

# compensation and remedies guidance

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## 1. Policy Statement

- 1.1. This guidance sets out believe housing's approach to dealing with discretionary compensation payments in accordance with the Complaints, Compensation and Complaints Policy. This procedure follows principles set out in the Housing Ombudsman Remedies Guidance (September 2022). It aims to give clear guidance to colleagues and tenants on various methods of compensation and redress available, and the process to access these.

This procedure does not apply to people occupying our properties by way of a license, or to members of the public where we do not have a contractual relationship.

## 2. Policy Aims

- 2.1. We sometimes get things wrong and consider various ways to try and resolve a complaint that we have upheld, which always includes an apology. Compensation payments are not automatic, but we are committed to doing the right thing for our tenants. Some of the remedies considered may be a practical solution, but we recognise that in some situations, an apology and a resolution may not always compensate for a situation or the impact of a lack of service a has received.
- 2.2. We always ask our tenants at the beginning of the complaint what is required to put things right for them so that these expectations can be managed right from the start as there are some instances where the outcome expected by the tenant is unreasonable, unrealistic and would be unfair to our other tenants.
- 2.3. In awarding compensation, we will consider whether any statutory payments are due, if any quantifiable losses have been incurred, the impact on the individual tenant and the time and trouble a tenant has been put to as well as any distress and inconvenience caused.
- 2.4. We will make payments of compensation when instructed to do so by the Housing Ombudsman as redress to a dissatisfied tenant.
- 2.5. Fair compensation and remedies are important in resolving complaints as they ensure we meet our legal obligations on compensation claims and:
  - It's the right thing to do
  - They can maintain or restore trust with our tenants
  - They can resolve things quickly and prevent escalation to the Housing Ombudsman.
- 2.6. Remedies we will consider are:
  - An apology
  - Acknowledgement and explanation of what went wrong/or we failed to do
  - A commitment to learning from the complaints
  - A commitment to complete repairs or other actions related to the complaint
  - Compensation

- Good will gestures such as flowers, gift vouchers, decorating vouchers etc

2.7. We will not make payments for loss of wages but will consider the time and trouble caused when deciding appropriate redress.

### **Aggravating factors**

2.8. Factors that we may consider justification for a higher award of compensation include:

- The tenant's mental health condition
- Tenants with young children
- Tenants with a disability
- Tenants with responsibility for a dependent with a disability, for example where a delayed repair could have a disproportionate impact
- Any previous history of the issue.

### **Mitigating factors**

2.9. There are times when the complainant's actions may lessen the extent of the compensation or remedy we offer. These include, but are not restricted to:

- Failure to communicate clearly with us
- Failure to bring matters to our attention within a reasonable timeframe
- Refusing help to clearly state the nature of the complaint and required remedy
- Failing to respond to our contact
- Repeatedly refusing us to let us enter the property to assess the works that are needed to put things right
- Pursuing the complaint in an excessive or unreasonable way.

### **Loss of/damage to personal possessions**

2.10. believe housing will insure the structure of the building but not the contents. Claims for compensation for contents where believe housing and its contractors are not liable will not be paid. We recommend that our tenants take out home contents insurance.

2.11. Compensation payments may be payable where a tenant making a complaint has proven that they had possessions lost or damaged because of service failure/lack of care on the part of believe housing or contractors. In these circumstances, the complainant must complete an insurance claim form, provide evidence of the lost/damaged items and an indication of costs to repair or replace them.

### Financial loss claims

- 2.12. In these circumstances, the complainant must provide evidence of the financial loss or costs incurred and details of the impact of this on them. These must be reasonable costs for example for increased heating bills, having to pay for alternative accommodation or take away food, paying for cleaning or repairs where believe Housing has failed to meet its obligations as a landlord. Examples of evidence includes receipts for expenses and payments, financial/bank statements and evidence of interest/penalty charges incurred if this is being claimed.
- 2.13. These types of claims will be paid from the appropriate budget, however, believe Housing and its contractors reserves the right to refer to the company insurers where appropriate. If the compensation paid is for proven financial loss the payment must be made to the claimant and not credited to the rent account.

### Payments for stress and inconvenience

- 2.14. The budget for miscellaneous compensation payments against believe Housing, is held by the Tenant Insight Team and therefore all payments considered in relation to stress and inconvenience must be discussed with the Team and calculated considering the guidance in the compensation criteria and payments matrices at Appendices 1 and 2. The matrices provides guidance on the likely maximum values which could be awarded, based on the level of believe Housing’s responsibility and the level of impact on the tenant.

### Financial compensation will be offset against arrears or other debt owed to believe housing

- 2.15. Financial compensation ordered by the Housing Ombudsman will be paid directly to the tenant regardless of any debt.

This procedure does not apply where legal action against believe housing is ongoing or to the following types of claims:

Type of compensation	Contact
Right to compensation for improvements	Assets Team
Failure to repair under Right to Repair legislation	Legal Team
Home loss payments	Assets Team
Decant (alternative accommodation, food costs etc)	Neighbourhood Team
Decant – Items damaged	Insurance Team
Public liability claims/Claims against believe housing’s insurance	Insurance Team
Claims against contractors’ public liability insurance	Relevant Contractor
Loss of Service and miscellaneous rent credits	Relevant Service Manager
Loss/Damage to personal possessions	Insurance Team

## Appendix 1

### Guidance on compensation payments

Reason for compensation	Amount
Failure to make contact within service standard timescales (return contact)	£5 per instance that is more than 2 working days without explanation of delays.
Missed appointment	£10 per instance
Failure to meet complaints timescales	One payment of £25 in total per complaint regardless of stage. (Discretion to increase if timescales are extensive)
Loss of heating	£5 per day after target timescale elapsed
No hot water	£1 per day per household member after target timescale has elapsed up to a maximum of £5 per household per day
Total loss of mains water	£5 per day
Total loss of power	£10 per day after target timescale has elapsed
Loss of cooking facilities	£10 per day per adult household member and £5 per day per child (under 16 years) after target timescale elapsed
Total loss of showering/bathing facilities	£5 per day per adult household member after target timescale elapsed
Total loss of kitchen or bathroom	25% of daily rent after initial 48 hours (2 working days)
Total loss of bedroom	20% of daily rent after initial 48 hours (2 working days)
Total loss of all bedrooms(s) resulting in ability to sleep in property	100% of daily rent after initial 48 hours (2 working days)
Total loss of living room	10% of daily rent after initial 48 hours (2 working days)
Total loss of use of garage	100% of daily garage rent after initial 48 hours (2 working days)

## Appendix 2 – Housing Ombudsman guidance on remedies

Level of redress	Likely associated finding	Impact on tenant	Circumstances
£50 - £100	Service failure	Minimal Short duration May not have significantly affected the overall outcome for the tenant 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 tenant and/or is not quite proportionate to the failings identified by our investigation.
£100 - £600	Maladministration	No permanent impact	There was a failure which adversely affected the tenant. The LL has failed to acknowledge its failings and/or has made no attempt to put things right. Or The LL has acknowledged failings and/or made some attempt to put things right but failed to address the detriment to the tenant and/or the offer was not proportionate to the failings identified by our investigation.
£600 - £1,000	Maladministration/ Severe maladministration	Significant impact Physical and/or emotional impact	There was a failure which had a significant impact on the tenant. The circumstances for maladministration apply and the redress needed to put things right is substantial Or 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	There have been serious failings by the LL. There was a single significant failure in service or a series of significant failures which have had a seriously detrimental impact on the tenant. The LL's response to the failures (if any) exacerbated the situation and further undermined the landlord/tenant relationship. The LL repeatedly failed to provide the same service which had a seriously detrimental impact on the tenant; demonstrating a failure to provide a service, put things right and learn

			from outcomes. 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).
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