



COMPENSATION POLICY



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1. BACKGROUND

Manningham Housing Association (MHA) is a registered social housing provider which is regulated by the Regulator of Social Housing, Homes England. MHA provides homes to approximately 1400 households predominantly in the Bradford and Keighley area. The Association provides general needs housing for rent and shared ownership.

MHA is committed to consistently providing excellent service to all our customers. MHA recognises that in some situations, an apology and a resolution may not always compensate for a situation or the impact of a lack of service a customer has received.

The aim of this policy is to assist staff in ensuring that a standardised approach is taken in considering compensation requests, fairly, consistently, and impartially.

2. REGULATORY AND LEGAL FRAMEWORK

MHA is governed by legislation and good practice relating to the payment of compensation. This is used to decide when and how much compensation will be payable. Compensation payable under legislation includes:

- Right to Compensation for Improvements – The Housing Act 1985 and the Secure Tenants of Local Authority Regulations 1994.
- Home Loss and Disturbance payments – Land Compensation Act 1973 as amended by the Planning Act 1991

As a subscribing landlord member of the Housing Ombudsman Scheme, we are required to comply with the Housing Ombudsman's Complaint Handling Code. This policy is written to support our compliance with the Code. We publish our self-assessment against the Code to our customers and stakeholders on our website. This policy also follows the guidance on remedies and redress published by the Housing Ombudsman.

The Tenant Involvement and Empowerment Standard of the Regulatory framework for social housing in England require that landlords have a clear, simple and accessible approach that ensures complaints are resolved promptly, politely and fairly.

3. SCOPE

This policy aims to detail the circumstances under which compensation may be considered. Compensation does not have to be financial; it can also be made by way of a gesture of goodwill or replacement. MHA is committed to doing the right thing for customers.

Compensation payments may be paid at the discretion of the investigating manager reflecting the circumstances of each case. Compensation payments may be offered where:

- We have failed to deliver a service to the advertised standard
- In recognition of the time and trouble taken by the customer to make their complaint
- In recognition of the distress and inconvenience experienced by the customer

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- To reflect where a customer has suffered a loss because of a service failure by MHA

There are two types of compensation:

- Discretionary - Payments or gestures (Goodwill) that MHA chooses to make.
- Obligatory - Payments which MHA must consider through statutory or contractual obligations.

4. DISCRETIONARY OR GOODWILL PAYMENTS

There is no legal requirement to provide discretionary compensation, and it is in MHA's sole discretion to do so. We will consider paying discretionary compensation as part of our official complaints process if we have:

- Failed to meet our own service targets.
- Failed to deliver a service that is paid for through a service charge.
- Not acted reasonably.
- Damaged personal possessions.
- Poor complaint handling.

Compensation may be a sum of money, but the amount will be reasonable, justifiable and proportionate, and based on MHA's assessment of the personal impact on the complainant. It will also consider the time taken to resolve the problem and any evidence of costs being incurred.

MHA will work closely with its insurers if there have been any claims for personal injury or damage to belongings in addition to a complaint. This may include pausing the investigation until any liability is assessed.

Heads of Services may authorise compensation, up to a maximum of £600 where a resident has suffered serious inconvenience, or financial loss, due to the MHA or a contractor employed by MHA's actions. Higher payments must be authorised by a director. Any offer of compensation will be live for 28 days from the date of the offer.

5. OBLIGATORY COMPENSATION

The below is not designed to be an exhaustive list of circumstances where compensation may be due because of specific legislation. Compensation will be paid in accordance with legislative requirements in each circumstance. Examples of such payments may include:

- **Home Loss Compensation**

This applies when a tenant must permanently move from their home due to redevelopment, improvement works, or demolition. It does not apply to repairs, even if these are major repairs or any other reason for a move.

The Home Loss Payment is set by statute and will only apply where the tenant has been living at the property over the last twelve months and is required to move permanently by MHA. For further information please refer to MHA Decant policy.

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- **Disturbance**

Tenant losses because of having to move to another property (either temporarily or permanently) whilst work is being carried out to their existing home.

6. EXAMPLES OF COMPENSATION TO RECTIFY SERVICE FAILURES

- DIY vouchers will be given for decorations damaged by our contractors.
- Where a carpet has been damaged, we will pay a monetary amount for the cost of replacing the carpet.
- If we have failed to deliver a significant service paid for through a fixed service charge, we will consider the charge for the service; the disruption caused, and how long the service was unavailable. The charge will then be adjusted in the following year. In exceptional circumstances, material errors in fixed charges will be addressed during the year.
- For variable service charges, service failures will be credited and carried forward in the accounts or reimbursed to the residents after the reconciliation of the accounts.
- Where there is a loss of heating, we may provide an alternative temporary form of heating.
- Where damage or the work to rectify the damage means that a significant portion of the property is uninhabitable, alternative accommodation will be considered, which may mean asking the residents to stay with family or friends in the first instance. Where this is not possible, we may consider temporary third party accommodation, including bed & breakfast accommodation if there is nothing available in MHA Housing's stock.

7. INSTANCES WHERE COMPENSATION WILL NOT BE CONSIDERED

Compensation will not be provided in circumstances where the issue can be easily resolved. Furthermore, compensation will not be given when:

- Where the repair is classed as the customer's responsibility.
- MHA contractors cannot get into a home and are able to evidence this.
- MHA contractors are waiting for spare parts and have kept residents and MHA informed of the timescales involved and can evidence this.
- Extra work is required, and the contractor has kept residents informed of the timescales involved.
- Where the fault is caused by a third party or is something we are not responsible for.
- Where the incident was caused because of negligence by the resident or their failure to comply with the terms of their tenancy or lease such as not providing access to contractors to complete the work required.
- Circumstances beyond our control, for example storm damage or flooding from extreme weather.
- Where there is, or has been, a payment ordered by a court or competent tribunal in respect of the same issue.

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- Where work is required at a property and full communication of an action plan has been provided in advance and we have kept to this plan.

8. CUSTOMER RESPONSIBILITIES

We encourage our customers to take out contents insurance to cover their belongings and decoration against accidental damage, loss, fire, or flood.

In our efforts to treat all our customers fairly, customers must provide MHA and our insurance company with the relevant evidence when claiming compensation for damages to property, such as:

- Proof of ownership and the value of the lost or damaged item. For example, photos, instruction booklets, or receipts.
- Evidence of the damage. This may include the damaged items themselves.
- Written estimates of repair costs.

Customers will need to give us, or our contractors, access to allow inspection of the damaged property.

Customers should immediately inform the police if any loss or damage is caused by suspected criminal activity, request a crime reference number, and provide us with the details.

Without relevant evidence, we may be unable to deal with a customer's request for compensation or be unable to pay the claim in full.

9. COMPENSATION CLAIMS

Compensation claims should be made within 28 days of the incident occurring and no later than 6 months after.

When an offer of compensation is made, we ask our customers to respond within 28 days. Customers will receive an Offer of Acceptance Form which includes confirmation on how to accept the payment.

If any customers are taking further advice or, awaiting further communications, they will need to let us know there will be a delay. We will aim to make the payment within 28 days via BACS.

If we do not receive a customer's final response within 6 months, we will withdraw the offer and close the claim.

10. CONFIDENTIALITY AND DATA PROTECTION

We will always treat any sensitive or personal information given to us as confidential in accordance with the Data Protection Act 1998 and the UK General Data Protection Regulations (GDPR) 2018, in line with MHA's General Data Protection Regulations Policy. We will only pass this information on to third parties such as statutory organisations if:

- We are required by law to do so - either for the prevention or detection of crime or the apprehension or prosecution of offenders.

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- There is an information/data sharing protocol, contract, or confidentiality agreement in place.
- The person who gave us the information is happy for us to share the information.

Our employees will always respect confidentiality and will not share any information given in confidence unless justified by the assessed risk to the vulnerable person or required by law.

11. EQUALITY AND DIVERSITY

As Bradford's only Black and Minority Ethnic (BAME) housing association, MHA is actively committed to promoting and embedding a culture of equality, diversity and inclusion. MHA is an organisation that values differences and enables individuals to be their authentic selves.

Our aims are for the organisation to be a leading voice for BAME communities, to be truly representative of all sections of society and communities we serve, and for each member of our staff, residents, and other stakeholders to feel respected and valued.

12. MONITORING AND REVIEW

We will monitor and review this policy in conjunction with customers to ensure its effectiveness and relevance to the Association's stated aims and objectives.

The Assistant Chief Executive/Director of Operations has overall responsibility for the on go monitoring of the policy through the work of frontline staff, particularly those engaged in Neighbourhood Management. This policy will be reviewed every three years or sooner following significant legislative or regulatory changes or good practice requirements.

Policy Name	Compensation Policy
Ref No:	CE13
Date of Customer Panel Consultation	June 2023
Equality Impact Assessment	Completed
Date Approved by Committee	12/09/2023
Next Review date	12/09/2026
Lead Officer	Deputy CEO/Director of Operations

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APPENDIX

The table below shows how the value of discretionary compensation will be assessed when compensation is considered as part of the formal complaints process.

Value of Compensation	Impact on Resident	Circumstances	Authorisation Level
£50 to £100	Minimal Short duration. May not have significantly affected the overall outcome for the resident. This may include distress and inconvenience, time and trouble, disappointment, loss of confidence, and delays in getting matters resolved.	There was a minor failure by MHA in the service it provided and it was not properly acknowledged or put right.	Senior Manager
£100 to £600	No permanent impact	There was a failure which adversely affected the resident.	Senior Manager
£600 to £1000	Significant impact Physical and/or emotional impact	There was a failure which had a significant impact on the resident.	Director
£1000 +	Severe long-term impact	There have been serious failings by MHA.	Director