



POLICY DOCUMENT

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Table of Contents

1.	INTRODUCTION	3
2.	SCOPE OF THE POLICY	3
3.	AIMS & OBJECTIVES	3
4.	POLICY STATEMENT	3
5.	PERFORMANCE MEASURES AND TARGETS	3
6.	RESPONSIBILITY AND REPORTING ARRANGEMENTS	4
7.	MONITORING AND REVIEW ARRANGEMENTS	4
8.	IMPLEMENTING THE POLICY	4
9.	PROCEDURE FOR PAYMENT OF COMPENSATION	9
10.	AUTHORISATION LIMITS	10

1. INTRODUCTION

- 1.1 This policy and Procedure relates to Westway Housing Association's ("WHA") position on compensation for service failures

2. SCOPE OF THE POLICY

- 2.1 This policy does not apply to:

2.1.1 Decants

2.1.2 Right to Compensation for Improvements; or

2.1.3 Right to Repair

which are all covered under their respective policies and procedures

- 2.2 The policy covers:

2.2.1 general compensation claims for service failures

2.2.2 goodwill payments and goodwill gestures

2.2.3 compensation for loss of facilities or damage to customers' belongings

3. AIMS & OBJECTIVES

- 3.1 The aim of this policy is to give our position on all claims for service failure compensation.

- 3.2 WHA seeks to achieve this aim by implementing thorough and considered procedures detailed in the preceding paragraphs of this policy.

4. POLICY STATEMENT

- 4.1 We are committed to giving an efficient and responsive service to our customers. If the service we deliver does not meet our service standard we will consider paying compensation to affected customers.

5. PERFORMANCE MEASURES AND TARGETS

- 5.1 The following details must be recorded for all payments:

- reason for payment
- amount
- date paid
- authorising officer.

5.2 The Director of Housing has responsibility for ensuring that a record of all compensation payments and goodwill gestures are kept.

5.3 Records of all compensation payments will be kept and a report produced analysing payments by amount, type and payee. This will be included in an annual compensation award report that will be presented to the Board, who has overall responsibility for monitoring compensation activity.

6. RESPONSIBILITY AND REPORTING ARRANGEMENTS

6.1 The Director of Housing is responsible for making sure staff and customers are aware of this policy and procedure. This will be available upon request from customers.

7. MONITORING AND REVIEW ARRANGEMENTS

7.1 We will review this policy so that it keeps up with regulatory, legislative or best practice developments.

7.2 The Senior Management Team have responsibility for ensuring the process of authorising compensation claims is subject to WHA's internal controls procedures and will also undertake quarterly reviews of all compensation claims to ensure WHA continues to comply with this policy.

7.3 A review of all authorised compensation claims will be carried out with individual staff members during monthly individual supervision sessions. Further, the monthly housing department team meetings will be utilised for staff to report on their actions and issues arising from compensation claims will be raised.

7.4 Any issues would also be followed up in staff appraisals to ensure appropriate understanding and training on what was required from staff.

7.5 WHA will ensure that customers are made aware of the each party's responsibilities and obligations through regular newsletter articles, insertions in the tenants' handbook, via the website and tenant meetings to ensure customers are clear where compensation may be due and how.

8. IMPLEMENTING THE POLICY

8.1 Deducting debts owed to WHA

8.1.1 If the customer owes WHA money, such as rent arrears, outstanding service charges or other debts (e.g. for a rechargeable repair), we will deduct this from any compensation payments due. We will work out the amount and make a credit to the relevant rent, service charge or other account. Any balance remaining will be properly delivered to the customer in cash.

8.2 **Claims against third parties**

- 8.2.1 If we get receive a claim or complaint from a customer against a third party, we will take up the claim on the customer's behalf in line with our Complaints, Comments and Compliments Policy. Although WHA's position is that the claim is against the contractor, where appropriate WHA may offer a gesture of goodwill.
- 8.2.2 We will monitor complaints and compensation claims against contractors to look for good and bad trends, and adapt our list of approved contractors accordingly

8.3 **General claims**

- 8.3.1 We are committed to delivering quality services. We may consider settling claims if, through our own fault, we do not deliver the appropriate and agreed level of service.
- 8.3.2 If we have not delivered an appropriate level of service, staff may make goodwill payments to the affected party. Payments can only be made within delegated authority (see authorisation limits outlined in section 10 below).
- 8.3.3 We will not make a payment if:
 - 8.3.3.1 we have taken reasonable steps to put right any failure of service delivery that has arisen due to unavoidable circumstances; or
 - 8.3.3.2 the customer prevents or delays our delivering the service, or has contributed in some other way to the service failure.
- 8.3.4 We will send claims for injury, damage to property or costs due to the negligence or alleged negligence of our staff or agents to our insurers for them to consider.
- 8.3.5 If our insurers decide not to consider a claim (that is, if we have taken all reasonable precautions and we have no legal liability), they will write to the claimant to explain this. It will then be up to the Director of Housing to consider whether to make a goodwill payment.

8.4 **Goodwill payments**

- 8.4.1 We may decide that because of a service failure we should make a goodwill gesture. The investigating officer may also consider giving vouchers for a local store. An investigating officer should consider a

goodwill gesture if they find that a customer has received a poor service, not received a service to which they were entitled to, or received a service that has been unreasonably delayed.

8.5 Loss of or damage to a customer's belongings

- 8.5.1 We strongly advise customers to take out home contents insurance to insure their personal possessions and decorations against damage or loss due to fire or water damage, burglary etc. This compensation policy is not intended to replace, or make up for a customer not having, contents insurance.
- 8.5.2 In the first instance customers should be encouraged to make a claim for damages promptly against their own home contents insurance. Home contents insurance is normally on a 'new for old' basis, which means that damaged items will be replaced with new ones.
- 8.5.3 A liability claim against WHA will, if successful, be on an 'indemnity' basis (i.e. the value of the item at the time of damage). This means we make an allowance for wear and tear, and pay less than a new item would cost. If the customer has no home contents insurance, we will refer all claims to our insurers where applicable.
- 8.5.4 We will ask the customer for proof of damage and proof of the value of the items, including receipts and photographs when appropriate. Customers must have taken all reasonable steps to prevent further damage – such as moving items away from an area affected by a leak and allowing WHA or contractors onto the property to carry out a repair.
- 8.5.5 Until a claim is decided, customers will not receive financial compensation as this depends on liability being proved against WHA.
- 8.5.6 If a customer does not have home contents insurance, their claim would fall into one of the following categories:
- 8.5.6.1 we were warned about a problem and did not take adequate action within a reasonable period of time to put things right. This is then an issue for WHA and its own insurer.
 - 8.5.6.2 a WHA appointed contractor caused damage while carrying out a repair or the repair was not done properly. This is the contractor's fault and usually an issue for the contractor's insurers.

8.5.6.3 we did not know about this and could not have foreseen the problem because we were not told about it. This is unlikely to be considered to be our fault, and may be an issue for our insurers to advise us on and decide.

8.6 Compensation for loss of a facility

8.6.1 If the loss is due to a planned improvement agreed with the customer, we will not pay compensation unless it takes longer than promised and the delay is due to the default of WHA.

8.6.2 We will pay compensation if a facility is lost due to a fault. For example: we may pay compensation for a leaking roof to cover the rooms that are out of use, and for any inconvenience caused.

8.6.3 We will pay the daily compensation rate for each full 24-hour period without the facility, up to a limit of four weeks.

8.6.4 We may pay compensation beyond this four-week limit, depending on the merits of the case. But this must be approved by the Director of Housing.

8.6.5 If a paid estate service has not been provided at all, customers will receive a refund of service charges covering that service for the period that the service was failing

8.7 Compensation for a service failure

8.7.1 Management and staff have the authority to offer compensation. The following are situations in which this can be paid when there has been a clear service failure:

8.7.1.1 If a staff member makes an appointment to visit a customer and is over 2 hours late, they have the authority to make a payment.

Important: An offer of payment will not be made, if the customer:

- was phoned in advance and agreed to the appointment being moved; or
- says that no inconvenience was caused when the staff member arrives; or
- is clearly not disadvantaged or inconvenienced by the late arrival.

- 8.7.1.2 If a customer has to stay in a number of times for missed appointments, we can pay larger sums of compensation.
- 8.7.1.3 If we repeatedly fail to reply to letters in line with our Customer Charters (copied at Appendix 1 to this policy) and we believe that this has caused inconvenience or distress, we can make a payment.
- 8.7.1.4 If we have failed more than once to make an adequate repair, and this causes a customer to have time off work, we can pay compensation for inconvenience for any time off work. The customer must prove any loss of earnings.
- 8.7.1.5 If a customer brings a matter to our attention relating to the poor administration or practise of WHA, we can compensate them for their time and trouble.
- 8.7.1.6 In extreme cases, if a service failure has caused significant inconvenience to a customer, then we may make a goodwill gesture or payment. This may also apply to cases of inconvenience when a service failure is not clearly proven, but the principles of this policy still apply

8.8 Additional offers of compensation

- 8.8.1 There will be times when an offer of compensation may be the only option. For example if:
 - 8.8.1.1 we have taken the appropriate action but have delayed doing this and the delay has caused a problem for the customer
 - 8.8.1.2 there is no practical action which would provide a full and appropriate remedy (see list of remedies)
 - 8.8.1.3 the customer has suffered financial loss, or stress and anxiety

8.9 Remedies

- 8.9.1 These include:
 - 8.9.1.1 an apology
 - 8.9.1.2 an explanation
 - 8.9.1.3 a promise that the same thing will not happen again (monitored to make sure it does not)

8.9.1.4 action that can be taken to put things right

8.9.1.5 financial compensation.

8.9.2 When applying a remedy, staff must ensure the remedy is appropriate to the mistake. As far as possible it should put the customer in the position they would have been in if the mistake hadn't happen.

8.10 Compensation calculations

8.10.1 When working out financial compensation, the following will be taken into account to help make sure the amount is appropriate and reasonable:

8.10.1.1 the passage of time, including our response times, taking into account the

8.10.1.2 nature of the problem

8.10.1.3 the amount of time the customer has spent sorting out the problem

8.10.1.4 any difficulty the customer has had in dealing with us

8.10.1.5 how adequate or inadequate our replies have been to letters, phone calls and visits

8.10.1.6 whether any inadequate response by us was down to deliberate action, rather than poor administration (in either circumstance the customer will be compensated however the level of compensation is likely to be greater for the former than the latter)

8.10.1.7 The level of minor or hard-to-judge expenses the customer has paid (such as significant postage or telephone costs, travel costs, loss of earnings).

8.10.1.8 Proven expenses such as legal or other professional fees will be taken into account separately when deciding on the amount of compensation.

9. PROCEDURE FOR PAYMENT OF COMPENSATION

9.1 Customers should refer to the relevant sections in our Complaints Policy when seeking to issue a complaint to WHA.

9.2 In the case of loss of service or facilities such as central heating, use of rooms, lift etc. compensation will be paid by credit to the rent account or service charge account.

9.3 In all other cases such as failure to carry out major repair works, a cheque will be issued to the customer. Where there are rent arrears or other sums owed to WHA, any agreed amount of compensation will be first offset against this debt.

10. AUTHORISATION LIMITS

COMPENSATION SUM	AUTHORISATION LEVEL
Up to £50	Customer Service Officer
Up to £100	Housing Officer
Up to £200	Senior Housing Officer
Up to £500	Property Services Manager
Up to £2000	Director of Housing/Head of Housing
Up to £4000	Chief Executive
Over £4000	Legal advice followed by authorisation by the Board or Chair of the Board

APPENDIX 1- CUSTOMER CHARTER

CUSTOMER SERVICE STANDARDS

The standards below apply to all aspects our services at Westway HA and also includes the services of all the contracts we employ.

- We will treat people fairly and with courtesy and respect.
- We will provide clear and accessible information on all our services
- We will make our services accessible to all of the community.
- We will communicate swiftly and effectively in the most appropriate way.
- We will regularly consult with our customers to ensure that we are providing the services that we meet their needs.
- We will treat all personal information in confidential manner.
- We will keep agreed appointments with our customers.
- We will respond to all communications within our published timescale.
- We will publish our performance on how long we take to respond to correspondence
- We will answer the telephones within six rings.
- We aim to reply to all letters within 10 working days.
- We will deal with all complaints promptly.
- We will ensure that our staff are sufficiently resourced and trained to provide high quality services.
- We will ensure that all our staff can identify themselves as employees of Westway HA

Our *Mission Statement* is to be regarded as one of the *best* Community based Housing Associations in West London by providing a *viable housing service* for those in need, at *affordable* rents and by giving *opportunities* to Black and Minority Ethnic Communities to participate fully in the provision of *Social Housing* in their Local Community.