

# Compensation Policy

<b>Policy Name</b>	<b>Compensation Policy</b>
<b>Effective Date(s)</b>	November 2023
<b>Approved By</b>	Customer Service Committee
<b>Approval Date</b>	November 2023
<b>Policy Owner/Dept</b>	Paula Marshall – Director of Housing & Customer Service
<b>Policy Author</b>	Darren Shelley - Head of Customer Service
<b>Review Date</b>	November 2025
<b>Version Number</b>	V1

Your Housing Group Strategic Priorities			
Safe	<input type="checkbox"/>	Viability	<input type="checkbox"/>
Landlord	<input checked="" type="checkbox"/>	Growth	<input type="checkbox"/>
People	<input type="checkbox"/>	Technology	<input type="checkbox"/>

<b>Relevant Regulation or Legislation</b>	<ul style="list-style-type: none"> <li>• <a href="https://legislation.gov.uk">Data Protection Act 2018 (legislation.gov.uk)</a></li> <li>• <a href="https://legislation.gov.uk">Equality Act 2010 (legislation.gov.uk)</a></li> <li>• <a href="https://housing-ombudsman.org.uk">The Housing ombudsman's Complaint Handling Code (housing-ombudsman.org.uk)</a></li> </ul>
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## 1. INTRODUCTION

Your Housing Group (YHG) is committed to consistently provide an excellent service to all our customers. However, we recognise that there are times when our service fails to meet the high standards we have set. If we fail to meet our own service standards or provide a poor service, we aim to put things right. At times this may involve paying compensation.

## 2. PURPOSE

The purpose of this policy is to provide redress to ensure a person is returned to the position they were in before the service failure occurred. As well as monetary remedies, there are also other remedies available to putting a situation right, such as additional repairs outside of our responsibility or gestures of goodwill.

## 3. LEGISLATIVE & REGULATORY REQUIREMENTS

This policy is in line with the Housing Ombudsman Guidance for Landlords.

#### 4. AIMS OF THE POLICY

- To ensure a consistent approach to offering compensation to customers when it is appropriate to do so, so that this is applied fairly and proportionately
- Each individual case is considered on its own merit
- To apply discretion and common sense, while promoting consistency
- Recognition of responsibility is taken for any detrimental impact or damage caused to an individual or their property and belongings by our service or a lack of service, including via a third party (contractor) working on behalf of YHG.

#### 5. WHOM THIS POLICY COVERS

The policy covers any customers and will include tenants, residents, leaseholders and freeholders or an advocate authorised to act on their behalf, who has experienced a service delivered by Your Housing Group, or one of its approved partners. This also includes MP's, Councillor's or any other advocate service authorised to act on the customer's behalf. Non-customers may also use the policy should they have been impacted by any decisions or actions taken by Your Housing Group and its contractors, when acting on their behalf.

#### 6. OUR METHODS OF COMPENSATION

- Additional service in kind, this is a service above our normal service offer to support the customer such as additional decoration, fit cooker etc.
- Making a financial offer of compensation in accordance with our policies and procedures, by rent credit or BACs payment.

#### 7. DEFINITIONS

- **MANDATORY** – Such as home loss, disturbance and improvement payments as set out in our policies.
- **QUANTIFIABLE**- Where an actual loss can be demonstrated, such as increased utility bills, having to pay for alternative accommodation or take away food, paying for cleaning etc.
- **DISCRETIONARY**–This will be determined and assessed on each individual cases taking all aspects of the issues into account, ensuring fairness, proportionality and consistency. If we fail to meet our published service standards (where available), our staff are empowered to put things right. Non-financial remedies may be appropriate in the first instance, and we will not offer compensation in every case. Offers made will be in accordance with the amounts detailed in the Compensation Amounts Procedure – Staff Guidance.

#### 8. Factors we may consider when deciding the overall amount of discretionary compensation include: *(this list is not exhaustive)*

- Failure to comply with Service Standards, such as poor or delayed complaint handling.
- Delays with providing a service such as repairs
- Failure to meet target response times
- Loss of use of part of property
- Failure to follow policy and procedure
- Temporary loss of amenity
- Failure to provide a service which is charge for

## **9. There are circumstances when compensation will not normally be considered. These are when it is/relates to:**

- The fault of a third party (e.g. utility supplier not working for YHG).
- Something which would be covered by customers' own home contents insurance (as outlined in their tenancy agreement).
- A situation which has been caused by the complainant (e.g. neglect/lack of action or wilful damage).
- Subject to tribunal or legal proceedings, (for example, where there is a Possession Order, or Suspended Possession Order against the complainant).
- Due to circumstances beyond our control e.g. severe weather.
- Requests for repair or replacement of fixtures/fittings which are not our responsibility.
- When contractors cannot access a complainant's home, despite having made and kept to an agreed appointment.
- When a complainant has been advised of extra works required and has been kept informed.
- Due to advanced warnings about loss of service or fault, where we complete the work within specified timescales.
- If a complainant chooses to instruct a solicitor or seek legal advice, they will be responsible for the costs incurred in doing so and will not be able to recover legal costs as part of any compensation. These requests will be dealt with by Your Housing Groups' Disrepair Team.
- Where a customer has unreasonably prevented or delayed resolution of the issue.
- Where a complaint has been previously investigated and closed.
- Claims for personal injury.
- Loss of earnings or Rental Income.

## **10. MANAGEMENT DISCRETION**

- In all cases where there has been a service failure by us and a detriment caused, management have the discretion to offer compensation as outlined in section 8 of this policy.
- All financial offers will be made in accordance with the Compensation Amounts Procedure – Staff Guidance. Any compensation above these limits must be approved by a Head of Service or Director in accordance with the Financial Standing Orders.

## **11. CLAIMING COMPENSATION**

- Any offer and/or payment of compensation, which is made solely under the terms of our Compensation Policy and Procedure, in no way constitutes an admission of any liability for any losses incurred by the claimant.
- Offers of compensation will be evidence led and made solely on belief or probability.
- We will normally offset any compensation relating to goodwill gestures made against any arrears or debts owed to us by the customer. Only compensation in relation to out of pocket expenses will be paid directly should arrears be present on the rent account.

## **12. RESPONSIBILITIES UNDER THIS POLICY**

The Head of Customer Service is the responsible Policy Author. The Policy Owner is the Director Housing & Customer Service. Complaint handlers are responsible for managing compensation within their complaint and any member of staff can apply this policy in line with the agreed limits as detailed in the Compensation Amounts Procedure - Staff Guidance.

### **13. RISK MANAGEMENT**

There is a risk of compensation payments not being made in a consistent manner. This policy seeks to manage that risk by providing a consistent framework to assess compensation amounts.

There are reputational risks to the business in relation to managing complaints effectively.

### **14. DATA PROTECTION, RECORD STORAGE AND RETENTION**

Any claims made under this policy will be managed via our housing management systems, Orchard and CRM. These systems are GDPR compliant.

This policy considers any issues of data protection in relation to the processing of personal data under GDPR and is compliant with the Data Protection policy.

### **15. EQUALITY AND DIVERSITY**

YHG operates an Equality & Diversity policy, and this applies to all aspects of its services. We will ensure that no customer, resident or service user is treated less favourably on the grounds of age, ethnicity, religion or belief, disability, gender, gender reassignment, sexual orientation, pregnancy or maternity, marriage or civil partnership status. This policy, and all related information, can be made available in different formats and languages on request. This policy complies with the requirements of the Equality Act 2010 and has been Equality Impact Assessed.

### **16. COMMUNICATION**

This policy is published on our intranet 'Youzzle' for internal staff.

This policy is a mandatory read for all staff who manage complaints.

### **17. LEARNING AND DEVELOPMENT**

This policy and supporting Compensation Amounts Procedure – Staff Guidance will form part of the induction process for any new staff who manage complaints and compensation claims. They are also briefed on any changes made following the bi-annual review.

### **18. REVIEW OF THIS POLICY**

This policy will be reviewed in Sep 2025 by the Head of Customer Service.

## Checklist

*(To be completed as far as possible by the Policy Author before submission for quality checking by Research and Policy Manager prior to Risk and Compliance Group)*

<b>Policy Name: Compensation Policy</b>			
<b>Version No:</b> V1		<b>Effective Date:</b> September 2023	
<b>Status:</b> Full Review			
<b>Previous Policy Name (where appropriate)</b> n/a			
<b>Brief Summary of Changes from Previous Version:</b>			
<b>Internal Consultation Groups:</b>		<b>Customer Consultation:</b> <input type="checkbox"/>	
		<b>Date of Customer Consultation:</b>	
		<b>Customer Consultation Brief Details:</b>	
<b>Link to Consultation Document(s):</b>			
<b>Date Initial Equality Impact Assessment Undertaken:</b>		<b>Equality Impact Assessor name(s):</b>	
<b>Reason for Decision:</b> Reviewed within past 2 years			
<b>Date Full Equality Impact Assessment Undertaken:</b> n/a			
<b>Brief Outline of any Changes Recommended from EIA:</b>			
<b>Data Protection/ GDPR Implications:</b> <input type="checkbox"/>			
<b>Brief Outline of Data Protection/GDPR Implications:</b>			
<b>Legal Implications:</b> <input type="checkbox"/>		<b>Legal Panel Consulted:</b> <input type="checkbox"/>	<b>Date:</b>
<b>Risk Implications:</b> <input type="checkbox"/>		<b>Risk Logged on Datix:</b> <input type="checkbox"/>	<b>Date:</b>
<b>Resource Implications</b>	<b>People:</b> <input type="checkbox"/>	<b>Finance:</b> <input type="checkbox"/>	<b>Asset:</b> <input type="checkbox"/>
<b>Other:</b> <input type="checkbox"/>			
<b>Brief Summary of how Resource Implications have been addressed:</b>			
<b>How will communication on this Policy take place: (please delete as appropriate)</b> Intranet/ YHG Website/ E-Learning/ Email/ Face to Face Training			
<b>Policy Owner: (Department)</b> Customer Services		<b>Policy Author:</b> Darren Shelley – Head of Customer Service	
<b>Policy Signed Off by: (service manager or sponsor):</b> Director of Housing & Customer Services			<b>Date:</b>
<b>Policy Quality Checked by Research and Policy Manager:</b>			<b>Date:</b>
<b>Policy Approved by Risk and Compliance Group:</b>			<b>Date:</b>
<b>Policy Approved by Customer Services Committee:</b>			<b>Date:</b>

## Compensation Amounts Procedure – Staff Guidance

DISCRETIONARY		
TOPIC	Considerations / Criteria	Levels of compensation £
<b>Service Failure</b>	If we have failed to comply with our own Service Standards compensation will be awarded per failure. Should the failure be due to a delay, an amount is awarded per day, up to a maximum.	<b>Repairs</b> 1) £5 per day up to a maximum £50 per repair <b>Other Service Failures</b> 2) Up to a maximum of £100
TOPIC	Considerations / Criteria	Levels of compensation £
<b>Goodwill Gesture Distress &amp; Inconvenience Lack of communication Delay with resolving complaint</b>	Goodwill gestures may be made on a discretionary basis in cases of severe inconvenience, hardship or minor making good.	1) Up to a maximum of £100 for Minor 2) Up to a maximum of £200 for Major 3) Up to a maximum of £300 for Severe
TOPIC	Considerations / Criteria	Levels of compensation £
<b>Time &amp; Trouble</b>	Goodwill gestures may be made on a discretionary basis in cases of time a customer or 3 <sup>rd</sup> party has taken in order to resolve a situation, such as phone calls, visits, allowing for more appointments than should have been necessary. This may be in addition to inconvenience payments.  <b>No payment will be made for</b> <ul style="list-style-type: none"> <li>• loss of earnings.</li> </ul>	<b>Evidence may be required to show costs incurred, for all other time &amp; trouble</b> 1) Up to £100
TOPIC	Considerations / Criteria	Levels of compensation £
<b>Loss of use of whole home</b>	If the whole home is rendered uninhabitable, we always aim to offer tenants temporary accommodation. If we are unable to do this, we will refund their rent for each day they are unable to live there, while repairs are being completed.	Current rent & consideration given to an allowance to contribute towards the cost of meals and drinking water. This amount will be determined based on individual cases as per no access to cooking facilities below.

<b>Loss of use of any bedroom or living room</b>	Where a room cannot be used, the total number of rooms will be divided by the current rent. Compensation will then be paid as a percentage of habitable rooms. The resulting figure is the amount of compensation for each complete week the room is unavailable.	<b>Main Room</b> <b>1)</b> 20% of the weekly rent after 7 days <b>Subsequent Rooms</b> <b>2)</b> 10% of the weekly rent after 7 days
<b>Loss of kitchen / access to cooking facilities</b>	Where the tenant/s lose complete use of their kitchen, YHG will also consider paying an allowance to contribute towards the cost of meals and drinking water.	<b>Loss of Kitchen</b> <b>1)</b> 25% of the weekly rent after 48 hrs <b>No access to cooking facilities</b> <b>2)</b> £15 per day per person
<b>Total loss of washing/bathing facilities</b> e.g. baths, showers and sinks	Where the tenant/s lose complete use of their bathroom, YH will consider paying an allowance to contribute towards the cost of meals and drinking water.	<b>Loss of Bathroom – no other WC</b> <b>1)</b> 25% of the weekly rent after 48 hours <b>Loss of Bathroom – separate WC available</b> <b>2)</b> 15% of the weekly rent after 48 hours
<b>Discretionary Payment</b>	Manager discretion may be awarded when compensation elements do not fit within the compensation framework. This may be used in exceptional circumstances when the rest of the framework does not cover the issues. The amount maybe exceeded where applicable.  N.B Authorisation may be required by Senior Managers.	<b>Discretionary</b> <b>1)</b> If over £500 Head of Service or Director would need to approve

<b>QUANTIFIABLE PAYMENT</b>		
<b>TOPIC</b>	<b>Considerations / Criteria</b>	<b>Levels of compensation £</b>
<b>Loss of amenities</b> e.g. electricity, heating and/or hot water between 1st October - 30 March. Outside of these dates, we will only consider vulnerable customers for compensation. Examples of 'vulnerable' are those with a disability, elderly, or households with children up to the age of 5.	Where a failure to complete a repair, that is YHG's responsibility, within the agreed timescale, has resulted in the resident not having full use of the utilities for an unreasonable period.	<b>Winter Months (Oct-Mar)</b> <b>2)</b> Full loss- £10 per day (after agreed SLA for repair) <b>3)</b> Partial loss- £5 per day (after agreed SLA for repair) <b>Summer Months (Apr-Sep)</b> <b>1)</b> £5 per day (Hot Water ONLY after agreed SLA for repair)

TOPIC	Considerations / Criteria	Levels of compensation £
<b>Increased utility costs</b>	Failure to complete a repair that is YHG's responsibility: YHG is unable to complete a repair without the use of specialist equipment such as dehumidifiers, or: A customer is advised to use equipment such as a dehumidifier to resolve or remedy a repair.	YHG will compensate for proven additional electricity used. <b>1)</b> Temporary heater - £5.00 per day per heater. <b>2)</b> Dehumidifier - £5.00 a day per unit
<b>Making good decorations or belongings</b> e.g. if they have been damaged or disturbed due to a repair (this is subject to investigation once the repair has been completed)	Where this is the fault of YHG contractors, the cover the costs of such damage, if it can be proven to be negligence or poor-quality workmanship, will be covered or decoration completed by YHG.	Compensation will be determined following inspection by YHG. We will also consider depreciation. <b>1)</b> £50 - £100 per room <b>Evidence of costs incurred may be required</b>
<b>Failure to provide a service which is subject to a service charge</b>	We would not award a payment if reasonable alternative arrangements to cover the service have been successfully implemented, or if only part of the service has not been delivered. e.g. if only one out of three washing machines in a sheltered scheme fails to be repaired, or if one light in a scheme is not repaired but others remain working, then no compensation would be considered.	If we fail to provide a service which a tenant has told us about, for which they pay a service charge, they may be entitled to receive compensation. <b>1)</b> Compensation will be the amount equivalent to the cost charged for the service they did not receive. The amount will be deducted from the next years charges and this will be provided to all those affected and not just the complainant.
TOPIC	Considerations / Criteria	Levels of compensation £
<b>Incorrect handling of an application for RTB/ Shared Ownership</b>	This is set out in the Housing Act 1985 and subsequent guidance is provided by the DCLG. There is a process which the complainant needs to follow, and a set level of recompense.  This can be found at <a href="http://righttobuy.communities.gov.uk">http://righttobuy.communities.gov.uk</a>	Within the legislative guidance, the tenant/s can start to claim rent back from the start of the delay to the end of the delay. The total amount of rent is deducted from the sales price.  No compensation is payable in this instance, although YHG may consider an exceptional circumstances award of compensation, if appropriate, up to a maximum of £50
<b>Incorrect handling of shared owner stair-casing</b>	Stair-casing is a sale by negotiation and, therefore, a sale by private treaty. This means compensation does not apply in accordance with the law (England/Wales).	If the shared owner can demonstrate, on production of receipts and other evidence, they have incurred additional expense due to our non-action, then these costs will also be considered, up to a maximum of £500.

NB: Discretion may be considered for any other categories/reasons not listed above, subject to our Compensation Policy.



## Housing Ombudsman Determination guidance

Level of redress	Likely associated finding	Impact on resident	Circumstances
£50 to £100	Service failure	Minimal Short duration May not have significantly affected the overall outcome for the resident Might include distress and inconvenience, time and trouble, disappointment, loss of confidence, and delays in getting matters resolved.	There was minor failure by the LL in the service it provided and it did not appropriately acknowledge these and/or fully put them right.  The LL may have made an offer of action/compensation but it does not quite reflect the detriment to the resident and/or is not quite proportionate to the failings identified by our investigation.
£100 to £600	Maladministration	No permanent impact	There was a failure which adversely affected the resident.  The LL has failed to acknowledge its failings and/or has made no attempt to put things right. <i>Or</i> The LL has acknowledged failings and/or made some attempt to put things right but failed to address the detriment to the resident and/or the offer was not proportionate to the failings identified by our investigation.
£600 to £1,000	Maladministration/ Severe maladministration	Significant impact Physical and/or emotional impact	There was a failure which had a significant impact on the resident.  The circumstances for maladministration apply and the redress needed to put things right is substantial <i>Or</i> The circumstances for severe maladministration apply but the redress needed to put things right is at the lower end of that scale.

£1,000 +	Severe maladministration	Severe long-term impact	<p>There have been serious failings by the LL.</p> <p>There was a single significant failure in service or a series of significant failures which have had a seriously detrimental impact on the resident.</p> <p>The LL's response to the failures (if any) exacerbated the situation and further undermined the landlord/resident relationship.</p> <p>The LL repeatedly failed to provide the same service which had a seriously detrimental impact on the resident; demonstrating a failure to provide a service, put things right and learn from outcomes.</p> <p>The failures accumulated over a significant period of time (however this will not necessarily be the case as a single significant service failure may be sufficient).</p>
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