

Policy

Compensation

Policy author (name and title)	Business Improvement Team
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Review Frequency	3 years (or sooner, in response to legislative, regulatory or policy changes)
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Has this policy been signed off by the Client Forum (if applicable)?	6 February 2024
Affected	All staff

Values

Respect	Empowerment
<ul style="list-style-type: none"> Value diversity and fairness Act with honesty and integrity Treat people with care and compassion 	<ul style="list-style-type: none"> Support the needs of each individual Encourage personal development and independence Provide safety, stability and security
Responsibility	Excellence
<ul style="list-style-type: none"> Work together, in partnership Take responsibility for our actions Continue learning and improving 	<ul style="list-style-type: none"> Provide a first-class service Deliver excellent value for money Explore innovative ways of working



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1. Introduction

About this policy

- 1.1. This policy aims to make sure that we put things right where something has gone wrong. We will aim to fix something so that you can be in the position you would have been in if we had not made a mistake.
- 1.2. There are a range of different solutions and remedies we will offer to put things right. One of those ways is to offer financial compensation and this policy sets out how we will do that where it is the most appropriate remedy. You do not need to make a formal complaint to ask us for compensation for something.

2. Related Policies

Other policies that support this Compensation Policy

- 2.1. This policy deals specifically with compensation we may offer where we have not met our own service standards. This includes where contractors have not provided a service to the level we expect.
- 2.2. When we are dealing with compensation we may also use these other policies and procedures to help resolve the issue:
 - a. Complaints
 - b. Unacceptable Behaviour
 - c. Reasonable Adjustments
 - d. Vulnerability

3. Legislation and Guidance

The laws and rules we have to follow

- 3.1. We have to follow the law as it is set out in the Equality Act 2010. We may need to adapt our normal policies, procedures, or processes to meet your needs.
- 3.2. We also follow the rules from the Housing Ombudsman Scheme in their Complaint Handling Code, and the Regulator for Social Housing, in their Economic and Consumer Standards.

4. Definitions

How we define compensation

- 4.1. There are three different types of compensation:
 - a. Compensation we have to pay by law (“mandatory payments”)
 - b. Compensation we can choose to pay (“discretionary payments”)
 - c. Compensation where you have spent money already (“quantifiable loss payments”)
- 4.2. **Compensation we have to pay by law:**
 - a. **Home loss** – We will make this payment to you when you have lived in your home for 12 months or longer and we need you to move out permanently because we need to redevelop or demolish the building. The Government decides how much we have to

pay. At the time of writing this policy the figure is a minimum of £7,800. You can find more information about this [here](#).

- b. **Disturbance** – We will make a Disturbance payment at two different times. Either:
- We need you to move out permanently and you have lived in your home for less than 12 months, or
 - We need you to move to another home temporarily while we carry out some works, but you can move back home when we have finished them.

We will offer you an amount to cover reasonable moving costs and we will agree this with you before you move.

4.3. Compensation we can choose to pay

When we have not done something in the way we should have, or we have not done something at all when we should have, we may offer you some money as part of our offer to put things right. Some examples of where we might do this are:

- When we have not handled your complaint properly
- When we have taken longer to do something than we should have, like fix a repair or contact you when we said we would
- When we have charged you for something, but we have not delivered that service
- When you have lost an amenity (like gas, electricity or water) for a period of time where we were responsible for fixing it
- When you haven't been able to use part of your home
- When we have not followed our policies or procedures properly
- When we have taken an unreasonable amount of time to resolve a situation
- When a colleague or a contractor has accidentally damaged something in your home and there is clear evidence where we all agree it was our mistake

4.4. Compensation where you have spent money already

If an issue that we are responsible for means you had to pay for extra items or services, we can pay you this money back. Some examples of this are:

- a. When your heating bills have cost more because we haven't fixed something
- b. When we agree you had to pay for somewhere else to stay, or for food and drink, and we didn't help with this
- c. When you had to pay for cleaning after large scale repairs because we did not do it to a good standard
- d. When you had to pay someone else to fix something because we did not repair it after you reported it to us

In all of these situations the cost must have been reasonable, and you will need to show us receipts for the costs you had to pay.

5. Exclusions

There are some things we will not pay compensation for

5.1. We will not make a payment for:

- a. **Claims for personal injury** – These types of claims will be considered by our insurers. If you think we are responsible for a personal injury to you, you can make an insurance claim against us
- b. **Damage to property or belongings** – Where something has been damaged and there is no evidence it was caused by us or our contractors, we will not pay compensation for

- the damage. You can make an insurance claim for this against your own contents insurance policy.
- c. We may agree extra time for you to remove some items from your home after you move out, but we will not offer compensation for those items if you don't move them in the time we agree and we have to clear them for you.
 - d. **Claims for damage caused by something beyond our control** – for example if there is a storm or a flood which impacts you, we will not offer compensation because we cannot control those types of things
 - e. **Problems caused by a person or company that were not working for us** – We will only consider compensation where our own colleagues or our contractors are responsible for any issue

6. Other Remedies

Other ways we might put things right

- 6.1. We might put things right for you in different ways instead of offering you compensation, depending on the situation. These include:
 - a. Redecorating part of your home when we would usually ask you to do this
 - b. Offering you vouchers or a goodwill gesture
 - c. Paying for some support for you for a period of time
 - d. Supporting you to move home if a situation is serious enough and we cannot fix it another way.

7. Our approach to compensation

How we deal with compensation

- 7.1. Where something has gone wrong, we will recognise that and take responsibility for any errors we have caused.
- 7.2. Where we offer compensation, we will make sure it is fair and proportionate. Any offers we make will consider any similar situations we have reviewed before.
- 7.3. We will consider each case based on what has happened and the impact it has had on you. This will include:
 - the extent of the issue,
 - how long it has been going on, and
 - any needs or circumstances you have that might have made it worse for you, that we should have considered sooner.
- 7.4. We will make a decision on your compensation within 10 working days. This will form part of your complaint case where you have logged a formal complaint with us. If you have not logged a formal complaint, we will start the 10 working day timeframe from the day you send us all the information we need to be able to make a decision.
- 7.5. We will tell you clearly what we are offering you and exactly what it is for. We will tell you what you need to do to accept or decline the offer. If you accept it we will tell you how and when we will pay you. If you decline it we will tell you what your next options are, if there are any.

- 7.6. If something has gone wrong that affects more than one household, we will offer compensation to everyone that is affected. For example if you have no hot water for longer than is reasonable where it is our responsibility to fix it, and more than one person in your area is affected, we will offer compensation to everyone, not just the person that reported it.
- 7.7. If you are not happy with the amount of compensation we offer, you can appeal this in the following ways:
- a. If you have asked us for compensation outside of a formal complaint case and you are not happy with our offer, you can make a formal complaint and this will be reviewed as part of that process.
 - b. If you have a formal complaint at stage one and you are not happy with any offer, you can escalate your complaint to stage two.
 - c. If you have a formal complaint at stage two and you are not happy with any offer, you can escalate your complaint to the Housing Ombudsman.
- For b and c above, please see our complaints policy for more detail.

8. Calculating Compensation

How we will work out the amount we offer you

- 8.1. Where there are a number of things for us to consider, we will follow the Housing Ombudsman's guidance as below.
- a. **Mild Impact**
Where the impact of the mistake lasted for a short time and we have fixed the issue quickly without a significant impact on you, we will use the Housing Ombudsman's guide of £50 to £100 compensation. This is likely to include distress, inconvenience, the time and trouble you have taken to make a complaint, disappointment, loss of confidence in us or delays in fixing the issue. It is likely to be for a minor service failure where we did not acknowledge or fix something when you first told us about it.
 - b. **Moderate Impact**
Where the impact of the mistake is bigger but not permanent, and where the issue lasted longer than should have been expected, we will use the Housing Ombudsman's guide of £100 to £600 compensation. This is likely to include the things we have listed above, as well as a service failure where you have been negatively affected and we have not put it right.
 - c. **Severe Impact**
Where the impact of a mistake has caused you a significant physical or emotional impact or has (or will have) a severe long-term impact on you, we will use the Housing Ombudsman's guide of £600 to £1000 compensation. This is likely to include things like distress because you had to move out or you could not use a room temporarily; or a long time passed before we fixed the issue. The issue might have been going on for a really long time, or it could be an issue that keeps repeating and we have never fixed it fully.
- 8.2. **Compensation where you have spent money already**
If we are paying you back for something you have already paid for, you will need to show us receipts for the costs you had to pay, and we must agree that they were reasonable and necessary costs for the situation.

9. Making your payment

How we will give you your payment

- 9.1. If we are offering you compensation that we have to pay by law (mandatory payments) or giving you money back that you have already paid out (quantifiable loss payments), we will pay this into your bank account if you have one. We will make this payment within 20 working days once we have your bank details. If you do not have one, we can credit your rent account or we can offer you vouchers instead of money at your request.
- 9.2. If we are offering you compensation as part of putting something right (discretionary payments) we will pay this direct into your bank account if you have one. We will make this payment within 20 working days once we have your bank details. If you have a debt on your rent account or you owe us money for anything else, you can ask us to credit your compensation against your debt.

Appendix 1 – Compensation Policy Flowchart Summary

Compensation we must pay by law

Where we owe you compensation that we must pay by law, we will confirm this with you and pay it in to your bank account within 20 working days of you giving us your details.

Compensation for money you already spent

Where you ask us for compensation for money you have already spent, we will decide if we made a mistake within 10 working days.

If we are paying you back, we will pay this into your bank account within 20 working days of you giving us your details.

Compensation for things that went wrong

We will consider remedies as part of every complaint case, this includes considering compensation. We will also consider compensation outside of a formal complaint case where you have asked us to. We will decide both cases in 10 working days.

We will confirm if the issue is something we pay compensation for, or if you need to make an insurance claim.

Where we consider the issue under the compensation policy, we will check all the information to confirm if we have made a mistake.

Where something has gone wrong, we will consider:

- the extent of the issue,
- how long it has been going on
- any of your needs or circumstances that might have made it worse

We will tell you what we will do to put things right. This might not be by paying you money.

If we are paying you, we will tell you how much we're offering and exactly what it is for.

We will ask you to send us your bank details so we can pay the money direct into your bank account.

We will process the payment within 20 working days of receiving your details.

If you're not happy with an offer you can create a complaint case if you haven't already, or escalate an existing complaint.