keeping, addressing issues identified through complaint reviews.
- Refresher training completed on clear and proactive customer communication, reflecting its role as a key driver of dissatisfaction.

Developer and third-party engagement

- Increased scrutiny of service charge budgets, including deficits and non-budgeted costs, with improved transparency for customers where variances arise.

Payments and arrears management

- Procedures standardised to ensure consistency across teams.
- Income Collection Policy reviewed with the Customer Scrutiny Panel, with a focus on supporting customers experiencing financial difficulty.
- Arrears data now monitored daily by cause, enabling earlier and more targeted intervention.
- Communication improved for advance payers on new charges and payment dates, reducing adjustments and unexpected charges.

Customer journey mapping

- Customer journey mapping commenced in late 2025–26, reviewing key touchpoints alongside the systems and processes that support them.
- This work has informed a service improvement plan to streamline processes and enhance customer experience.

Looking forward

Listening earlier, resolving sooner

Formal complaints usually signal a breakdown earlier in the customer journey - unclear communication, unmanaged delays, or weak handovers. Our priority for 2026–27 is to identify and address these issues earlier, reducing escalation and improving outcomes for customers.

Customer journey mapping and improvement reviews

Significant work has been undertaken to map Sparrow's key customer journeys, with detailed analysis identifying friction points across resales, staircasing, payments, and service charge queries. This work has been developed into a customer improvement plan, which is being actively workshopped with the Board to agree priorities, ownership and delivery.

The plan establishes a structured programme of improvement reviews, each led by a named owner and tracked through to operational change, with the aim of reducing failure at the most complex points in the customer journey.

Focus groups and engagement opportunities

Working with the Customer Scrutiny Panel, we will run a programme of structured customer focus groups throughout 2026–27, beginning with the welcome experience and feedback loops. These paid, CSP-facilitated sessions are designed to surface early signals and everyday frustrations that do not always reach the formal complaints process.

Alongside this, we have introduced real-time customer satisfaction surveys, at the point cases are closed. This will give us earlier, more accurate insight into customer experience, help us understand what worked and what did not, and enable faster learning and improvement. We will also continue to expand lighter-touch engagement options, making it easier for customers to share feedback in ways that suit them.

A team focused on resolution

We are strengthening the customer service team around early resolution, with clearer ownership, tighter handovers between teams, and record-keeping that supports timely decision-making. The multi-track approach introduced for complex repairs - coordinating developer engagement, warranty claims and internal works - will be extended to other areas where issues span multiple parties.

How we measure success

Complaints will remain an important source of insight, and we want customers to continue raising concerns. Our test is not whether complaints disappear, but whether they are handled fairly, resolved effectively, and used to improve how we work for all customers.