



Compensation Policy

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1. Our policy is...

- 1.1 Our policy details our approach to compensation for service failure. It details circumstances when compensation will be considered. This is not an exhaustive list and each case will be considered on its own merit.
- 1.2 We are committed to providing the highest possible standards of service to our customers. However, we do acknowledge that sometimes these standards are not met and customers may be inconvenienced or suffer a financial loss as a result.
- 1.3 Compensation is not intended to replace or compensate home contents insurance. We strongly encourage all of our customers to ensure they have adequate household contents insurance in place to cover loss that is not covered by this policy.

2. It applies to...

- 2.1 This policy only applies to Ongo Homes services, tenants and colleagues. It does not apply to any other areas of the Ongo Group.
- 2.2 Our compensation policy includes but is not limited to:
 - Failure to complete repairs including meeting our repair policy timescales
 - Failure of our staff and contractors to keep appointments
 - Failure to meet any of our service standards
 - Damage to personal property or internal decorations
 - Qualifying Improvements
 - Temporary loss of facilities including heating, water, cooking and bathing
 - Home loss and disturbance
 - As an appropriate remedy to a complaint
- 2.3 We will not consider the following under this policy:
 - Claims for personal injury
 - Claims that are covered under our liability insurance
 - Claims of over £5,000 that would always be dealt with by our insurers
 - Service charge refunds
 - Ongoing Disrepair Claims

3. Because we want to...

- 3.1 The aims of this policy are to ensure that compensation it is applied fairly and is accessible to our customers where it is either lawfully or reasonably due.

4. We will...

- 4.1 Compensation will be calculated based on the circumstances of each case. The amount of compensation awarded in any case will always be appropriate and proportionate.
- 4.2 Individual situations for which the compensation is being paid and the tenant being compensated will always be taken into account. We will require supporting evidence from the customer (e.g. receipts or access to inspect damages). In cases of fraudulent claims for compensation, legal action will be considered.
- 4.3 Compensation can be made in many forms except for situations where statutory compensation applies.
- 4.4 You can make a compensation claim by contacting us and explaining what you are requesting compensation for. We may ask you to complete a compensation form to ensure we have all of the information on your individual request to enable us to make a decision.
- 4.5 Unless there are exceptional circumstances (e.g. where a customer is unable to report due to illness, hospitalisation or other personal circumstances), all claims must be made within:
- 14 days of an Ongo Homes (OH) tenancy ending if claiming for Qualifying Improvements
 - The statutory limitation of six-years for Home Loss Compensation
 - 28 days of the date to which the claim relates for all other events
- 4.6 We will not pay compensation if we are unable to achieve our standards due to circumstances beyond our control. For example (this list is not exhaustive):
- Where our insurance providers do not consider a claim to be appropriate
 - Adverse/exceptional weather conditions
 - Epidemics or pandemics
 - Accidental damage where we have not done anything to cause the damage, i.e. burst pipes, blocked drains or events that could not have been predicted and/or were not reported
 - Loss or damage to any of our properties caused by customers, visitors or adjacent occupiers or criminal acts caused by third parties (i.e. not our employees or people working on behalf of Ongo
 - Where a customer prevents or delays us from delivering a service, or contributes in some other way to the service failure

- 4.7 We will investigate and respond to all claims for compensation within 28 days of the claim being made. However, if further information is required from the customer or another party then it may take longer. We will keep you informed if an extension is required.
- 4.8 Compensation payable by us will always offset any rent arrears or other debts owed to us with any remaining sum (if any) being made payable to the customer.
- 4.9 **Loss or damage to personal property or internal decorations...**
- 4.10.1 We may consider making a payment to customers if loss or damage occurs due to an act or omission by us or someone working on behalf of us. Where the decoration of a customer's home has been damaged due to our negligence then we may:
- Supply decoration vouchers or a paint pack
 - Ask the customer to obtain a quote for re-decoration
 - Agree to carry out the remedial works in exceptional circumstances
- 4.10.2 Where the claim relates to an act or omission by someone carrying out work on our behalf we will work with the contractor to agree compensation where applicable.
- 4.11 We may also offer compensation to someone who has suffered distress, inconvenience or loss arising from events or circumstances caused or contributed to by us or by someone working on our behalf not covered elsewhere in this policy.
- 4.12 We may compensate individuals where they have been called to court as a witness by Ongo. This could include compensating for costs incurred travelling to court, any time lost at work or childcare costs incurred.
- 4.13 **Compensation for Qualifying Improvements...**
- 4.13.1 The right to Compensation for Improvements applies to tenants at the end of their tenancy with OH. It **does not** apply to leaseholders or tenants with Starter or Fixed Term Tenancies.
- 4.13.2 To qualify for Right to Compensation for Improvements, tenants of OH must satisfy the following criteria:
- Permission has been granted for the improvements by OH (or North Lincolnshire Council before 26 February 2007). *If permission was not given prior to the improvement taking place then it can be applied for at the time of the claim for compensation. However, if OH decides to refuse permission then the customer would not be eligible to claim for compensation.*
 - The improvements were made **after 1st April 1994**

- The claim is made within 14 days of the tenancy ending
- The tenant has not exercised their Right to Acquire or Right to Buy their property
- There is no outstanding order for possession

4.13.3 Compensation for improvements will be paid on a sliding scale, based on the life-expectancy up to the statutory maximum amount payable. No compensation will be paid if the amount is less than £50.

4.13.4 Appendix One shows details of designated improvements qualifying for compensation (subject to certain exemptions) and how compensation is calculated.

4.14 **Home Loss & Disturbance Payments...**

4.14.1 The Decant Policy explains how OH will manage and compensate tenants through Home Loss and Disturbance Payments and discretionary awards when it is not possible for them to remain in their home whilst building works are being carried out.

4.15 **Loss of facilities or amenities...**

4.15.1 In circumstances where a customer is unable to use some areas of their property or loses the use of amenities for reasons for which we are responsible, compensation may be payable. Compensation will only be paid when the loss is as a result of negligent action by us or as a result of failure to deliver our maintenance obligations as a registered provider of social housing.

4.15.2 We will not pay compensation for loss of facilities or amenities in the case of planned works or routine maintenance agreed with our tenants unless the work takes longer than promised. Compensation in this instance will only be payable between the target date for completion and the date the work is finished.

4.15.3 Where we are responsible for the loss of heating and/or hot water and the loss has been for more than 5 days, compensation will be paid.

4.15.4 Compensation is not payable in cases where there has been a loss or reduction in amenities beyond our control.

4.16 Tenants who are not satisfied with the outcome of a compensation decision can pursue the issue by using our complaints policy and procedure. An appeal must be made within 2 weeks of the compensation decision.

4.17 If **OH** tenants feel the amount of compensation offered in the case of Home Loss and Disturbance Payments for Decants is not sufficient then they have the Right to Appeal under the Land Compensation Act 1973. OH customers would be

encouraged to use our appeals procedure but will be advised that the next step would be to contact the Upper Tribunal (Lands Chamber).

5. Making sure we do what we say...

- 5.1 The Customer Experience Manager is responsible for the development and implementation of this policy.
- 5.2 Everyone involved in the compensation process will receive full compensation training with additional refresher training where necessary.
- 5.3 We will monitor performance broken down by service area / company in line with the appropriate KPIs.
- 5.4 Periodic reports to ELT will contain information on the levels of, and reasons for, compensation payments to assist in evaluating the effectiveness of this policy.

6. Other things to bear in mind...

- 6.1 This policy also links to our:
 - Compensation Procedures
 - Decant Policy
 - Complaints and Feedback Policy
 - Maintenance Policy
- 6.2 The main pieces of legislation and regulation relevant to this policy include:
 - Land Compensation Act 1973 as amended
 - Housing Act 1985 & 1996
 - Home Loss Payments (Prescribed amounts) England Regulations at the time in force

7. We'll look at this again...

- 7.1 This policy will be reviewed every three. We will review earlier if any regulatory or legislative changes occur and have an impact on this policy.

8. What we mean...

Reference	Definition
Customer	Anyone who receives a service from us – this could be a tenant, resident, ex-tenant or applicant for housing.
Compensation	A payment made to make amends for loss or service failure. Compensation does not have to be of a financial nature. It can also be made by way of an apology or a gesture of goodwill.

Discretionary payment	A form of compensation that we are not legally bound to pay. We are able to apply our own judgement when deciding whether or not to pay compensation and at what rate. It will be made on the basis that we do not accept any legal responsibility but is making the offer as a gesture of goodwill.
Distress	Includes embarrassment, anxiety, stress, disappointment and loss of expectation. Could range from minor annoyance to loss of sleep or prolonged ill health.
Inconvenience	Includes any expenditure of time and/or effort by the customer that has resulted from our conduct. E.g. loss of earnings, cost of postage.
Upper Chamber (Lands Tribunal)	The members are independent and decide certain disputes concerning land. They determine disputed compensation in compulsory purchases and certain other types of land compensation cases and they hear appeals from Valuation Tribunals and First Tier Tribunals (Property Chamber).
Loss of amenities	Where we are responsible for loss of heating and/or hot water.
Loss of facilities	Where we are responsible for the loss of use of a room(s) in a property and it is not part of planned works or routine maintenance agreed with the customer.
Statutory payment / compensation	A form of compensation that we are legally bound to pay if the customer meets all of the required criteria. Payment amounts are set in law.

APPENDIX 1 – Right to Compensation for Qualifying Improvements

Qualifying Improvements

Improvement	Notional Life (Years)
Bath or shower	12
Wash-hand basin	12
Toilet	12
Kitchen sink	10
Storage cupboards in bathroom or kitchen	10
Work surfaces for food preparation	10
Space or water heating	12
Thermostatic radiator valves	7
Insulation of pipes, water tank or cylinder	10
Loft insulation	20
Cavity wall insulation	20
Draught proofing of external doors or windows	8
Double glazing or other external window replacement or secondary glazing	20
Rewiring or the provision of power and lighting or other electrical fittings (including smoke detectors)	15
Any object which improves the security of the dwelling-house but excluding burglar alarms	10

Formula for calculation

The formula for calculating the amount of compensation is as follows:

$$C \times \frac{(N-Y)}{N}$$

N

C= Cost of the improvement (less any grant received)

N= Notional life of the improvement

Y= Number of complete years since the improvement was made (part years are rounded up)

If a tenant claims compensation for kitchen units which cost £750.00 three years ago, the amount payable would be £525.00. Original cost £750.00. Less depreciation £750/10 years = £75 x 3 years = £225.00. £750 - £225 = £525 compensation payable.

The statutory maximum compensation payment for improvement works is £3000.00 and compensation payments under £50.00 do not qualify.

Non-qualifying Improvements

Improvements will not qualify for compensation if:

- The improvement is not in keeping with the rest of the property
- It is an improvement that NLH would have carried out in a planned improvement programme within 5 years
- The improvement will make the property difficult to re-let in the future
- The improvement will be unduly expensive to maintain

Customers can obtain further information on the process for claiming Compensation for Qualifying Improvements from the Regeneration Team.

Appendix 2 - The Right to Repair Scheme

The Right to Repair Scheme sets out a list of repairs that have to be done within a certain time limit. The repair must cost less than £250 to carry out. If the repair is not completed within the time limit, our tenants with an Assured protected Tenancy Agreement are entitled to claim compensation.

Under the scheme, tenants must allow our contractors to carry out the work.

The Right to Repair Scheme covers certain repairs, known as 'qualifying repairs', which cost less than £250 to carry out. They include repairs to:

- Unsafe power, or lighting sockets, or electrical fittings
- Blocked flues to fires or boilers
- Leaking roofs
- Toilets that won't flush
- Blocked sinks, baths or basins
- Leaking or flooding from pipes, tanks or cisterns
- Loose or broken banisters or handrails

How long do repairs take under the scheme?

How long a repair covered by the scheme will take depends on the urgency of the repair.

All work on a qualifying repair has to be carried out within one, three or seven working days.

Repairs should be carried out within one working day if:

- you have no water or electricity
- you have no gas, or the supply is reduced
- windows or doors are not secure (for example following a burglary)
- there is a leak from a pipe, tank or cistern
- the flue to an open fire or boiler is blocked
- the heating or hot water are not working between 31 October and 1 May
- the sewage drain or soil stack are blocked (or you only have one toilet and it can't be flushed)
- electrical lighting or other fittings are unsafe

Repairs should be carried out within three working days if:

- there is a partial loss of water or electricity
- the heating or hot water are not working between 1 May and 31 October
- a sink, bath or basin is blocked
- a tap cannot be turned
- you have a loose banister or handrail or rotten wood on the floor or stair treads

Repairs should be carried out within seven working days if:

- the roof is leaking

Appendix 2 - The Right to Repair Scheme

- a door entry phone is not working
- an extractor fan is broken

If you can't be home when the contractor arrives

The repair work will be cancelled if you're not home at the arranged time to let in the contractor. You'll need to start the procedure again.

Take action if repairs aren't done in time

Contact us again if the contractor doesn't turn up to do the work by the last day of the time limit set.

You are usually entitled to £10 compensation if the second appointment doesn't rectify the repairs by the time limit. For every extra day you wait, you get another £2, up to a maximum of £50.

If you have rent arrears, the amount is deducted from your arrears rather than being paid to you directly.

You are not entitled to compensation if the repairs didn't happen because you didn't report the repair or don't allow access to your home.

You probably can't claim compensation if the repair work is cancelled because of unforeseen circumstances such as extreme weather.