

Compensation: policy & guidance

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Summary

Housing 21 are committed to delivering quality services to agreed standards. We recognise that we may occasionally fail to achieve our agreed standards or service, and this may result in causing distress, loss or inconvenience to our residents or other stakeholders. We will consider awarding compensation where it is shown that an individual has suffered due to the lack or failure of service within the control of Housing 21.

This policy sets out when discretionary compensation will be considered by Housing 21.

Examples might include:

- taking an unreasonable time to repair a building component that is our responsibility, and has resulted in a resident being unable to use part of their home
- by failing to carry out repairs which affect health, safety or security
- failure to reinstate a service for which we are responsible
- failure to meet a published level of service
- failure to deal with an issue that has resulted in undue stress, discomfort or additional expense

It also highlights obligatory compensation which we must comply with in paying compensation in relation to:

- Right to Compensation for Improvements
- Home Loss payments

What is Compensation?

Compensation may be appropriate where we have failed to provide a service or where a lack of service or loss has resulted in a resident believing they have suffered distress or a loss as a result of our action or inaction.

The payment of compensation can sometimes be the best way of resolving a protracted and expensive (in terms of management time) dispute; or a small payment can mend a fractured relationship and restore confidence in our ability to deliver a quality service.

When will compensation be considered?

The policy can be referred to when a request or claim for compensation is received or a manager investigating a complaint under our Complaints Policy recommends compensation (or a goodwill gesture) as part of the resolution of a complaint.

We consider each request or claim for compensation on its individual merits

What will be considered?

Here are some examples which may be the subject of a request or claim for compensation:

- taking an unreasonable time to either repair or restore something that is our responsibility, and has resulted in a resident being unable to use part of their home;
- by failing (at second time of asking) to carry out a repair, we have put at risk, the health, safety or security of the resident; the repair has, or is likely to cost, less than £250.
- failure to reinstate a service for which we are responsible;
- failure to deal with an issue that has resulted in undue distress, discomfort or additional expense;
- loss due to failure to deal satisfactorily with repairs;
- loss due to other failures of service;
- failure that has directly resulted in a monetary loss;
- having to spend excessive management time to achieve a response to a complaint.

Compensation will not normally be paid for:

- lack of service or loss due to circumstances beyond our control;
- lack of service or loss due to resident negligence;
- damage or loss of items/property that should be covered by a resident's own contents insurance policy (i.e. damage or loss to property caused by flood, fire, etc.). Unless it can be demonstrated that our failure to fix something that had been reported caused the damage as a consequence.
- damage or loss for which recompense is available through our insurers

Who will approve compensation?

A Head of Retirement Living /Extra Care has the authority to approve compensation payments where it is considered that there has been a failure to meet an agreed standard of service; as well as obligatory payments.

Unless the subject of a formal complaint, compensation claims should be made within 28 working days following the failure in service. Where approved we will pay the compensation within 10 working days of that approval being given.

If a resident is in arrears at the time of the approval of any compensation we reserve the right to offset the compensation payment against those arrears.

Where judged appropriate Managers dealing with a request or claim for compensation will ensure that our insurers know, via our Insurance Administrator, if there is a risk of a future insurance claim.

Guidance should be obtained from the Head of Legal Services, where in the opinion of a Manager and/or Head of Retirement Living /Extra Care dealing with a request or claim for compensation, a 'without prejudice' statement should be included in any correspondence.

Other related policies and procedures

- Complaints and compliments policy

Guidance on making compensation payments:

Incident	Compensation event	Compensation guidance	Authorisation
Service failures and good will gestures	Distress or inconvenience that may have resulted from our service failures. Level of compensation will be commensurate with the inconvenience, stress, disturbance or annoyance suffered by the resident and the level to which we have been directly responsible	Low Impact: One instance of inconvenience caused by Housing 21 – up to £20	RHM/ECM
		Medium Impact: A succession of service failures with a problem not resolved within a reasonable timescale £20 - £100	RHM/ECM
		High Impact: Serious or prolonged service failure or loss of facilities resulting in severe distress, disruption, inconvenience or loss of income £100 - £500.	Head of RH/EC

Incident	Compensation event	Compensation guidance	Authorisation
Anti-Social Behaviour (ASB)	Not responding reasonably to ASB complaint	Up to £100	Head of RH/EC
Heating loss	Failure or lack of service reported whether that be an isolated incident or a series of connected incidents e.g. on-going heating problem	Supply additional portable heaters and pay the additional running costs for the period either £2 per day or the demonstrable extra electricity cost to use the temporary heating provided, whichever is higher.	RHM/ECM
Unsatisfactory Tenancy Conditions	Failure to remedy a defect we know about or unreasonably delay taking remedial action which affects the health of a resident or their use of the property	Resident has to be able to demonstrate to us that their health or their use and enjoyment of the property has been affected and caused them distress or serious inconvenience. When deciding on the level of payment consideration must be given to any damage to a resident's property.	Head of RH/EC
Repairs – our version of the 'Right to Repair' scheme	By failing (at second time of asking) to carry out a repair described on the works order within our service standards and we have put at risk, the health, safety or security of the resident; and the repair has, or is likely to cost, less than £250 and are considered within emergency or urgent (Priority) category	<p>Compensation is payable is £10, plus £2 for every day the repair remained outstanding following the completion date as stated in the second repair notice. The maximum payable is £50.</p> <p>Compensation will not be paid: if the repair has not been reported to Housing 21; the works required are so extensive that further inspections and estimates will be needed before the work can be carried out; the resident has been uncooperative with the contractor in providing access for the work to be carried out and this is shown as such after investigation; the repair is not the responsibility of Housing 21, or is as a result of damage, neglect or</p>	RHM/ECM

Incident	Compensation event	Compensation guidance	Authorisation
		waste by the occupant	
Failure to deal with a complaint	Fail to meet our agreed service standards on responding to, or dealing with a complaint. Failure is in excess of 5 additional working days and not previously agreed	Payment limited to £100 per resident per complaint. Resident to demonstrate that the delay caused undue distress, inconvenience or additional expense	RHM/ECM
Destroyed or Damaged items	Where items have been destroyed or damaged as a result of our actions or inaction	Cost of replacement. Receipts or proofs of purchase may be asked for.	RHM/ECM
STATUTORY			
Home Loss	Permanent move due to decommissioning or redevelopment	Set at a prescribed minimum of £5800 (2017) – refer to current legislation. Dispersements up to £500	Head of RH/EC
Discretionary Disturbance Payments	This may occur during major refurbishment works and may be payable dependent upon the severity of the disturbance to the resident	Limit for payments is £500 per household	Head of RH/EC
Right to compensation for improvements works carried out by resident	Where a qualifying improvement to a residents homes has been carried out	Any compensation paid will take into account the value of the work, how old it is and how much life is left in the improvement. Claims for any compensation for improvement works should be made no more than 28 calendar days before or 14 calendar days after the tenancy is terminated. Compensation is only ever paid at the end of the tenancy. The maximum compensation currently payable under this scheme is £3,000 and there is provision for us to deduct from	Head of RH/EC and National Property Services Manager payments up to £1,000. Payments of £1,000 - £3,000 will be approved by a Director

Incident	Compensation event	Compensation guidance	Authorisation
		any sum payable any debts owing: e.g. dilapidation, rechargeable repairs, rent arrears and court costs.	