

Compensation Policy

Document Owner	Head of Housing
Frequency of Review	3 Years
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Date of Next Review	March 2027
Approved By / date	CLT 21/3/24

1. Scope

The policy aims to make clear the circumstances under which compensation will be paid to customers. We will ensure fairness and consistency when considering compensation and provide guidance on how and when compensation can be claimed.

2. Purpose

Cottsway is committed to providing an excellent service to all our customers. However, we recognise that there may be times when our service fails to meet the high standards our customers expect.

This policy applies to all customers of Cottsway Housing Association. It covers both discretionary compensation, which relates to loss, damage, or inconvenience due to a failure in service as well as statutory (obligatory) compensation as a result of home loss due to permanent moves (decants) and disturbance allowance (see decant policy).

If we fail to meet our own service standards or provide a poor service, we will always aim to put things right. At times this may involve paying compensation.

We will aim to take a fair and proportionate approach to compensation awards to ensure we put the customer back in the position they would have been before the service failure occurred. In doing so each case will be assessed on its own merits.

OUR approach to compensation will aim to:

- Apologise
- Rectify our mistakes.
- Where appropriate offer an additional service in kind, this is a service above our normal service offer to support the customer, i.e. decorate a room, offer to fit customers cooker, clean carpets, send flowers or gift card etc.
- Where appropriate make a financial offer of compensation in accordance with our policies and procedures, by rent credit or BACs payment.

3. Compensation for improvements

We may consider awarding compensation for home improvements to customers whose tenancy has ended, provided the customer has:

- received written permission from Cottsway before starting the work
- allowed a Cottsway surveyor to inspect the works
- the work is in line with Cottsway's approved standards

Cottsway will calculate whether the Tenant may be due compensation in accordance with statutory requirements (see Home Alterations policy).

4. Discretionary Payments

If we fail to meet our published service standards our staff are empowered to put things right. Non-financial remedies are usually appropriate in the first incidence. We will *not* offer compensation in every instance.

Compensation and / or goodwill gestures may be appropriate to cover loss, inconvenience or to demonstrate Cottsway's apologies. Compensation will be proportionate, and all factors will be taken into consideration, such as household vulnerabilities.

We may make a payment of compensation where we have failed to provide for a service. At the first point of contact Customer Service Advisors will consider requests for compensation. This will include but is not limited to;

- when we miss an appointment to undertake a repair
- poor complaint handling
- not meeting our service standards/target times
- energy costs as a result of providing temporary heaters to customers' homes.

5. Claiming Compensation

The circumstances of the complaint will be investigated in line with our Customer Feedback and Complaint Policy and, where appropriate, an offer of compensation may be made.

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 customers.

Offers of compensation will be evidence led and we will normally offset any compensation or goodwill gestures made against any arrears or debts owed to Cottsway by the customer.

In addition, where damage has been caused directly as a result of the actions or omissions of Cottsway or contractor working on our behalf, consideration will be given to reimbursement without the need for the customer to make a claim at further inconvenience, and, where the facts are not in dispute.

6. Circumstances when compensation will not be considered

There are some instances when compensation may not be awarded:

- The fault of a third party i.e. someone not working on behalf of Cottsway (Utility Supplier)
- Covered by customers' own home contents insurance (as outlined in the tenancy agreement). In addition, we will not pay compensation for customers failure to arrange their own contents insurance, where damage has been caused to personal property.
- A situation which has been caused by the customer (e.g. neglect/lack of action or wilful damage).
- Due to circumstances beyond our control e.g. severe weather event causing flooding or power outages as a result of storms.
- Requests for repair or replacement of fixtures/fittings which are not our responsibility.
- When Cottsway Repairs or our Contractors cannot get into a customer's home, despite having made and kept to an agreed appointment.
- Claims for personal injury. (This policy does not cover claims under our public liability insurance)
- Claims for loss of earnings.
- Due to advanced warnings about loss of service or fault, where we complete the work within specified timescales.
- Where a complaint has been previously investigated and closed.

7. Payments

Where an offer of compensation is made as part of a response to a complaint for example, payment will be made once the matter of the complaint is concluded.

Compensation will be calculated based on the following guide however we will always consider the individual circumstances in which the incident has taken place. We will take a common sense approach to payments and ensure awards are fair and proportionate relative to each case:

Minor (up to £50)	Moderate (£50 - £250)	Severe (£250 - £500)
Complaint has been upheld and there has been minor inconvenience or distress caused. Impact has been no more than a reasonable person could be expected to accept and the compensation is a token in acknowledgement of our responsibility. This type of payment would generally be recorded as a gesture of goodwill.	Inconvenience and/or distress has clearly been caused as a result of a failure in service. Failure to follow the Complaints Policy, to investigate the complaint or poor handling of the complaint. A repeated failure of a low impact event could result in the impact being increased to a medium impact for example delays to repairs.	A serious failure in service has taken place. This could either be due to the severity of the event or a persistent failure has occurred over a prolonged period of time or an unacceptable number of attempts to resolve the complaint. Payments should take into account the level of stress, anxiety, frustration, uncertainty, and inconvenience caused. This will include the severity, length of time, number of people affected and their individual circumstances.

We will not consider discretionary claims made after 6 months of the date of the claim incident.

Authority to approve compensation is provided for in our Financial Regulations.

Offers of compensation will remain valid for 3 months, after which it will be classed as being rejected. If a customer is unhappy with an offer of compensation made as part of a complaint the amount will be reviewed as part of the complaints process.

Compensation payments proposed by the Customers Service Manager will be authorised by another service manager or Head of Service.

8. Housing Ombudsman Compensation Awards

The Housing Ombudsman Complaint Handling Code makes provision for awards of compensation, where through their enquiries there are;

- actual, proven financial loss sustained as a direct result of maladministration or service failure
- avoidable inconvenience, distress, detriment or other unfair impact of the maladministration or service failure

Factors the Ombudsman may consider when deciding the overall amount include:

- the duration of any avoidable distress or inconvenience
- the seriousness of any other unfair impact
- actions by the complainant or the landlord which either mitigated or contributed to actual financial loss, distress, inconvenience or unfair impact
- the level of rent or service charges
- the landlord's own compensation policies
- the levels of compensation for similar cases paid by other UK Ombudsmen

This policy will therefore take account of any financial awards made by the Housing Ombudsman in regard to complaint handling.

9. Statutory Payments

Statutory Home Loss Payment and Disturbance Allowance. Where a customer is required to move permanently by Cottsway, compensation will be paid in accordance with the statutory Home Loss Regulation. This amount is set annually by Government (see Decant Policy for further information).

Decanting is the term used to explain the process when customers are required to move from their homes due to works being carried out that cannot be carried out whilst they are in residence. This includes when a customer must move because their home is due to be demolished or disposed of, and when extensive structural or intrusive works are required.

10. Monitoring and Review

This policy will be reviewed every three years or sooner if the need arises either as a result of learning from service requests and complaints or changes in guidance and legislation.

Compensation will be monitored via learning from feedback and Complaints. Regular reports will be provided to the Customer Insight Group (CIG) and Customer Committee.

This will include compensation by:

- Amount of discretionary compensation paid
- Amount of compensation paid for missed appointments
- Number of awards made

11. Equality, Diversity, and Inclusion

In applying this policy, we will ensure that no person or group of persons will be treated less favourably than another person or group of persons on account of any diversity strand.

We are committed to ensuring equality of access to services across the diverse communities in which we work. We will ensure our customers have fair access to our tenancy services and have clear published policies to support them.

12. Implementation

The Head of Housing has overall responsibility for the implementation of this policy.

13. Related documents/Links

- Decant Policy
- Decant Procedure
- Feedback and Complaints Policy
- Home Loss Payments – Gov.Uk
<https://www.legislation.gov.uk/ukxi/2023/803/regulation/2/made>
- Financial Regulations
- Housing Ombudsman guidance for landlords - <https://www.housing-ombudsman.org.uk/landlords-info/guidance-notes/compensation-policy/>
- Home Alterations Policy

List of Changes:

Date	Amendment
March 2024	Full policy review in line with Housing Ombudsman guidance