

TITLE	Compensation Policy
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This policy sets out the circumstances when a discretionary compensation payment will be considered and also details WM Housing Group's statutory obligations to provide compensation.

1 Policy Statement

1.1 In applying this compensation policy WM Housing Group (WMHG) will constantly strive to improve the services it delivers to its customers.

To this effect WMHG will:

- Aim to resolve problems quickly and effectively to the customers satisfaction and within agreed timescales
- Apologise where service failure has been identified and where appropriate follow this up in writing
- Learn from mistakes and change the way services are delivered as a result and provide feedback to individuals / other customers via the website and regular publications
- Endeavour to keep the running costs of the compensation scheme to a minimum and ensure value for money to WMHG customers
- Comply with any recommendations from the Housing Ombudsman to award compensation

2 Policy Purpose and Aims:

2.1 WMHG is committed to delivering the highest quality standards in all services that we provide. We work closely with our customers to agree service standards and we are continuously looking to improve on our performance.

2.2 We recognise that occasionally the service may drop below the agreed and expected levels and that inconvenience may be caused to our customers. In these circumstances, WMHG will consider a discretionary offer of compensation, with each case considered on its merits.

2.3 This policy sets out the circumstances when discretionary compensation will be considered and also WMHG's statutory obligations to provide compensation under the:

- **Right to Repair** (HC regulatory circular 94-33 rev. 2002)
- **Right to Compensation for Improvements** (HC regulatory circular 94-33 rev. 2002)
- **Home Loss and Disturbance Payments** (Under the terms of the Land Compensation Act 1973 as amended)

2.4 The Policy applies to tenants, ex-tenants, leaseholders or equity shareholders of the Group or applicants for housing.

- 2.5 The policy also ensures WMHG is compliant with the Regulatory Code of Guidance issued by the Housing Corporation and adopted by the Tenant Services Authority (TSA) in particular section 2 which requires housing associations to:
- Comply with all statutory and regulatory requirements
 - Maintain the good reputation of the sector
 - Foster positive relations with stakeholders
 - Conduct business so they are accessible and transparent to residents and other stakeholders

- 2.6 The policy meets with the requirements of the Audit Commission's Access and Customer Care Key Line of Enquiry (KLOE 30).

3 Our Policy

3.1 Discretionary Compensation

WMHG operates a general compensation policy that applies on a discretionary basis where service failure has been identified or there is a loss of facilities that causes inconvenience, stress, disturbance or annoyance.

- 3.2 The level of compensation payable will be commensurate with the level of inconvenience, stress, disturbance or annoyance suffered by the customer and the level to which WMHG have been directly responsible.

- 3.3 Consideration for compensation under this general category will only be given to events of service failure or loss of facilities that have occurred within the last 3 months of the date of the event occurring. Only in exceptional circumstances where there has been continual contact in resolving issues of service failure or loss of facilities will compensation be considered for events that occurred more than three months previously.

- 3.4 A discretionary compensation claim can be the result of a request from a customer, a result of a formal complaint or WMHG staff may instigate discretionary compensation payments where they believe this to be a suitable means or providing redress for WMHG service failure.

- 3.5 Any offers WMHG make to pay discretionary compensation will be made on the basis that it does not constitute an admission of legal liability.

3.6 Hardship Fund

WMHG has agreed with its resident to make available a small pot of money each year to assist tenants (excludes leaseholders and applicants) who have suffered a loss, where no-one is at fault. The criteria for the fund has been agreed with residents and it is a discretionary payment to help tenants.

1. The loss is not WMHG's fault.
2. The loss is not fully covered by the claimant's insurance, or the person who is liable has no insurance that the claimant can claim against.
3. The loss causes an adverse effect, disadvantage or hardship, and there is evidence of this.
4. The request for compensation is made within 6 months of the event occurring.

5. The maximum amount payable for each case is £250.
6. Payment should be authorised by the relevant manager, and approved for Whitefriars by two delegated members of the Money Aid panel, and for HNK by the relevant customer panel or two delegated members.
7. The hardship fund applies to tenants only (excludes leaseholders and applicants).
8. No money is payable if the person claiming directly caused or contributed to what has happened.
9. Payments under the hardship fund can be in addition to other compensation payments.

3.7 **Right to Repair**

Tenants have a limited right to compensation if the landlord twice fails to carry out a “qualifying repair” within the agreed time target.

3.7.1 A qualifying repair must meet the following criteria:

- It must be categorised as an Emergency or Urgent
- The repair must not cost more than £250 to complete

The response time must take into the account the special needs of the tenant or leaseholder including their health, safety or security

3.7.2 If Contractors acting on WMHG’s behalf fail to complete qualifying repairs within the set time, the tenant or leaseholder may inform WMHG that the repair has not been done.

3.7.3 In such cases WMHG will instruct an alternative contractor to complete the repair and will inform the tenant or leaseholder of the revised deadline for completing the work. Failure to complete the repair within the revised deadline will result in compensation being payable as follows:

- £10 – one off payment
- £2 for each day the repair continues to be outstanding after the revised time period (up to a maximum of £50)

3.7.4 Right to Repair compensation will not be payable if exemptions are identified including missed appointments by the tenant or leaseholder or if the repair value exceeds £250.

3.8 **Right to Compensation for Improvements**

3.8.1 The Right to Compensation for Improvements applies to tenants at the end of their tenancy and does not apply to leaseholders.

3.8.2 To qualify for Right to Compensation for Improvements tenants must meet the qualifying criteria:

- The tenant obtained permission before carrying out the work
- The improvements were completed after 1st April 1994
- The claim is made within 14 days of the tenancy ending
- The tenant has not exercised the Right to Acquire or Right to Buy the property
- There is no outstanding order for possession

3.8.3 Compensation for improvements will be paid on a sliding scale, based on the life expectancy of the improvement (see table) up to a maximum of £3,000. No compensation will be paid if the amount due is less than £50.

Qualifying Improvements	Notional Life
Bath, shower, wash-hand basin or toilet	12 years
Kitchen sink, work surfaces for food preparation, storage cupboards in kitchen or bathroom	10 years
Space or water central heating	12 years
Thermostatic radiator valves	7 years
Insulation of pipes, water tank or cylinder	10 years
Loft or cavity wall insulation	20 years
Draft proofing of external doors and windows	8 years
Double glazing or other external window replacement or secondary glazing	20 years
Rewiring or the provision of power and lighting or other electrical fittings (including smoke detectors)	15 years
Any object which improves security of the dwelling house (excl burglar alarms)	10 years

3.9 Home Loss and Disturbance Payments

- 3.9.1 The Home Loss payment applies to tenants who are required by WMHG to move permanently from their home if it is due to be redeveloped, improved or demolished.
- 3.9.2 Home Loss payments are set by statute and will only apply where the tenant has been living at the property over the last twelve months and can be claimed up to six years after the tenant has moved. The current rate for Home Loss payments is £4,700. (There is a sliding scale if tenants have equity in the property).
- 3.9.3 WMHG will also consider all reasonable requests for “Disturbance” payments where a tenant’s home is redeveloped, improved or demolished to cover out of pocket expenses associated with the move. Tenants will be required to produce written estimates from reputable contractors and can include, but is not limited to payment for removals, disconnection / reconnection charges and refitting of carpets.
- 3.9.4 WMHG will also consider requests for Disturbance payments where tenants are required to move out of their homes on temporary basis for redevelopment or improvement purposes.
- 3.9.5 Home Loss and Disturbance payments will not be paid where tenants are required to move permanently or temporarily for reasons of carrying out repairs to properties.

4. Implementation

- 4.1 Where customers believe there has been a service failure by WMHG and compensation should apply they can request this by contacting us via telephone, e-mail, in writing or by contacting staff in person. All requests for compensation will receive a response within 7 calendar days.
- 4.2 Where appropriate, WMHG staff may automatically instigate discretionary compensation payments without the customer having to make a request, where they believe this to be a suitable means of providing redress for WMHG service failure.
- 4.3 Where WMHG staff or partner agencies including contractors working on WMHG’s behalf cause loss or damage to personal property or injury to customers, this will be pursued as an insurance issue and not a claim for compensation. Where loss or damage to property

or personal injury does occur, customers should inform WMHG at the earliest opportunity. WMHG will then carry out an investigation and will advise the tenant or leaseholder of the most appropriate course of action in regard to seeking recompense.

- 4.4 When assessing requests for compensation, WMHG reserves the right to clear any debts owed by the customer to the association, including rent arrears, from any proposed payment. Following the offset any balance remaining will be paid direct to the customer.
- 4.5 Where Compensation is payable WMHG will make payment to the customer by cheque made payable to themselves or their nominated account holder. Cash payments will not be made.
- 4.6 If a customer is not satisfied with the compensation they should pursue this through the WMHG Complaints process. If the compensation claim is already part of a complaint, it should be referred to the next stage of the complaints process.

5 Equality Impact Assessment

- 5.1 An Equality Impact Assessment has been conducted in relation to this policy.
- 5.2 In applying this policy, WMHG will ensure that no person or group of persons will be treated less favourably than another person or group of persons because of race, colour, ethnic or national origin, religion, sex gender, gender identity, gender presentation, physical disability or sexual preference.

6 Performance Measures and Targets

- 6.1 Information regarding what we say we will do, what we actually do and how well we do, will be reported to ensure and drive continuous improvement in our service delivery to our customers.
- 6.2 We will compare our performance with other organisations and examine best practice to ensure that we meet the needs of our customers and continually improve our service.

7 Monitoring and Review

- 7.1 This Policy will be reviewed every three years (from the date of WMHG Board Approval), to ensure its continuing suitability, adequacy and effectiveness or as required by the introduction of new legislation or regulation that impacts on the obligations of WMHG to provide compensation.
- 7.2 The Customer Panels and Service Improvement Groups that are made up of WMHG tenant and Leaseholder representatives have been consulted in the development of this policy and will be consulted on all future changes or revisions.

8 Responsibility

- 8.1 The effective implementation of this policy is the responsibility of the Executive Director of Housing.



9 Associated Documents

- Complaints Policy
- Home Loss payments – a guide for tenants
- Equality & Diversity Policy
- Customer Care Policy
- Data Protection Policy
- Tenants' Handbook