

Compensation Procedure

Linked policies	Compensation Policy
Version	2
Date approved by	June 2023 – Head of Customer Excellence
Date effective from	June 2023
Date of next review (Three years from approved date)	June 2025
Procedure owner	Customer Experience Manager



1 Introduction

- 1.1 This procedure sets out the process and guidance to support our Compensation Policy.

2 Legislative Context

- 2.1 This procedure has been developed to adhere to all legislation and regulation and will seek to deliver a compensation service that is fair and reasonable.

3 Scope

- 3.1 This procedure applies to Greatwell Homes customers and covers both mandatory and discretionary compensation as well as goodwill payments that arise because of a service failure on our part.

This procedure provides the working methodology for the management of discretionary and non-discretionary compensation payments to ensure that each claim for compensation is assessed on its own merits and decisions based on individual circumstances, taking in to account all relevant known circumstances and supporting evidence.

It is designed to aid staff in ensuring compensation payments are dealt with consistently and made in a timely fashion.

3.2 Exclusions

This procedure does not include services related to our commercial relationships with other parties.

This procedure does not cover Home Loss payments or disturbance payments which are covered by the Decant Policy. Compensation payments in terms of this procedure are outside of any insurance payment.

4 Definitions

- 4.1 **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.

Goodwill gesture – is defined as “a small token to, say sorry or show

gratitude” – this may be monetary or otherwise..

4.2 **Customer** - A tenant, leaseholder, shared owner of Greatwell Homes or an individual receiving a service from us.

5 **Compensation Payment guidelines**

5.1 We pay compensation payments directly to a customer’s bank account, so long as there are no current rent arrears. If a customer has rent arrears or any other debt (recharge debt) a compensation payment will normally be credited against the appropriate debt in the first instance. There are *circumstances*, we may consider a direct payment to the customer to be appropriate, whereby it would cause extreme hardship to customer e.g., payment to cover the cost of temporary heaters/dehumidifier.

5.2 Compensation payments awarded by the Housing Ombudsman Service (HOS), separate from any compensation we may have already offered or paid, **will not** be offset against arrears or any other debt, and will be paid directly to the customer.

5.4 If a customer does not agree with a compensation award offered at Stage 1 of the complaint process, they can appeal within 20 working days, telling us why they remain unhappy and what they consider to be an acceptable amount and rationale for their request. We reserve the right to request evidence to support a compensation payment request, e.g., claim for loss of earnings.

5.4 When a customer escalates their complaint to Stage 2 of the complaint process, an independent review of the compensation offered will be made by the Head of Service undertaking the Stage 2 investigation, it will not be less than the original offer made as part of the Stage 1 resolution.

5.5 **To assess compensation**, we consider the following factors:

- The severity of the time, trouble and inconvenience suffered and whether we may have been able to avoid the situation.
- Whether we have already provided non-financial compensation. For example, if we have carried out additional work and completed repairs.
- An assessment of whether the customer could have avoided the loss or inconvenience.
- Any known costs that have been reasonably incurred e.g. increased energy bills due to a failure to complete a repair.
- Any household vulnerabilities, including age or disability, where we

were reasonably aware of these.

- Whether we have failed to follow policies and procedures.
- The time it has taken for us to resolve a problem.
- The cumulative impact that a series of events or failures may have had on a customer.
- If there are any statutory payments, such as home loss payments, due.

5.6 When considering a complaint, we will investigate and consider someone's time, trouble, inconvenience, and impact of the situation as below:

Reason	Amount Payable
Total or partial loss of heating after the first 24 hours – payable towards the cost of temporary heating	*£4.00 per heater, per day
Cost of additional electricity when we have supplied a dehumidifier	*£4.00 per day, per humidifier
Minor disruption/impact of service failure	up to £50
Moderate disruption/impact of service failure	between £50 to £150
Extensive disruption/impact of service failure	£150 +

*Note: reviewed 2023 due to the significant rise in energy costs – as such we reserve the right to reduce the amount payable, subject to a reduction in standard electric charges, and the amendment of this procedure.

5.7 We only pay compensation for repairs if we have failed to complete the repair within our published guidelines.

5.8 **Room loss allowance** - We will assess whether a room or property is unusable when an authorised representative of Greatwell Homes attends, after a customer has requested a repair. For each unusable room, a customer can receive a percentage of the weekly rental charge, up to a maximum of 50%, as compensation using the guide below:

Room	Percentage of weekly rental charge
Kitchen	25%
Bathroom	25%
Bedroom	20%
Living Room	10%

6 Compensation Payment process

6.1 Requirement for a compensation payment identified - either from a complaint or concern resolution, general service delivery failing or temporary heater

payment due to loss of heating whilst awaiting a repair.

6.2 The customer will be asked to confirm their bank details by email to the officer managing their compensation payment *(for those customers who do not have access to email, verbal confirmation will be accepted please refer to paragraph 6.6)*

6.3 Once email confirmation of bank details from customer have been received a Compensation Request form should be completed by the officer dealing with the customer and include:

- Customer's full name and address, including postcode.
- Name of person on bank account
- Name of bank
- Account number
- Sort code

A full description of payment needs to be detailed within 'reason for payment' If the compensation payment links to a complaint or concern, please detail complaint or concern reference number.

6.4 The name and job title of the person raising the compensation request form must be detailed, along with the date of the compensation being raised, before the compensation request form can be passed for authorisation. It must be authorised by the relevant budget holder and in line with GDF and Financial Regulations *(see table 1 for authorisation levels)*

Table 1

	ED (RFT)/CE	Exec Dir	Head Service	Manager	Tm Leader
Compensation payments	Up to £10,000	Up to £5,000	Up to £2,500	Up to £1,000	Up to £500
Goodwill payments	Up to £5,000	Up to £1,000	Up to £500	Up to £100	Up to £30

6.5 The 'evidence' tab on the compensation request form must also be completed. This needs to be a screenshot of the email confirmation received from the customer confirming their bank details. This should be copy and pasted onto the evidence tab and saved.

6.6 For customers with no email. The officer raising the compensation must email the person authorising the payment, confirming they have taken receipt of the

customer's bank details over the phone. A screen shot of this email then needs to be taken and pasted onto the evidence tab and saved. A member of the Finance team will then verify the bank details with the customer prior to the payment being made.

- 6.7 A service desk ticket (payment request) should then be raised to Finance by the officer dealing and a copy of the authorised Compensation Request form uploaded onto the service desk ticket – ensuring that the ticket subject heading details the address of customer and value of compensation payment. If the payment links to a complaint or concern, ensure the reference number is also detailed.
- 6.8 Once the compensation payment request form has been submitted to Finance, the payment needs logging on the Compensation payments spreadsheet in teams. (If you are not a member, please refer to the Customer Experience Manager)
- 6.9 Log the payment onto the spreadsheet and include the ticket ID ref number – as this is used by Finance to cross reference their end.
- 6.10 Finance Team will then process the payment and detail this on the compensation payment spreadsheet.

Note: compensations payments can take between 5-7 working days to process prior to being submitted to the Finance team for payment. Once submitted they usually are paid within three working days (*in exceptional circumstances a same day or next day payment can be made where a delay in payment would cause extreme hardship to customer e.g., payment to cover the cost of temporary heaters*).

7 Data and Record Management Systems

- 7.1 All data and information relating to this procedure is kept within the Orchard housing management system, alongside a bespoke excel spreadsheet located on Microsoft teams. Access to the spreadsheet is restricted to those staff who are involved in this procedure.

8 Performance Management

- 8.1 There are no direct performance indicators that relate to this procedure.

9 Responsibility and Decision Making

9.1 The tables below illustrate the structure for responsibility and decision making in relation to this procedure

Person Responsible	Scope
Head of Customer Excellence	Overall responsibility for ensuring that all activities in the procedure are undertaken and all performance measurements are met
Customer Experience Manager	Responsible for ensuring all staff adhere to this procedure and meet individual performance measurements.
Customer Services Team Leader	Responsible for the raising and checking of all compensation payment request forms, ensuring that all information therein is correct.
Complaints Resolution Officer	Responsible for adhering to this procedure when calculating and offering compensation payments as part of Stage 1 complaint resolutions.
Finance Officer	Ensuring that IT service desk tickets are raised correctly. Ensuring the compensation payment request form has been raised and completed correctly and the information matches that logged in the compensation payments spreadsheet on Teams.

	Ensuring compensation payments are then made to the Customer and service desk ticket is closed down.
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10 Review

- 10.1 This procedure will be reviewed to comply with any changes in good practice, legislation, or regulation, and in line with the relevant current policy which will be no less than once every three years.

11 Appendices

- 11.1 Compensation payment request form