

Version

1



Core Business

Compensation

Scope:	This policy applies to Circle 33 Housing Trust, Commercial and Leasehold, EPIC Trust, Mercian Housing Association, Mole Valley Housing Association, Old Ford Housing Association, Roddons Housing Association, Russet Homes, South Anglia Housing, Wherry Housing Association
Effective Date:	September 2009
Review Date:	September 2010
Signed Off :	Group Policy Forum, 24 th September 2009
Author:	Amy Carter, Policy Officer
Policy Owned by:	Group Policy Team
KLOE:	Access and Customer Care Stock Investment and Asset Management
QAF (Supported Housing):	N/A
Statute:	Housing Act 1985 The Secure Tenants of Local Authorities (Compensation for Improvements) Regulations 1994
Regulatory Code:	Guidance Note 33/94

Compensation

1 Scope

- 1.1 This policy applies to: Circle 33 Housing Trust, Commercial and Leasehold, EPIC Trust, Mercian Housing Association, Mole Valley Housing Association, Old Ford Housing Association, Roddons Housing Association, Russet Homes, South Anglia Housing, Wherry Housing Association.

2 Policy Statement

- 2.1 Circle Anglia works to improve people's life chances through providing great homes and reliable services to residents, and through helping build sustainable communities where people want to live and work.
- 2.2 Circle Anglia aims to provide high quality services and to resolve any problems before the need for a compensation payment arises. If services fail or fall below published standards then Circle Anglia will put the matter right and apologise as quickly as possible.
- 2.3 Circle Anglia recognises that there are situations where service failures result in the need to compensate residents for loss or inconvenience suffered.
- 2.4 We will ensure that payments made are fair and appropriate and in line with legal and regulatory requirements.

3 Policy

- 3.1 The aims of this policy are to ensure that:
- problems are resolved quickly and efficiently;
 - practical solutions to remedy the situation are explored;
 - where financial payments are appropriate, they are proportionate to the loss or inconvenience caused;
 - financial payment is considered alongside policy guidelines; and
 - all residents and service users are treated in a fair and equitable way.
- 3.2 We will adhere to any actions or compensations ordered by the Housing Ombudsman as part of their findings following a complaint.
- 3.3 We will adhere to the recommendations made by a complaints panel hearing.
- 3.4 Where the resident or service user has existing rent arrears or other debts with Circle Anglia we reserve the right to offset any compensation payments against these debts.

Legal and Regulatory requirements

- 3.5 We will pay compensation for right to repair claims as set out in the Housing Act 1985 as amended by Leasehold Reform, Housing and Urban Development Act 1993 for secure tenants.
- 3.6 We will adhere to The Secure Tenants of Local Authorities (Compensation for Improvements) Regulations 1994 and pay compensation for qualifying improvements.
- 3.7 Our regulator expects housing providers to provide the same rights for assured tenants as those which are provided for secure tenants through legislation.
- 3.8 Please check the terms and conditions of the individual tenancy agreement or lease to determine what a resident may be entitled to.

Discretionary situations

- 3.9 In more discretionary goodwill and compensation payment situations we will follow the guidelines set out in this policy and procedure to ensure that the payments offered are fair and equitable for residents and service users.

4 Types of compensation payments

Right to repair

- 4.1 The right to repair scheme gives tenants the right to claim compensation if certain small urgent repairs are not carried out within prescribed time limits. This right is granted to secure tenants of local housing authorities under the Housing Act 1985, as amended by the Leasehold Reform, Housing and Urban Development Act 1993. The Tenant Services Authority requires Registered Providers to provide the same service for all assured tenants.
- 4.2 Disrepair obligations and homeloss and disturbance payments are set out in the [Repairs](#) and [Decants](#) policies.

Property Improvements

- 4.3 The Housing Act 1985 gives secure tenants the right to carry out improvements subject to their landlord's consent. Circle Anglia grants this right to assured tenants in their tenancy agreement.
- 4.4 Where an alteration made to a property has been approved by the landlord and is confirmed as a qualifying improvement to the property, compensation will be offered to the resident who has done the improvement work when they leave the property.

Goodwill Gestures

- 4.5 Goodwill gestures can be offered following a report of service failure or a complaint. It may be appropriate to offer a goodwill gesture of up to £50 worth of vouchers (a food shopping voucher may be more useful than high street) or

a bouquet of flowers. A goodwill gesture can be more personal than a monetary goodwill payment and may help to restore confidence in our organisation.

- 4.6 A goodwill payment may be offered in situations where a monetary offer would be more suitable or where the person seeking redress will only accept a financial payment.

Compensation

- 4.7 Where the resident can evidence they have suffered loss or inconvenience as a result of a Circle Anglia group partner's actions, it may be appropriate to offer a compensation payment.
- 4.8 A goodwill gesture or a compensation payment may be offered following a report of a service failure or a formal complaint.
- 4.9 Compensation and goodwill payments by Circle Anglia are not automatic, even where it is clear mistakes have been made. Where a practical solution would provide all or part of the remedy, this will be discussed with the resident or service user.

Deciding the amount

- 4.10 When considering how much to offer a person in recognition of loss or inconvenience they have suffered, it is important to take these key factors into account:
- any distress and inconvenience suffered
 - any known costs, that have been reasonably incurred
 - the degree of disruption to the household
 - consideration of the household vulnerabilities, including age or disability
 - recognition of any failure to follow policies and procedures
 - assessment of whether the loss or inconvenience could be reconciled in any other manner
 - any failures to follow the complaint handling process
 - the time taken to resolve the complaint – beyond stated response times.

Payments in incidents of service failure

- 4.11 Where customers are charged for a support service or service to a communal area, and we have failed to provide it, we will recompense residents and service users with a refund of the proportionate amount.
- 4.12 It may be appropriate to offer a payment of between £5-10 per day for the period of loss of an amenity such as drainage or sanitation, electricity, heating,

hot water or cold water supply. The daily rate starts from beyond our published target response times for repairs.

- 4.13 If the loss of amenity is the result of a problem beyond Circle Anglia's control as landlord, no compensation will be payable. Examples of this include localised or national power cuts; repairs being carried out independently by utility companies; blocked street sewers, and awaiting parts on order.

Inconvenience Payments

- 4.14 Inconvenience payments can be offered as a stand-alone gesture, or in addition to a goodwill payment or payment for a missed appointment. Up to £50 may be awarded as an inconvenience payment where appropriate.
- 4.15 The offer of payment in reports of missed appointments will usually be £10 for each appointment missed.
- 4.16 Under the tenancy agreement or lease, residents are required to allow access to their home for repairs to be carried out which may result in them having to take time off work. We cannot directly compensate for loss of earnings, even in the unfortunate event of a missed appointment.

Loss of Room Use

- 4.17 Where a room is considered to be 'unusable'; for example where there is:
- no electricity at all in a room;
 - severe damp;
 - unsafe or collapsed floor or ceiling.
- 4.18 Where a household has not had the use of a room, beyond published repair response times, we may offer goodwill payments as a proportion of the weekly/monthly rent.

Room	1 Bed/Bedsit	2 Bedroom	3 Bedroom	4 Bedroom
Kitchen	40%	30%	30%	30%
Bathroom	20%	20%	10%	10%
Living room	20%	20%	20%	20%
Bedroom 1	20%	15%	15%	15%
Bedroom 2	N/A	15%	15%	15%
Bedroom 3	N/A	N/A	10%	10%

Approval

- 4.19 If the goodwill or compensation amount offered is more than the values stated below, further approval would be required from the budget holder:

Stage One	£250
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Stage Two	£500
Stage Three	£1000

5 Situations in which we will not make compensation payments

5.1 Circle Anglia may not make compensation payments in certain circumstances. The following list is an example and is not exhaustive:

- where the mistake or service failure has caused little or no problem to the people affected,
- where the fault is caused by a third party or is something the Circle Anglia group partner has no control over,
- where the resident or service user could make a claim on their own insurance,
- where the incident was caused as a result of negligence by the resident or service user or their failure to comply with the terms of their tenancy.

6 Insurance

6.1 Where damage to goods or personal injury has occurred due to alleged negligence on behalf of Circle Anglia, the customer can submit a claim to our insurers. Where a staff member receives a claim for our insurers, the Group Insurance Manager can provide advice and assistance on how to process it.

7 Service Standards

- 7.1 We will ensure payments are made within 14 days of the amount being accepted by the resident.
- 7.2 For service standards relating to complaints, repairs and property alterations and improvements, please see the Complaints, Repairs and Property Alterations and Improvement policies.

8 Monitoring

8.1 We will monitor payment amounts offered to ensure that the payments are in line with this policy and no one customer is receiving excessive payments through the process.

9 Equality and Diversity

- 9.1 It is essential to recognise that customers of all races, ages, religions, gender, sexual orientation, literacy levels and disability should be treated equally and fairly.
- 9.2 All customers will have access to this document upon request or from our website www.circleanglia.org/customers

9.3 This document and accompanying leaflet can be translated or provided in alternative formats (e.g. Braille, large print, audio) upon request.

9.4 Equality and Diversity training is mandatory for all staff.

10 Publicising the Policy

10.1 Circle Anglia publicises its policies and procedures on Compensation to residents and staff in a number of ways:

- Resident websites and newsletters
- Resident handbooks and leaflets
- CIRANO
- Policy Briefings and Training

Glossary

Term	Definition
CIRANO	Circle Anglia Online – the internal staff intranet for information sharing.
GPF	Group Policy Forum
SMPRG	Senior Managers Policy Review Group

Related Documents

Document	Link
Connected Policies:	Complaints Property alterations and Improvements Recharges Repairs
Forms and Letters:	Bank Account Confirmation form Payment Acceptance form Payment Request form Goodwill/Compensation Adjustment form
Leaflets:	Day-to-day Repairs service standards Property Lettings service standards Putting things right – a guide to making a complaint
Other:	

Version history

Version no.	1	Date effective:	September 2009
Full / partial review?	N/A. New group policy.		
Brief summary of changes:	N/A.		
Staff consultation (teams):	Finance, Complaints management, Continuous Improvement, Property Management		
Resident consultation:	<p>Circle 33 Policy Review meeting 25th August 2009 EPIC Eastern Policy Forum 30th July and 12th August 2009 EPIC London Policy Forum 29th July 2009 Mole Valley Policy Review meeting 4th September 2009 Russet residents by email Wherry Policy Review Day 10th August 2009 Changes following consultation included:</p> <ul style="list-style-type: none"> ▪ Compensation is needed for loss or inconvenience caused by Circle Anglia (all) 2.3 ▪ Emphasis that compensation is not always appropriate (EPIC) 3.1, 5.1 ▪ In discretionary situations, cases should be assessed on their own merit, residents did not offer suggestions for appropriate payment levels (all) 6.3 ▪ Payments for missed appts should not be automatic. As much notice as possible and an apology should be enough in most cases. Where compensation is offered, £10 is appropriate (EPIC) ▪ Forms of compensation should be like for like or vouchers rather than money (MV) 6. Preference for food shopping vouchers rather than high street (Wherry) 4.5 ▪ Options for goodwill gestures (Circle 33) 14.1 		
Other consultation:	Housing Ombudsman Service		
Signed off by:	GPF, 24 th September 2009		
Author:	Amy Carter, Policy Officer		

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Staff consultation (teams):			
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Other consultation:			
Signed off by:			
Author:			