



## Compensation Policy

### 1 Introduction

1.1 Irwell Valley Housing Association (IVHA) Complaints Policy is aligned to the Housing Ombudsman’s (HO) Complaint Handling Code. Within Section 7.1 of the Complaints Policy, there is provision for compensation to be awarded to complainants, particularly where the complainant has been found to have suffered some form of financial loss or inconvenience.

1.2 The Complaints Policy states the following, in relation to compensation:

1.2.1 Discretionary compensation is a financial award which may be applied as an outcome of a formal complaint investigation. Discretionary compensation will not be awarded in isolation and will only be considered as a course of action following a formal complaint investigation. Statutory compensation can be considered outside of the complaint’s procedure.”

### 2 Aims and Objectives

2.1 Our aim is to deliver a consistently excellent customer experience through the services we provide. We recognise that we may not always achieve this and that there may be circumstances where it is necessary to award compensation for service failure.

2.2 In instances where compensation is to be awarded, the aim of the compensation is to restore the complainant to the position they would have been in, had the service failure not occurred.

2.3 Compensation is awarded by the investigating complaint manager and is dependent upon the level of loss or inconvenience suffered by a complainant. One of the aims of this Compensation Policy is to ensure that there is consistency across the organisation in how compensation is awarded.

2.4 This Compensation Policy is aligned to the HOS Compensation Policy Guidance. This guidance specifies the circumstances in which compensation should be offered, and breaks down the three types of compensation as:

- Discretionary payments (for time and trouble/distress and inconvenience)
- Mandatory payments - compensation required by law (such as statutory home loss payments)
- Quantifiable loss payments (where there is demonstrable actual loss)

2.5 Exclusions to this policy

2.5.1 The specific situations where compensation should not be considered, include the following, which are aligned with the HOS’ guidance:

- Claims for personal injury

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- Claims for damage caused by circumstances beyond a landlord's control, e.g., because of a storm or flooding
- Problems caused by a third party not working for the landlord
- Short term nuisance caused by building works
- Neighbour nuisance

2.5.2 This policy does not cover the following:

- Decants or temporary moves
- Payments to customers who have improved their homes
- Disrepair claims
- Where a customer starts legal action against us the compensation policy and procedure will no longer apply.

2.5.3 Compensation will not be awarded in the following circumstances:

- IVH take action within a reasonable time of receiving notice and to a satisfactory standard, within targets outlined in the relevant policies such as the repairs policy and our Customer Offer Standards.
- We have not been given the opportunity to inspect damp and mould and provide a plan of action from the first reporting of the condition. Responsibility for damage to furniture or household items will only be considered if these have been affected after the first report and work has not been carried out.
- Where we have had to gain access to a property in order to comply with regulations.
- Circumstances beyond the control of IVH
- Agreed planned improvement works took longer than reasonably expected but any delay was not excessive.

## 3 Policy

### 3.1 Discretionary Payments

3.1.1 Discretionary payments will be made for several reasons which occur as a result of something within IVHA's control:

- Delays in undertaking a repair, exceeding the target time
- Temporary loss of use of part of the property or amenity
- Failure to meet target response times, such as complaint handling or repairs target timescales
- Failure to follow IVHA's policies and procedures
- Poor complaint handling
- Unreasonable time taken to deal with a customer enquiry or complaint

3.1.2 We will offset any compensation or goodwill gestures made against any arrears or debts owed to us by the customer. It is only in exceptional circumstances payments may be made directly to the customer if they owe irwell valley homes money. Examples of this include a customer's being 'out of pocket' due to service failures.

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3.1.3 The HOS do not set out minimum or maximum compensation levels for cases and, in line with this approach, the investigating complaint manager is expected to assess the level of loss or inconvenience suffered and the most appropriate form of compensation.

3.1.4 Where possible, the investigating complaint manager should attempt to quantify a compensation value or alternative gesture, i.e. flowers or vouchers, that would put the complainant back to the position they would have been in, should they not have suffered the service failure. However, if this is not possible, the table and Impact Definitions below should be used as a guide:

<b>IVHA's responsibility</b> in the loss or inconvenience suffered	Minor Impact	Moderate Impact	Severe Impact
None	£0	£0	£0
Partial	£50	£100	£150
Full	£100	£250	£500

### 3.1.5 Impact Definitions

<b>Minor Impact</b>	The complainant has experienced an instance of service failure, resulting in a low level of inconvenience. The circumstances are such that the Complaint Manager accepts the service has not achieved the expected standard, but the impact was short in duration and had minimal (if any) financial impact on the complainant.
<b>Moderate Impact</b>	The complainant has experienced a moderate degree of inconvenience or financial loss. There has been a repeated failure of the Association to address the shortcoming, even of a low impact event, could give rise to consideration of a medium impact level of compensation.
<b>Severe Impact</b>	Where there has been a serious failure in meeting the required standards, potentially over a sustained period. The claimant has suffered a considerable inconvenience or financial loss.

### 3.1.6 Loss of Amenities:

Customers may be entitled to compensation if any part of the home, or its major amenities, are unusable by the resident because of delayed repairs or major building works.

Compensation for loss of a room or amenity is available as follows for each week the home / amenity is unavailable.

Amenity Lost	Compensation Payable	Criteria
Complete loss of heating	40% of weekly rent	After 24 hours where we have failed to supply temporary heating. Compensation for

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		loss of heating is excluded between 1 June and 30 September
No hot water either via heating system or immersion heater	20% of weekly rent	After first 24 hours if no suitable alternative offered
Loss of/ No access to cooking facilities	25% of weekly rent	After first 24 hours. in cases of financial hardship, vulnerable customers, and customers with families, we will consider paying an allowance to contribute towards the cost of meals and drinking water
Complete loss of bathroom	100% of weekly rent	After first 24 hours (reduced to 75% if a separate WC is available)
Living area	15% of weekly rent	After first 24 hours
Bedroom	20% of weekly rent	After first 24 hours

Where reference is made above to weekly rent, this means basic rent only.

### 3.1.7 Missed Appointments:

If during a complaint investigation we find that we, or our contractors have failed to keep an appointment without giving the customer reasonable notice (two working days), we will issue the customer with £20 compensation per incident. This applies to appointable repairs only and does not apply to emergency repairs.

### 3.1.8 Damage to a customer's belongings or decoration

We will only consider compensation claims if damage to a customer's belongings or decoration has occurred because of failure to repair or as a result of damage we cause. If we have met our service standards on repairs, claims for compensation will not be considered.

Any compensation payable will be dependent upon the value of the items damaged. Photographic evidence should accompany the claim together with relevant receipts wherever possible.

Customers are responsible for damage due to their own negligence. We will not consider compensation claims if damage has occurred because of disrepair where it is proven that we have not been negligent or breached the terms of the tenancy agreement.

### 3.1.9 Loss of earnings:

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Where we have missed more than one appointment and the customer has lost income and/or booked leave from work to be available for an appointment, we will consider compensation up to a maximum of £100 per day. Proof of lost income and booked leave will be required prior to any payments being made.

## 3.2 Mandatory Payments

3.2.1 Mandatory payments are compensation payments required by law. In applying mandatory payments, IVHA will always follow the most up to date legislation and award values, relating to each.

### 3.2.2 Right to Repair:

We aim to complete repair work to our agreed time scales and with minimum disruption to customers. If we fail to complete a repair within the time scale given to the customer, we will rearrange the repair within a second-time scale, equivalent to the first, and this will be agreed with the customer.

If the repair is not completed within the revised time scale customers may be entitled to claim compensation if all the following conditions are met:

- The repair affects the health, safety, or security of the customer
- We are responsible for the repair
- The value of the repair is less than £250
- We have failed to carry out a repair within the original agreed time scale and have failed to do so again after a further request is made by the customer

Compensation will not be payable if any of the following conditions apply:

- The repair was needed because of damage caused by the customer
- The customer has not told us that the repair was needed
- We were not responsible for the repair
- The customer has told us that they no longer want the repair to be carried out
- The customer has failed to provide access for the repair to be carried out

The amount of compensation payable under Right to Repair is a statutory right. Customers can claim a one-off payment of £10. They can also claim a further £2 per day for each day the repair remains outstanding up to a maximum of £50.

### 3.2.3 Home Loss Payments:

A resident may be entitled to a Home Loss Payment if they are permanently displaced from their home by IVHA, as a consequence of redevelopment or improvement. We will make Home Loss and Disturbance Payments to residents, where the law requires us to do so. Home Loss Payments may be made to residents or owner occupiers who have lived in their property for a minimum of 12 months ending on the date of displacement. Payments will be made in line with the Home Loss Payments (Prescribed Amounts) (England) Regulations

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### 3.2.4 Disturbance Payments:

Pursuant to statute, Disturbance Payments are payable to residents who are permanently displaced from their home by IVHA, because of redevelopment or improvement and the resident is lawfully in possession of the property. We may also pay a Disturbance Payment to residents who are required to move temporarily. This payment will cover reasonable moving costs. Details of the reasonable costs covered are outlined in IVHA's Decant Policy.

## 3.3 Quantifiable Loss Payments

3.3.1 There may be some circumstances where a resident can claim compensation, due to quantifiable losses. This would occur in a circumstance where IVHA has failed to deliver an obligation, where it is legally obliged to do so, which has resulted in a quantifiable loss to a resident. Examples of this include:

- Increased heating bills, due to disrepair
- Having to pay for alternative accommodation or take away food, due to a failure of IVHA to carry out a repair, in line with the prescribed repair timeframes
- Paying for cleaning or carrying out repairs, where IVHA has failed to meet its obligations

3.3.2 Any such costs must be as a result of evidence that IVHA has not fulfilled a required obligation, which has resulted in a resident suffering a quantifiable loss. Costs must be reasonably incurred, must be claimed within 3 months of a quantifiable loss and evidence of such loss will be required to be provided by the resident.

3.3.3 IVHA reserves the right to reject quantifiable loss claims, if a resident cannot provide evidence that the loss has been as a result of negligence of responsibilities of IVHA.

## 3.4 Making a claim for compensation

3.4.1 All Statutory claims for compensation must be received by us in writing within 31 calendar days of the event that caused the loss or damage. Failure to make a compensation request in this timescale may result in us not being able to consider the claim further without evidence of extenuating circumstances.

3.4.2 Discretionary claims for compensation can be made and investigated via the customer complaints process.

3.4.3 When reviewing claims for compensation we will consider the effects of the actions of the claimant i.e. if they have failed to allow us or our contractors to undertake remedial works deemed necessary, which ultimately causes further problems/damage to property.

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### 3.5 Right to Appeal

- 3.5.1 Customers have the right to appeal if they disagree with the settlement offered in accordance with our Complaints Policy. Customers should set out their reasons for not accepting the offer and where this is not agreed by the investigating Manager, the claim will be escalated to the next stage in accordance with the Complaints Policy and procedure.

## 4 Performance Reporting

- 4.1 Compensation will be monitored regularly by the Head of Customer and Communities and Reported to Leadership and Board each quarter. The frequency and amount of compensation paid quarterly will be calculated and analysed by the Complaints Team and commentary provided to the senior management team for review.

## 5 Roles and Responsibilities

### 5.1 Rents and Complaints Manager

- 5.1.2 The Rents and Complaints Manager is responsible for overseeing the handling of complaints and reviewing and approving calculated compensation provided by complaints managers to ensure they are consistent.
- 5.1.3 All compensation requests issued to finance under £500 must be approved by the Rents and Complaints Manager before they can be processed. Any payment over £500 must be approved by the Head of Customer and Communities.

### 5.2 Customer Complaints and Liaison Officer

The Customer Complaints and Liaison officer is responsible for issuing compensation requests as calculated by the investigating complaints managers. These requests must be sent to the complaints leader for approval before being issued to the accounts team.

### 5.3 Finance Team

The accounts team receive compensation requests once approved and send payment or issue rent credits where appropriate.

### 5.4 Investigating Complaint Manager

Investigating Complaint Managers assess complaint in line with this policy and calculate an appropriate compensation figure.

## 6 Associated Documents and Good Practice

- 6.1 This policy should be read in conjunction with the following policies and guides:
- [Complaints Policy](#)

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- [Repairs Policy](#)
- Housing Ombudsman Compensation Guidance: <https://www.housing-ombudsman.org.uk/landlords-info/guidance-notes/compensation-policy/>
- Housing Ombudsman Complaint Handling Code: <https://www.housing-ombudsman.org.uk/landlords-info/complaint-handling-code/>
- Equality Impact Assessment for Compensation policy
- Tenancy Policy
- Tenancy Agreements
- Tenant Involvement & empowerment Standard
- Customer Strategy 2022 to 25
- HOS spotlight reports

3.6 This policy should be applied in line with the following legislation:

- Land Compensation Act 1973
- Home Loss Payments (Prescribed Amounts) (England) Regulations (reviewed annually).

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