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COMPENSATION AND OTHER PAYMENTS POLICY

1 Introduction

- 1.1 Sutton Housing Society (SHS) is committed to providing a high quality service to residents. We recognise that occasionally things do go wrong, where mistakes and service failures can occur.
- 1.2 When this happens, we wish to ensure a quick, fair and equitable conclusion to all claims for compensation and in doing so meet the expectations of the Regulator of Social Housing and the Housing Ombudsman Service (HOS).
- 1.3 We are keen to ensure our team are empowered to bring about speedy resolution when things go wrong and when dealing with complaints and service requests. When we fail to meet our standards, they learn from the individual cases to improve the way that we work and / or deliver services.
- 1.4 Our approach includes compensation in respect of our heat networks (communal heating systems) at:
 - Dorothy Pettingell House
 - Griffiths Close
 - Margaret House
 - Norman House
 - Old Brewery House
 - Thomas House
 - Trickett House
- 1.4.1 The government transferred responsibility for heat networks to OfGem. OfGem has introduced new heat network regulations that housing associations must comply with. (In effect, OfGem is treating housing associations in the same way as British Gas).
- 1.4.2 Any reference in this policy to heating and hot water applies to both independent and communal (heat network) systems within SHS homes.
- 1.4.3 We can monitor performance of our heat networks via our repairs and maintenance work and from our complaints log, where we can easily identify any issues that occur. Inclusion of heat networks in this policy is temporary until such time as further detail is known regarding standards to be met in respect of compensation for breakdowns etc.
- 1.4.4 Whilst SHS will consider all claims for compensation on its own merits, compensation offered as part of resolution to a complaint does not need to be claimed. The purpose of compensation where a complaint has been made, is to restore the resident to the position they would have been in had the service

failure not occurred. There are a wider range of potential remedies to complaints and to ensure a situation is put right – and in some instances, financial compensation may be an appropriate form of redress.

There is no automatic right to compensation unless it is a statutory obligation (see types of compensation below).

- 1.5 SHS would consider making compensation payments when we have:
- been negligent in our service delivery
 - failed to meet our service standards
 - not acted reasonably and
 - when the resident has suffered a quantifiable loss / inconvenience as a result of our actions and can demonstrate actual loss.
- 1.6 SHS retains the right to offset any individual compensation payments against any debts owed to SHS by the individual.
- 1.7 This policy does not include service failures which are:
- the fault of a third party, such as a utility company
 - beyond our control e.g. severe weather
 - subject to an insurance claim; these matters will be dealt with in accordance with insurance procedures
 - subject to legal or tribunal proceedings.

2 Types of compensation

- 2.1 There are three types of compensation that can be paid – obligatory, quantifiable loss and discretionary.

2.1.1 *Obligatory payments*

Obligatory payments are those where we have a statutory obligation to make payment e.g. right to repair and right to compensation for improvement claims. These payments are required under the Housing Act 1985, amended by the Leasehold Reform Act 1993. (home loss payments and disturbance payments do not form part of this policy).

The *Right to Repair* applies where repairs (up to the value of £250) are not completed within the initial target time and we then fail to meet a second target date. The sums payable are £10 + £2 per day after missing the second target date, up to a maximum of £50. See Appendix 1 for the list of qualifying repairs.

The *Right to Compensation for Improvements* applies when a resident leaves their property and they have undertaken a “qualifying home improvement”. They may be able to claim a contribution towards the original cost. The “Right to Compensation for Improvements” is subject to:

- landlord consent having been obtained for the improvement
- the value of the improvement

- when it was carried out
- production of the original receipt

See Appendix 2 for list of qualifying improvements and their notional life.

2.1.2 Discretionary payments

Discretionary payments include goodwill gestures, ex-gratia payments, reimbursements, failure of key services, poor complaints handling etc.

Loss of key service	Communal facilities	Inconvenience
<p>This applies when there is a failure in heating, water provision, hot water or electricity as a result of an SHS breakdown or repair works. (This also applies to heat networks).</p> <p>Please see Appendix 3 for Compensation Payments list.</p>	<p>When lifts, the entry phones or communal lighting is out of order for more than 5 days, SHS can refund the relevant service charge sum or make a good will gesture of a similar sum.</p>	<p>When things go wrong, missed contractor appointments or we fail to meet our own standards, staff members can make reasonable compensation payments or low cost gestures to reflect the situation. It could be that a gift voucher is given or a bunch of flowers is purchased, for example.</p>

2.2 When deciding on any suitable level of financial compensation, SHS will take account of issues such as the duration of the problem and the extent or severity of the issue. We will take account of vulnerabilities and identify if any impact is worsened through disability, old age or the presence of young children.

2.3 SHS will also take account of the HOS compensation guidance, when considering compensation payments.

3 Situations where compensation will not be considered

3.1 Compensation will not be considered in certain circumstances. This includes, but is not limited to:

- claims for personal injury
- claims for damage caused by circumstances beyond our control (e.g. through storm, flooding or actions of another resident)
- problems caused by a third party not working for SHS

In these circumstances, residents may need to make a claim for damages through their own home contents insurance policy.

Should residents wish to pursue claims such as personal injury, SHS will register this with its insurance company to deal with.

4 Resident responsibility

- 4.1 It is the responsibility of all residents to obtain home contents insurance; we would expect residents to claim on this insurance where it is appropriate to do so. This policy is not intended to replace or compensate for the lack of home contents insurance.
- 4.2 If a resident feels that SHS or a contractor working on our behalf is liable for damage caused to their home, they must make a claim for compensation to SHS. If this is as a result of a contractor, SHS will deal with the claim and liaise separately with the contractor regarding this.
- 4.3 A claim for compensation can be made in writing, in person and / or via email to hello@shsoc.org.uk
- 4.4 If a resident is unhappy with the compensation offered and/or the way that the situation has been handled, our Complaints policy is available to the resident to follow.

5 Confidentiality

- 5.1 Under the Data Protection Act 2018, all personal and sensitive personal data is treated as confidential. SHS will ensure that the information is held securely and accessed by appropriate staff only. SHS will only share information with other agencies if we are required to do so by law and / or the information is necessary for the protection of children or vulnerable adults.

6 Equality and Diversity

- 6.1 SHS recognises the needs of our diverse population and always acts within the scope of our own Equality, diversity and inclusion policy.

Appendix 1

Right to repairs scheme: list of qualifying repairs

Repairs type	Response time in days
Total loss of electric power	1
Partial loss of electric power	5
Unsafe power or lighting socket or electrical fitting	1
Total loss of water supply	1
Partial loss of water supply	5
Total or partial loss of gas supply	1
Blocked flue to or boiler	1
Heating / hot water not working between 31/10 - 01/05*	5
Heating / hot water not working between 01/05 – 31/10*	5
Blocked/leaking foul drain, soil stack or toilet	1
Toilet not flushing (if there is only one toilet in the property)	5
Blocked sink, bath or basin	5
Tap cannot be turned	5
Leak from a water pipe, tank or cistern	1
Leaking roof	5
Insecure external window, door or lock	1
Loose or detached banister or handrail	5
Rotten timber flooring or stair tread	5
Mechanical extractor fan not working	5

*This applies to heat networks as well as independent heating and hot water systems

Please note that all of the above are subject to the issue being the fault of Sutton Housing Society

Appendix 2

Right to compensation for improvements scheme**List of qualifying improvements and notional life**

Item	Notional life years
Bath – cast iron	35
Bath – pressed steel	25
Shower – acrylic or ceramic	20
Shower – fibreglass	15
Toilet	25
Kitchen sink	20
Storage / cupboard in kitchen or bathroom	15
Space or water heating	15
Thermostatic radiator valves	25
Insulation – pipes	35
Insulation – water tank	15
Insulation – cylinder	15
Loft insulation	35
Cavity wall insulation	35
Secondary glazing	30
Single glazing window replacement	30
Rewiring	30
Provision of power / light lightings incl. smoke detectors	10

Example: If a kitchen sink was replaced 12 years ago at a cost of £250, the sum due back to the resident would be £100 (£250 / notional life / life left)

Appendix 3

Loss of key services – compensation levels

Key Service	£ per day & maximum sum
No water	£3 per day
No hot water*	£3 per day
No heating*	£2 per day (between 31/10 and 01/05 each year) – maximum of £100
No cooking facilities	£2 per day – maximum of £50
Loss of use of lounge, bedroom, kitchen or bathroom	£5 per day – maximum of £50

*This applies to heat networks as well as independent heating and hot water systems

Please note that the compensation sums only apply where:

- the repair has been reported
- initial timescale and subsequent timescale to complete the works necessary have been missed