

Policy	Compensation policy
Date adopted	25 July 2019
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Version	2019 v1
Responsible board	Group board
Responsible officer	Head of customer services

1. Overall Policy Statement

- 1.1. The Housing Plus Group recognises that there will be circumstances where a payment of compensation may be required to be made to customers. This will usually be because there is a legal or regulatory requirement to make a payment or there is a need to make recompense for poor service or a service failure.
- 1.2. This policy provides a framework for the payment of compensation. It makes clear the circumstances under which compensation will be considered and the principles covering payments.
- 1.3. This policy applies to all organisations in the Housing Plus Group.
- 1.4. The policy does not apply in respect of
 - ♦ outright sale of properties to customers of Severn Homes; and
 - ♦ matters referred to insurers for consideration.
- 1.5. This policy should be read in conjunction with Housing Plus Group's Complaints and Customer Feedback Policy, which is designed to be used by customers who feel they have experienced a service failure.

2. Policy Detail

- 2.1. There are several circumstances where compensation may be payable.

Legal Compensation

- 2.2. Several laws set out where compensation should be paid to customers. These are not included in this policy and are:
 - ♦ Home loss and disturbance payments where a customer is forced to move out of their home due to redevelopment or major works (this is covered in the existing Decant Policy).
 - ♦ Payment of compensation for improvements made to a property by a customer who then moves out of the property (this is covered in the existing Property Improvements Policy).
 - ♦ Payment under the Right to Repair where the landlord has failed to undertake repairs in certain circumstances (this is covered in the existing Repairs Policy).

Regulatory Compensation

2.3. A regulator (such as the Housing Ombudsman or Information Commissioners Office) may make an award of compensation to a customer following an investigation.

Discretionary Compensation

2.4. Housing Plus Group acknowledges that we do not always meet the standards of service we set ourselves and that customers expect. We understand that such a failure can cause loss, damage or inconvenience to our customers.

2.5. Where we recognise things have gone wrong, we may offer compensation. Every case will be considered on an individual basis and the award of compensation will be approved at senior management level within the organisation.

2.6. Housing Plus Group will only usually consider making a payment of compensation if it has failed to meet published standards or has been clearly negligent and this negligence has resulted in the loss or damage for which the claim is made. Our prime focus in dealing with complaints is to resolve and learn from them, and the offer of compensation is the exception, not the norm. However, discretionary payments may be made in order to settle a complaint or as a goodwill gesture following on from a complaint.

2.7. Should a complainant have incurred material loss then the compensation offered will reasonably reflect this.

2.8. Housing Plus Group may consider a discretionary payment of compensation (dependant on tenure) in the following circumstances:

- ◆ Prolonged loss of the use of part of the dwelling, through no fault of the occupants, due to avoidable circumstances and as a result of action or lack of action by Housing Plus Group.
- ◆ If repair or improvement work undertaken by Housing Plus Group has not met; our published standards. and this has caused the customer significant inconvenience or disruption.
- ◆ Major loss of or disruption to services for which the customer pays a service charge. For example reimbursement of service charges for prolonged non-provision of a service may be appropriate where the customer pays a service charge and where Housing Plus Group has failed to provide the service.

2.9. The most likely circumstances in which a compensation payment may be made are:

- ◆ Damage to possessions and/or decorations resulting from a service delivery failure. (This may be referred to our insurers)
- ◆ Additional costs incurred (e.g. due to a faulty heating system).
- ◆ Loss of amenity (i.e. loss of use of a room).
- ◆ Inconvenience/distress caused due to an unacceptable delay in resolving a reported repair or other service area problem where Housing Plus is at fault and/or where a service standard has not been met.
- ◆ Significant failure to deliver services for which a service charge is made (i.e. cleaning or grounds maintenance).

2.10. Some claims may cover a combination of circumstances.

2.11. Housing Plus Group may not pay compensation in the following circumstances:

- ◆ When the resident has failed to take out insurance for their home contents.
- ◆ When the loss or damage has been caused by the resident or a member of their family or visitor.

- ◆ When a resident does not allow access to contractors to carry out a repair.
 - ◆ When unforeseen works are required and the resident has been kept informed.
 - ◆ When the loss/damage is caused by another resident or neighbouring occupier (e.g. a leaking washing machine).
 - ◆ When the resident has not reported the loss or damage within a reasonable timescale (usually three months), and has not retained damaged items claimed for inspection.
 - ◆ When the damage is caused to items covered by the residents home contents insurance (an excess may be paid if Housing Plus Group is at fault).
- 2.12. Each claim will be considered individually, taking into account the nature of the service failure and the effect on the household.
- 2.13. The customer should have reported the problem to Housing Plus Group in a timely way and have taken reasonable steps to avoid further damage or loss (for example, moving items away from an area affected by damp or a leak). If this has not happened, Housing Plus Group reserves the right to reflect this failure in the level of any compensation payment that may be offered.
- 2.14. Housing Plus Group may in some cases, at their complete discretion, make a payment for loss of an amenity without the customer making a claim (for example where there has been a lack of heating and hot water) if we become aware of the situation.

3. Making a Compensation Claim

- 3.1. A claim for compensation can be made in a number of ways but does need to be confirmed in writing. The details of the claim must be clear as well as the specific items for which the customer is claiming, (if appropriate) and where possible, supported by evidence or expenditure incurred. The customer will be expected to provide reasonable evidence of damage or loss (for example, photographs, copies of utility bills etc).
- 3.2. Compensation claims will be acknowledged and responded to within timescales agreed with the customer.
- 3.3. Housing Plus Group may need to inspect the items claimed for and if the damaged items are not kept for inspection then compensation may be refused. Compensation may also be refused where the items or decorations are covered by an insurance policy held by the customer.
- 3.4. Compensation will be based on the original cost of the items adjusted, if appropriate, for age and reasonable wear and tear. If receipts are not available then a reasonable estimate will be made.
- 3.5. Housing Plus Group may, at its absolute discretion, refer claims for compensation to its insurers for consideration if this is considered appropriate.
- 3.6. If the customer is not satisfied with the outcome of their compensation claim then dependant on the nature of the claim, they may be able to pursue the matter through the Group's Complaints Policy.

Damage to Decoration

- 3.7. In the case of avoidable damage to decorations caused as a result of action or lack of action by Housing Plus Group, the preferred course of action is to agree with the customer to supply materials and for them to carry out the necessary decorations. There may, however, be occasions when Housing Plus Group may agree to carry out the remedial works.
- 3.8. Housing Plus Group will only usually undertake to compensate the customer for the area of decoration damaged i.e. we will not be liable to redecorate the whole room.
- 3.9. Any damage to decoration as a result of planned improvements is covered in the Property Improvements Policy.

Loss of Amenity or Service

- 3.10. If customers suffer the loss of use of individual rooms because of an avoidable delay in carrying out repairs or a result of action or lack of action by Housing Plus Group, compensation can be considered.
- 3.11. Compensation will be considered once the repair completion deadline has expired and the repair is still not complete. It will be based on an assessment by Housing Plus Group, which will reflect the individual circumstances of the situation and the resident and their family.
- 3.12. For lack of heating and hot water, where possible, additional heating will be provided whilst repairs are being carried out as per the Repairs Policy.

Contents Insurance

- 3.13. All customers are encouraged to take out their own contents' insurance. Customers will be encouraged to make a claim on their household insurance as this may expedite the claim process. If the customer has no contents insurance, Housing Plus Group will consider whether or not it is appropriate to make a claim to its own insurers.

Payments

- 3.14. All payments of compensation will generally be made "without prejudice" and "in full and final settlement".

Deductions from compensation payments

- 3.15. Deductions from any compensation payments may be made if a customer owes us money (for example, rent arrears). In accordance with Ombudsman guidance deductions will not be made from compensation payments made for material losses.

4. Resource Implications

- 4.1. Resources will be made available for compensation payments to customers

5. Risk Assessment

- 5.1. The following risks from the Housing Plus Group risk register are relevant:
 - ◆ The Group fails to maintain Consumer Standards in line with the objectives and framework set out by the Government.
 - ◆ The Board does not govern effectively in line with Regulator's guidelines and the Group's governance rating is downgraded

6. Consultation

- 6.1. Consultation has taken place with the Customer Panel and the policy adjusted to reflect their feedback

7. Regulatory Issues

- 7.1. The main Regulatory Standard that this policy relates to is the Involvement and Empowerment Standard which requires housing providers to have an approach to complaints that is clear, simple and accessible that ensures that complaints are resolved promptly, politely and fairly.
- 7.2. The Housing Ombudsman Service states that Landlords are expected to have a compensation policy which provides guidance on when it will consider offering discretionary compensation.

8. Links to Other Policies, Procedures or Documents

Complaints and Customer Feedback Policy

Decants Policy (statutory Home Loss and disturbance payments)

Property Improvement Policy (compensation for improvements)

Repairs Policy (right to repair)

Care Plus - Duty of Candour Policy

Housing Ombudsman Service Guidance on Remedies

9. Monitoring and Review

- 9.1. Expenditure on compensation and the number of payments made will be monitored and reported quarterly.
- 9.2. This policy will be reviewed every three years or as required if legislation, regulation and/or good practice change.

10. Impact Assessments

- 10.1. In writing this policy we have carried out an equality impact assessment. We are committed to giving an equal service to all. Any action under this policy will comply with current equalities legislation.
- 10.2. The policy does not involve the use of personal, sensitive information so it has not been necessary to carry out a privacy impact assessment.



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