

COMPENSATION POLICY

01 July 2020

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Date effective from:	01/07/2020
Policy approved by:	Leadership Forum
Review Date:	31/03/2023

EIA Required?	<input type="checkbox"/>
EIA Completed?	<input type="checkbox"/>
Revision number:	0
Lead officer:	Rob Lloyd

Compensation Policy

1 INTRODUCTION

1.1 Stockport Homes is committed to delivering excellent services and it recognises the impact on customers if service levels fall below the agreed standards. A certain amount of disruption is sometimes unavoidable and where the level of disruption exceeds what is reasonable we will consider compensation.

1.2 The Policy applies to customers of Stockport Homes and covers compensation gestures, which relate to loss, damage or inconvenience due to service failure. It does not act as a replacement for customers taking out appropriate contents insurance. Each compensation gesture request will be considered on an individual basis and Stockport Homes will learn from service failures identified to prevent future similar recurrences.

1.3 If a customer wants to submit an application for a request for compensation then this must be done within six months of the incident occurring. However, customers are encouraged to raise an issue as soon as it occurs to ensure a full review can take place.

2 STRATEGIC LINKS

2.1 The Policy operates alongside the Customer Feedback Policy, which provides a framework for investigating and resolving complaints. It reflects the principle of 'local resolution', which is a key feature of the Housing Ombudsman's approach to complaints management. This means that Stockport Homes will always make a reasonable and proportionate effort to resolve a complaint and in some instances, this may include compensation gestures.

2.2 The 'Regulatory Framework for Social Housing in England' sets out that Registered Providers¹ shall 'have an approach to complaints that is clear, simple and accessible that ensures that complaints are resolved promptly, politely and fairly'. This Policy provides a framework for making clear, transparent and fair compensation gestures that support the resolution of a complaint.

2.3 The Policy is wide-ranging and could be used to offer compensation gestures for a service failure in any area of the business. It operates in conjunction with other policies that offer gestures such as the Decorating Allowance Policy. It does not provide an opportunity to make multiple claims for the same service failure. Where a commissioning body commissions

¹ Stockport Homes is a Registered Provider for the properties that it owns, although all the social housing stock managed by Stockport Homes will be covered by the framework.

Stockport Homes Group or one of its subsidiaries to deliver a service then the contract terms will override the details in this Policy.

3 KEY FEATURES OF THE POLICY

3.1 Stockport Homes' approach to compensation reflects the Housing Ombudsman categories of 'mandatory payments', 'actual quantifiable financial loss', and 'other financial redress'.

3.2 Mandatory payments cover a number of areas as per the following descriptions²:

- 3.2.1 Home loss payments may be made to tenants or owner-occupiers who have lived in their property for a minimum of 12 months and are required to move home permanently as a result of redevelopment or demolition of their home.
- 3.2.2 Disturbance payments may be made to people who are required to move to another property temporarily or to people who have lived at a property less than 12 months and are required to move home permanently. This payment is for reasonable moving costs.
- 3.2.3 Improvements - If a tenancy is ending and the tenant completed improvements to the property after 1 April 1994 they may be entitled to compensation for those improvements. This does not apply to fixed-term tenancies.
- 3.2.4 The Right to Repair scheme covers specific repairs, known as 'qualifying repairs' which cost less than £250 and should be done within a set time limit. If the repairs are not completed within that time then the tenant may be entitled to compensation.

3.3 Quantifiable financial loss covers instances where there has been an actual, evidenced financial loss incurred as a direct result of a service failure. Typical examples include increased heating bills due to disrepair, having to pay for alternative accommodation or takeaway food, and paying for cleaning or carrying out repairs where Stockport Homes has failed to reasonable do so. This covers any reasonably incurred costs and it is the customer's responsibility to provide evidence of such loss. Each case will be considered on its own merits and payments will only be made where Stockport Homes has been made aware of the issues and been given a reasonable opportunity to address the service failure.

3.4 Other financial redress covers cases where there has been avoidable inconvenience, distress, detriment, or unfair effects resulting from a service failure. This covers payments made instead of or alongside quantifiable financial loss as well as practical actions and gestures of goodwill.

² In line with the guidance from the Housing Ombudsman - <https://www.housing-ombudsman.org.uk/useful-tools/fact-sheets/compensation/>

3.5 The Policy does sets guidelines for compensation levels. Stockport Homes expects officers to use the guidelines but also to use discretion when deciding what is reasonable, given the circumstances of a service failure. The supporting Procedure shows some suggested ranges as a guide, and most cases will be resolved at the lowest value financial gestures of £10 to £50. Where there is a dispute about payment above the maximum in the Procedure, the case should enter the Customer Feedback complaints process if it has not already done so. The Customer Feedback Policy proscribes the approach.

4 EQUALITY IMPACT ASSESSMENT (EIA)

4.1 An Equality Impact Assessment Screening has been undertaken on this Policy to consider its impact on different diversity groups. The Policy provides flexibility in the resolution of issues so that any compensation gesture reflects the level of service failure for which Stockport Homes is responsible, as well as the effect on the individual customer. A full impact assessment was therefore not required.

5 OWNERSHIP, MONITORING & REVIEW

5.1 The Performance and Improvement Team owns this Policy. The team will review the Policy at least every three years or in line with service demands or customer feedback.