

# Compensation Policy

<b>Version:</b>	<b>1</b>	<b>Approved by:</b>	<b>Board</b>
<b>Effective Date:</b>	<b>20<sup>th</sup> September 2018</b>	<b>Approval date:</b>	<b>20<sup>th</sup> August 2018</b>
<b>Policy reviewer:</b>	<b>Knowledge and Feedback Manager</b>	<b>Policy owner:</b>	<b>Head of Relationships</b>
<b>Review period</b>	<b>2 years</b>	<b>Next review due by:</b>	<b>September 2020</b>

## **1. Purpose**

- 1.1 This policy sets out our approach to providing compensation to tenants, and other customers of Twenty11, in different circumstances, in a fair, consistent and proportionate way.
- 1.2 This policy does not cover any issues raised with us through the courts or legal representation, nor does it apply when a claim through insurance has been made.

## **2. Definitions**

- 2.1 In this policy, compensation is defined as discretionary recompense, including money or a gesture which may be provided by us when something goes wrong for a customer, or when a customer is inconvenienced as a direct result of our action or inaction.

## **3. Responsibilities**

- 3.1 It is the responsibility of every member of staff to ensure that any claim for compensation is dealt with quickly, effectively and in line with this policy.
- 3.2 Any person making a claim for compensation must provide honest and accurate information in relation to their claim and must be willing to provide supporting evidence if required.
- 3.3 It is the responsibility of our customers to have home contents insurance and to claim on this insurance when it is deemed appropriate to do so. This policy is not intended to replace or compensate for the lack of such insurance.
- 3.4 The Head of Relationships, or alternative Head of Service in their absence, has ultimate responsibility for authorising compensation requests. All requests will be scrutinised prior to any payment being authorised to ensure they are appropriate.

## **4. Legal Framework**

- 4.1 The main pieces of legislation are as follows:
  - Co-operative and Benefit Societies Act 2014
  - The General Data Protection Regulation (GDPR)
  - Data Protection Act 2018
  - Landlord and Tenant Act 1985

## **5. Key Principles**

- 5.1 Claims for compensation will be dealt with efficiently and sympathetically.

5.2 We will ensure this policy is in line with available good practice, regulatory and legislative requirements and we will comply with any statutory obligation to pay compensation.

5.3 This policy will be reviewed at least every 2 years unless otherwise required, i.e. due to regulatory or legislative change, or as an outcome of learning which has a material effect on this policy.

## **6 Policy Statement**

6.1 We are committed to providing high quality housing and excellent services for all of our tenants and local communities. We take pride in our work and we operate in a fair and open manner to build trust and mutual respect. However, sometimes things may go wrong, and customers may suffer inconvenience or loss as a result. When we fail to meet the standards, we have set out or that we are legally obligated to meet, compensation may be offered.

6.2 Each claim for compensation will be considered on an individual basis, considering all relevant known circumstances and supporting evidence or documentation supplied. Where evidence is requested and is not supplied, claims may not be considered.

6.3 We will not normally consider a compensation claim relating to an incident that the claimant knew about for more than 6 months before contacting us.

6.4 Compensation will be offset against arrears, service charges or other debts owed to us unless reimbursement is being made for loss and damage or costs reasonably incurred, where it will take the form of a financial payment to allow for the financial disadvantage of the individual to be corrected.

6.5 We will not pay compensation for:

- service failure where reasonable access has not been given to carry out our services; tenants are expected to provide up to date contact details to enable us to arrange access to carry out work, and to keep appointments made, if appointments are missed tenants are liable to obtain negative points on their Tenancy Sustainment Licence (see Tenancy Policy)
- loss that is due to negligence by the tenant, that is deemed to be the fault of a third party, or is beyond our control
- insurance claims relating to financial loss, damage to third party property or personal injury, as a result of our negligence, which will be dealt with in accordance with the insurance procedures
- claims of loss and damage against a third-party contractor which should be dealt with in accordance to the contractor's insurance policy
- cases where there is tribunal or legal proceedings under way
- cases where a compensation offer has been made but has not been accepted by the claimant within a period of 3 months
- short term nuisance caused by building works

- 6.6 Our Compensation Procedure defines the formulas and thresholds used to make compensation payments.
- 6.7 Compensation may take several different forms, including:
- 6.7.1 **Home Loss** – May be paid when an assured tenant has to move permanently from their home to make way for demolition and/or development. This would be a flat rate payment and will only be paid where the resident has been residing in the home for a minimum of 12 months. Payment will be divided equally between named tenants where applicable. The terms for making a home loss payment is set out in our Twenty11 Decant Policy.
- 6.7.2 **Disturbance** – May be paid to compensate tenants to cover reasonable costs involved in moving to another property temporarily or permanently due to major repairs or demolition. This is paid in addition to a home loss payment for a permanent move and will also include the reasonable loss caused by the disturbance to any authorised business or trade on the premises. Such payments will be assessed on an individual basis in line with our Twenty11 Decant Policy.
- 6.8 Goodwill compensation is discretionary and will be assessed on a case by case basis using the guidelines set out in the Compensation Procedure. Payments may not exceed the threshold of £150 set out in the Compensation Procedure without the authorisation of a member of the Senior Management Team.
- 6.9 Goodwill compensation may also take several forms, including:
- 6.9.1 **Service Failure** – Customers are encouraged to use our Feedback Policy to report incidents where they are unhappy with the service that they have received. In such cases offering a small amount of compensation may be appropriate to recognise any inconvenience caused.
- 6.9.2 **Loss of Amenities or Rooms** – If we are unable to complete a responsive repair within the set response times, in accordance with the schedule of rates in operation at the time, the tenant may have to cope without the use of amenities and/or rooms. In such cases, compensation may be awarded and will be calculated on the amount of out of use rooms and the amount of rent payable for the period between the target date for completion and the date the work is finished. A full list of qualifying repairs is set out in Appendix 1.
- 6.9.3 **Stress, Upset and Inconvenience** – We may decide that through our actions or inaction, we have caused a customer to experience stress, upset or inconvenience and as such may look to compensate them for this. We do not compensate for loss of earnings but may consider, for example, that if a customer had to take time off work, that this was an inconvenience.

**6.9.4 Loss and Damage** – While customers are expected to have appropriate home contents insurance in place, we may, at our discretion and on a case by case basis, issue compensation to customers as a result of decorations, furniture or personal items being damaged due to neglect by a member of staff where it can be reasonably proven.

For such claims to be considered the customer must notify Twenty11 as soon as possible and no later than 20 working days of the loss or damage occurring. Any damaged items should be retained for inspection. Where possible, compensation will be issued in the form of a voucher, considering the value of the goods at the time of the loss and/or damage rather than the full replacement value.

**6.9.5 Goodwill Gestures** – We reserve the right to choose, sometimes even without acceptance of fault, to offer a gesture of goodwill. This can take the form of a physical, token or financial gesture. Such gestures of goodwill will be considered on a case by case basis but should not normally constitute more than a value of £25.

**6.9.6 Costs Reasonably Incurred** - Some additional costs incurred by a customer as a result of a repair may be reimbursed to them in full or in part, for example where Twenty11 is required to provide the customer with a temporary heating source or dehumidifier. Where a customer is claiming compensation for costs reasonably incurred, appropriate supporting evidence may be requested for the claim to be considered.

## **6.10 Accessibility and Confidentiality**

**6.10.1** Claims for compensation can be made to anyone in the organisation through any supported channel. The Compensation Procedure should be used to guide staff through the process of capturing compensation claims to ensure they are dealt with quickly and efficiently.

**6.10.2** Claims for compensation may be passed to us on behalf of a customer by another person acting on their authority, although personal data will not be disclosed to any third party without prior written consent. We may choose to contact the customer to confirm authenticity of the claim.

**6.10.3** In cases where English is not a customer's first or preferred language, we will make every effort to offer limited interpreting or translation services to make the experience easier. However, customers may need to pay for their own interpreter if the solution offered is not adequate or they do not have a friend or family member to assist them.

**6.10.4** Where a customer has a communication difficulty such as visual impairment, may be hard of hearing or have poor literacy skills, we will work with that customer to find the best way of communicating with them.

6.10.5 We will keep all information about compensation claims confidential. We will not pass any information about an individual's claim to another person or organisation without first seeking consent, unless the claim relates to the action/inaction of one of our contractors, and there is a contractual obligation for them to compensate the customer directly.

## **6.11 Reporting**

6.11.1 Where appropriate, compensation payment data will form part of our complaints benchmarking submission to compare our performance against others.

6.11.2 Reviews of compensation paid will be conducted at least annually to ensure that this policy is being adhered to, and that we are actively working to learn from cases where compensation has been paid to reduce such situations occurring again.

6.11.3 We will include trends and lessons to be learnt from compensation paid, where they exist, within our monthly feedback reporting.

## **7 References**

7.1 Twenty11 is registered as a Community Benefit Society with the Financial Conduct Authority (FCA), under the Cooperative and Community Benefits Act 2014.

7.2 The Housing Ombudsman can enforce penalties for poor administration of our procedures or financial disadvantage/or loss suffered by the claimant and therefore we must ensure we apply this policy consistently and effectively.

## **8 Related Policies & Procedures**

- Twenty 11 Compensation Procedure
- Twenty 11 Feedback Policy
- Unacceptable Behaviour Procedure
- Twenty 11 Decant Policy
- Twenty 11 Repairs Policy
- Twenty 11 Tenancy Policy
- Twenty 11 Rent Collection & Debt Recovery Policy

**APPENDIX 1**

**Loss of Amenities or Rooms**

<b>Amenity / room lost</b>	<b>Compensation payable</b>
Amenity / room lost	Compensation payable
Entire kitchen	20% of the rent for the period
Entire bathroom	20% of the rent for the period, reduced to 15% if there is a separate WC
Entire living room	20% of the rent for the period
Entire bedrooms if used	10% of the rent for the period
Heating and hot water	20% of the rent for the period