



Compensation Policy

Introduction

Irwell Valley Housing Association (IVHA) Complaints and Compensation Policies are aligned to the Housing Ombudsman's Complaint Handling Code. The purpose of this Compensation Policy is to outline the circumstances under which compensation may be awarded to residents based on the Housing Ombudsman Remedies Guidance. The Policy aims to ensure that compensation is fair, transparent, and consistent with the principles outlined by the Housing Ombudsman.

Policy

1.0 Purpose

- 1.1 This Policy which applies to all Irwell Valley residents covers compensation related to service failures, financial loss, distress, inconvenience, and other relevant issues as outlined by the Housing Ombudsman.
- 1.2 Sometimes things go wrong, and customers don't get the service they expect, or we fall short of the standards we have promised. Our Compensation Policy recognises that there are other remedies available to put a situation right and customers are not automatically entitled to compensation, but in some instances, financial compensation may be the only and appropriate form of redress.
- 1.3 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.
- 1.4 In line with the HOS compensation policy guidance, we offer three types of compensation:
 - 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.

2.0 Principles

- 2.1 Each case is considered on its own merits and all the circumstances, and our Investigating Managers use their discretion to decide what the most appropriate remedy is for each individual case. When assessing compensation claims, the following factors will be considered:
 - What the complainant wants to resolve their complaint.
 - The nature and extent of the service failure.
 - The impact on the resident- e.g., stress, anxiety, worry, frustration, uncertainty or inconvenience, time and trouble.
 - The duration of the issue and the impact this has had.

- Any known disabilities or vulnerabilities which meant the complainant was more adversely affected.
 - If there an actual quantifiable financial loss i.e. the complainant incurred costs as a result of what happened, or did not receive payments that they should have.
 - Did our actions or inactions result in the complainant reasonably believing that something would, or would not, happen.
 - Did the complainants actions or inactions, or those of a third party contribute to the service failure.
 - Any previous compensation awarded for similar issues to ensure consistency.
 - How we handled the complaint and resolved matters in line with our Complaints Policy.
- 2.2 To be open and honest with the complainant and honest in how we have arrived at the compensation being offered, we will breakdown all elements of the payment and explain what each element relates to.
- 2.3 When a claimant accepts compensation, we will pay this via BACS transfer directly into their chosen bank account within 10 working days of receiving the account details.
- 2.4 If the claimant does not have a bank account, we will offer to credit their rent account with the amount being offered or provide a gift voucher of their choice for the amount.
- 2.5 If a claimant is in significant rent arrears and has a live Notice to Seek possession in place as a result of their arrears, we will credit any amount of compensation owed to them to their rent account to help them avoid eviction and sustain their tenancy.

3.0 Types of Compensation

3.1 Discretionary Payments

Discretionary payments will be made for reasons occurring as a result of something within our control, including:

- Failure or delays in complaint handling.
- Failure or delays in providing a service (e.g., in undertaking a repair).
- Poor communication and failure to meet target response times.
- Failure or delays in providing a service that a person has been charged for.
- Temporary loss of amenities.
- Loss of use of the whole property or part of it.
- Failure to follow our policies and procedures.
- Unreasonable time taken to resolve an issue.
- Where the customer suffered distress or inconvenience.

The Investigating Manager will quantify a compensation value or alternative gesture, e.g., decorating vouchers, cost of living vouchers, or flowers, that would put the complainant back to the position they would have been in, should they not have suffered the service failure.

We may offer practical actions such as offering to undertake repairs or redecoration, which would otherwise be a customer's responsibility. However, if this is not possible, the table and Impact Definitions below should be used as a guide.

At Stage One of our complaints process, remedies will be signed off by the Rents and Complaints Manager or alternative service manager. At stage two of the complaints process the remedies will be signed off by the Head of Customers and Communities or the Executive Director Customers.

IVHA's responsibility in the loss or inconvenience suffered	Minor Impact	Moderate Impact	Severe Impact
None	£0	£0	£0
Partial	£50-£100	£100-£200	£200-£500
Full	£100-£250	£250-£500	£500+

3.2 Impact Definitions

Minor Impact	The complainant has experienced an instance of service failure, resulting in a low level of inconvenience. The circumstances are such that the Rents and Complaints Manager accepts the service has not achieved the expected standard, but the impact was short in duration and had minimal (if any) financial or personal impact on the complainant.
Moderate Impact	There has been a repeated failure, or numerous service failures, even of a low impact event or a significant failing that has resulted in the complainant experiencing a moderate personal impact or financial loss.
Severe Impact	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.

3.3 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 paid 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 loss of heating is excluded between 1st June and 30 th September
No hot water either via heating system or immersion heater	20% of weekly rent	After first 24 hours if no suitable alternative is offered
No access to cooking facilities	25% of weekly rent	After first 24 hours.
Complete loss of bathroom facilities	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
Parking	None	This will not be compensated
Access to Garden	None	This will not be compensated

Where reference is made above to weekly rent, this means basic rent only and does not include service charges.

3.4 Missed appointments and administrative errors

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.

Where we find we have made an administrative error, or we have found other customers have been impacted following a compliant investigation, we will issue each customer impacted £25 compensation.

3.5 Damage to a customer's belongings or decoration

If any damage to a customer's belongings or decoration has occurred because of failure to repair outside of our repairs timescales or as a result of damage we have caused, compensation will 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 where 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.

In these instances, Customers will need to claim through their home contents insurance where applicable.

3.6 Loss of earnings:

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 before any payments are made.

3.7 Mandatory Payments

Mandatory payments are compensation payments required by law or through Housing Ombudsman orders. In applying mandatory payments, IVHA will always follow the most up to date legislation and award values.

3.8 Right to Repair

We aim to complete repair work in line with our repairs policy and with minimum disruption to customers. If we fail to complete a repair within the time scales 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.

3.9 Home Loss Payments

A resident may be entitled to a Home Loss Payment if they are permanently displaced from their home by us, as a consequence of redevelopment or improvement to cover distress and inconvenience of having to move when not choosing to. We will make Home Loss 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.

3.10 Disturbance Payments:

Disturbance Payments are payable to residents who are permanently displaced from their home by us, 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 our Decant Policy.

3.11 Quantifiable Loss Payments

There may be some circumstances where a resident can claim compensation, due to a quantifiable loss. This would occur where IVHA has failed to deliver an obligation, we are legally obliged to, 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 Irwell Valley to carry out a repair, in line with the prescribed repair timeframes.
- Paying for a service such as cleaning or carrying out repairs, where IVHA has failed to meet its obligations.

Any costs incurred must be reasonable and there must be evidence that they were incurred because we have not fulfilled a required obligation. Claims must be made within 3 months of a quantifiable loss and evidence provided by the resident.

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

4.0 Apology

4.1 In some circumstances an apology is all that is required. When Irwell Valley apologises for any failures, this will be made in writing or in person to the resident. The apology will come from an individual, on behalf of IVHA. When an apology is given to a resident we will:

- Address them personally.
- Be empathic and accept responsibility.
- Acknowledge the service failure or any orders from the Housing Ombudsman.
- Explain clearly what happened.
- Acknowledge the impact on the complainant.
- Explain what is being done to put things right.
- Provide assurances that we have learnt from the complaint and what actions we are taking to ensure this does not happen again.

5.0 Exclusions

5.1 The specific situations where compensation will not be considered, include the following, which are aligned with the HOS' guidance:

- Claims for personal injury – these should be made via our Public Liability Insurers.
- Claims for damage caused by circumstances beyond a landlord's control, e.g., because of a storm or flooding – these should be made to the relevant company.
- Problems caused by a third party not working for the landlord.
- Short term nuisance caused by building works.
- Neighbour nuisance.
- Decants.
- Payments to customers who have made voluntary improvements to their homes.
- Disrepair claims.
- Where a customer starts legal action against (as the compensation policy and procedure will no longer apply).
- Where we have taken satisfactory action within a reasonable time of receiving notice and within targets outlined in the relevant policies such as the Repairs Policy.
- Where we have not been given the opportunity to inspect issues 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 e.g., gas servicing and fixed wire testing.
- Where damage or personal impact has been caused by circumstances beyond our control
- Where planned improvement works took longer than reasonably expected, but delays were not excessive.

6.0 Making a claim for compensation

6.1 All Statutory claims for compensation must be received by us in writing within 28 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. Discretionary claims for compensation can be made and investigated via the customer complaints process.

6.2 Right to Appeal

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.

Performance Reporting

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 Executive Team and Board.

Roles and Responsibilities

The following colleagues oversee the Compensation Policy:

The Executive Director (Customers) owns the Policy and is responsible for performance against it including reporting to the Board.

Head of Customers and Communities is the author of the Policy and Complaints Lead with overall responsibility for ensuring the Policy is adhered to by all colleagues and learnings reported to the Leadership Team.

The Rents and Complaints Manager supervises the day to day running of the complaints team, overseeing the handling of complaints and reviewing and approving calculated compensation provided by Complaints Managers to ensure they are consistent. All compensation requests issued to the Finance team 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.

The Customer Complaints and Liaison Officers are responsible for issuing compensation requests as calculated by the Investigating Complaints Managers. These requests must be sent to the Complaints Lead for approval before being issued to the accounts team.

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

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

Associated Documents and Good Practice

This policy should be read in conjunction with the following policies and guides:

- [Complaints Policy](#)
- [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

This Policy should be applied in line with the following legislation:

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

Version Control

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Policy Author:	Head of Customer and Communities
Policy Owner:	Executive Director of Customer and Communities
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EIA (Equality Impact Assessment) Date and Link to EIA	June 2024
Safeguarding Impact	This does not apply to this policy
Lead Team	Communities Team

The latest version of this policy should be viewed online from The Hub area of the IVH intranet, and any printed version cannot be relied on as the most current version