

Compensation Policy

Linked strategies	Finance
Version	3
Date approved by (State by whom and when)	SMT – January 2020
Policy level	3
Agreed by Union (If applicable)	Not applicable
Date effective	January 2020
Date of next review	3 years from above date
Policy Owner	Head of Customer Experience



1 Policy Statement

- 1.1 We are committed to providing great services and high-quality living environments to our customers. This policy provides a fair and consistent approach in the consideration of compensation payments.
- 1.2 We will adhere to all legislation and regulation and will seek to deliver a compensation service that is fair and reasonable.
- 1.3 A compensation procedure and guidance note will support this policy to ensure that all compensation requests are dealt with consistently and payments are made in a timely fashion.

2 Scope

- 2.1 This policy applies to Greatwell Homes customers and covers discretionary and non-discretionary compensation payments to our customers that arise as a result of service failure including loss or damage to personal goods. This policy does not include services related to our commercial relationships with other parties. This policy does not cover Home loss payments or Disturbance payments which are covered by the Decant Policy. Compensation payments in terms of this policy are outside of any insurance payment.

3 Definition

- 3.1 Compensation is defined as “something” (monetary or otherwise) given or received as payment or reparation in recognition for an unsatisfactory service, or loss. Compensation does not necessarily imply liability on the part of Greatwell Homes.

4 Principles

- 4.1 To provide good customer service, recognising that we don't always get it right and in certain instances customers should be compensated.
- 4.2 To comply with regulatory requirements and best practice.
- 4.3 To ensure that each claim for compensation is assessed on its merits and decisions based on individual circumstances, taking in to account all relevant known circumstances and supporting evidence.

5 Compensation Overview

5.1 Compensation may be paid in the following situations:

- Accidental damage to the tenant's property;
- Where we have failed to carry out certain repairs without reasonable justification;
- Where a customer who is moving out of our property has made certain improvements to their home;
- Loss of the use of rooms, only where we are at fault;
- Where a tenant's electricity has been used excessively to carry out works;
- Additional electrical costs incurred using temporary electric heaters following the loss of heating and hot water;
- Severe inconvenience due to lack of service;
- Compensation for upheld complaints where significant loss, including 'time and trouble' has been incurred;
- Following an Ombudsman recommendation;
- Other situations as agreed by the relevant Head of Service.

5.2 Compensation *will not be paid in the following circumstances (please note this list is not exhaustive and should be used for guidance):*

- When all statutory and contractual obligations have been fulfilled.
- When contractors have been unable to gain access to the property to complete a repair
- When further work is needed that could not have been anticipated and the customer has been kept informed
- When the loss or damage has been caused by the customer, a member of their household or a visitor.
- Where we have disposed of an item or possession left on our property without our permission and reasonable notice has been given.
- When the damage occurred as a result of an unauthorised alteration to the property carried out by the customer or work not completed to our stated standard
- When the loss or damage has been caused by a third party or contractor that is not acting on our behalf.
- When the customer has not claimed for lost or damaged items in the stated timescale and they are unable to produce the damaged items for inspection.
- The works exceed the initial diagnoses that further inspections and

estimates are carried out.

- The repair cannot be carried out because of circumstances beyond our control, e.g. Parts on order, adverse weather, failure of public utility supply.
- Larger items of repair and cyclical maintenance will be part of a planned programme.
- Repairs covered by Rechargeable repair policy will not be included. We will not compensate for any loss of earning; it is the customer's responsibility to make suitable arrangements if required.

5.3 Any assessment/determination concerning a compensation payment, for example the level of inconvenience, the excessiveness of electricity use, the reasonableness of justification to carry out repairs, etc. will be made by us.

5.4 Customers are expected to take out content's insurance, and compensation will only be paid for damage to customers' own furniture or personal property in exceptional circumstances, generally where we feel we have been negligent.

5.5 Where accidental damage occurs to a customer's belongings as a direct result of action by our staff or agents, we may advise that the customer should claim through their own home contents insurance, but we will review each case on its circumstances.

5.6 Customers are encouraged to report incidents where they are unhappy with the service they have received. In such cases offering a small amount of compensation may be appropriate to recognise any inconvenience caused.

5.7 Where payments are to be offered, consideration will be given to adding the payment to the customer's account where there are arrears and where such action will not have a detrimental impact on the customer.

5.8 Where the customer experiences unexpected household costs, electricity for example, as a direct result of a service failure, consideration should be given to making the payment direct to the customer to avoid hardship.

5.9 Claims for compensation should be made with 28 days of the event unless there are exceptional circumstances.

5.10 Failure to carry out certain repairs

5.10.1 Some customers have a right to claim compensation where certain urgent repairs are not completed on time; this right will be set out within the tenancy

agreement. A list of qualifying repairs can be provided upon request. This right applies to Fixed Term, Assured, Rent Plus, Rent to Buy and Market Rent tenancies. When a new build property is still within the one year defects period, it should be noted resolution with the contractor should be sought to resolve a repair issue and as such falls outside of this policy. This right does not apply to leasehold properties, shared ownership properties, temporary accommodation, or communal areas.

5.11 Compensation where customers have made improvements to their home

5.11.1 In accordance with the Landlord and Tenant Act 1972 (Compensation for Tenant's Improvements), tenants have a right to claim compensation for certain improvements they have made to their homes, providing they received our permission to carry out the work. Compensation is only payable at the end of the tenancy. A list of qualifying improvements can be provided on request.

5.11.2 The amount of compensation is calculated according to a formula set down in legislation, which involves the "notional life" of the improvement.

5.11.3 Compensation will not be paid where the formula produces an amount less than £50. The maximum compensation is £3,000. The claim for compensation must be made in writing between 28 days before the actual end of the tenancy or up to 14 days after the tenancy has ended.

5.11.4 This right does not apply to leasehold properties, temporary accommodation, and tenancies within their probationary period.

5.12 Compensation for loss of facilities

5.12.1 If a customer loses the use of part or all of their home and amenities, compensation will be considered, but not automatically granted. No retrospective payment will be made if a customer has been decanted from their property as a result of a repair.

5.12.2 In respect of loss of rooms, when tenants are unable to use one or more rooms in their home for 24 hours or more (or at least overnight). This will depend on the circumstances in each case and will only apply where we are at fault. The rent charged will be used as the basis for calculation and the calculation will be made on a daily basis. Generally, these payments will not exceed the following amounts:

Kitchen:	50% reduction of the full rent for the period
Toilet:	50% reduction of the full rent for the period, unless there is another toilet in the home.
Bathroom Washing Facilities:	25% reduction of the full rent for the period
Living room:	20% reduction of the full rent for the period
Bedroom:	20% reduction of the full rent for the period. If the property is under-occupied and no person is using the room or there is another room available, no compensation will be payable.

5.13 Where a customers' electricity has been used to carry out works

5.13.1 A customer will be entitled to compensation if their electricity supply has been excessively used for carrying out repair or improvement works, such as drying out using industrial heaters or dehumidifiers. This will generally be paid at a rate of £3 per day, per appliance provided.

5.13.2 Reimbursement for additional electricity usage may also be considered if electric heaters are provided during a period when the heating installation has failed.

5.14 Severe inconvenience due to lack of service

5.14.1 If we fail to provide a particular service for which a tenant or leaseholder pays a full-service charge for a continuous period of 7 days, and this has caused severe inconvenience, e.g. where a lift is not working, a payment of compensation will be considered. Such payments will be at the discretion of the relevant Manager based on the severity of the inconvenience.

5.15 Compensation for upheld complaints

5.15.1 From time to time it may be necessary to offer compensation payments in settlement of formal complaints. Unless determined by the Housing Ombudsman, such compensation is at our discretion depending upon the circumstances of the complaint.

6 Responsibilities

- 6.1 The Head of Customer Experience will be responsible for the implementation and any review to this policy.
- 6.2 All Heads of Service and Managers are responsible for ensuring that their teams are aware of this Policy and its related procedures and the limits as set by the Further Delegations Framework and Financial Regulations.

7 Review

- 7.1 This Policy will be reviewed every three years or in line with changes in legislation, whichever is the sooner, updates or recommendations for changes will be presented to the Senior Management Team.

Associated Policies	Associated Procedures
Customer Concerns & Complaints	Compensation Guidance
Decant Policy	Feedback and Complaints
	Decant Procedures