

Compensation Policy

COMPENSATION POLICY	
Purpose	To decide upon reasonableness and level of compensation to residents who have experienced a poor service or a loss of a service from Harrison Housing.
Applies to	All residents, and recent ex-residents who make a claim within 6 months of an occurrence.
Date first implemented	December 2024
Author	Housing Manager
Date first approved by Leadership Team	November 2024
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Review Frequency	Policy 3 yearly by Trustees. Appendix A compensation levels yearly by Leadership Team.
Service Area	Housing
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CONSEQUENTIAL AMENDMENTS (made prior to full policy revision)		
Amendment Date	Nature of Amendment	Revised by

VERSION HISTORY			
Revision Date	Version No.	Revised by	Approved by
October 2024	1.0	Housing Manager	

CURRENT POLICY REVISION	
Date revised	October 2024
Revised by	Housing Manager
LT approval date	December 2024
Board of Trustees Approval date	December 2024
Next revision due	October 2027

1. Policy Statement

- 1.1 This policy sets out the grounds upon which compensation may be awarded and provides guidance on how any financial compensation should be calculated.
- 1.2 Harrison Housing is committed to providing a high standard of service and to being responsive to residents' needs. We recognise that on occasion we will fail to provide an adequate service, or fail to provide a service at all, leading to a resident experiencing a disadvantage or financial loss.
- 1.3 We will consider a range of remedies to put a situation right, based on a resident-focused approach. This may include but is not limited to a financial redress. Where possible we will seek to remedy the situation in a practical way first.
- 1.4 Where damage or loss has been caused by a third party acting on behalf of Harrison Housing such as a contractor, Harrison Housing will seek redress from that source. We will in the first instance attempt to put matters right for the resident; any attempt to seek compensation from a third party will be a separate procedure and will not delay providing redress to the resident.

2. Policy Principles

- 2.1 This policy applies to all Harrison Housing residents and residents of alms houses managed by Harrison Housing.
- 2.2 If a matter is drawn to our attention within 6 months of the original incident it may also apply to recent former residents.
- 2.3 Where possible we aim to deliver a high standard of service, reducing the likelihood of compensation claims arising at all, or we will put the matter right in a timely manner before a claim for compensation might arise.
- 2.4 A compensation payment may arise as a result of:
 - 2.4.1 A claim for compensation made directly by a resident or their authorised advocate.
 - 2.4.2 A compensation offer arising from the investigation of a complaint under our Complaints Policy.
 - 2.4.3 Compensation offered proactively as a matter of goodwill, where we realise we have failed to provide the expected standard of service.
- 2.5 We aim to ensure that all compensation payments are fair and reasonable. The policy provides a framework to achieve this. Compensation decisions

will be made in a transparent and proportionate manner, considering any supporting evidence.

- 2.6 We will keep our compensation offer under review based on guidance from the Housing Ombudsman.

3. Implementation

- 3.1 All staff will be made aware of this policy through Harrison Housing's internal communication channels, including email and staff meetings.
- 3.2 Changes to this policy and its associated procedure, if applicable, will be communicated to all staff.
- 3.3 All staff will be required to read this policy, and to confirm that they have read and understood it.
- 3.4 This policy will be published to residents through our website.

4. Other Guidance and Policies

- 4.1 This policy should be used in conjunction with the following guidance and policies (list not exhaustive):
- [Housing Ombudsman Guidance on Remedies](#) as updated from time to time
 - Anti-Social Behaviour Policy
 - Complaints Policy
 - Data Protection Policy
 - Equality, Diversity & Inclusion Policy
 - Safeguarding Vulnerable Adults Policy
 - Transfer Policy
 - Whistleblowing Policy

5. Responsibility

- 5.1 The Scheme Manager will usually be the first point of contact for a resident who wishes to make a claim for compensation. The Scheme Manager will also assist the Housing Manager in compiling information about any incident which has led to a claim for compensation. Contact may be made directly with the Housing Manager or other head office staff by a resident seeking compensation for example if there is no Scheme Manager
- 5.2 If the compensation claim is as a result of a Stage 1 complaint this will be the responsibility of the Housing Manager. The Housing Manager will co-ordinate the gathering of information, and make or seek decisions on the

level of compensation in accordance with the delegated authorities set out in Appendix A. In the absence of the Housing Manager the Chief Executive will delegate this task to another member of the Leadership Team..

- 5.3 Where a resident is dissatisfied with the Scheme Managers offer of compensation this can be raised as a Stage 1 complaint using the Complaints Policy.
- 5.4 Where a resident is dissatisfied with an initial offer for compensation made at a Stage 1 complaint, the matter can be escalated to Stage 2 using the process set out in our Complaints Policy.
- 5.5 The Housing Manager and/or Chief Executive Officer may only make an offer of compensation within their delegated limits set out at Appendix A.
- 5.6 Where the claim for compensation exceeds their limits, and/or the resident is dissatisfied with compensation already offered within these limits, the matter will be referred to the Finance, Risk and Audit Committee (FRAC) for consideration.
- 5.7 The Housing Manager will provide an anonymised annual report of compensation claimed, agreed or refused for the preceding financial year. This report will be made in the first Housing Management report to the Board in the new financial year (usually February). This report will include any recommendations for improvements to service or the compensation policy, which result from considering compensation claims.

6. Types of compensation

- 6.1 There are broadly three types of financial compensation
 - 6.1.1 In the case where there is a tenancy in place **Mandatory Compensation**, as defined by the Housing Ombudsman (such as home loss or disturbance payments, Right to Repair.)
 - 6.1.2 **Compensation for Quantifiable Loss** – Actual financial losses which can be clearly evidenced.
 - 6.1.3 **Discretionary Compensation Payment** – this is for time, trouble, inconvenience and distress caused and will consider the impact on the individual resident.
- 6.2 Unless there are exceptional circumstances, compensation should be claimed within 6 months of the original service loss or failure.
- 6.3 We will usually not make an offer of compensation where a resident is already taking legal action against Harrison Housing, for example a legal

disrepair claim, and the matter will be referred to our solicitors for advice, negotiation and representation instead.

7. Compensation for Quantifiable Loss

7.1 Examples of this type of payment may include:

7.1.1 **Cost of alternative accommodation** (where Harrison Housing has not been able to offer an alternative in a reasonable time frame). This should only usually apply where there is no available guest room or vacant flat to offer at the same scheme or within a 3-mile radius. If it has not been possible for Harrison Housing to make a hotel booking in the first place, we will offer reimbursement for accommodation of a 3-star standard if the resident has made a booking with our prior agreement and subject to the provision of receipts.

7.1.2 **Costs for repairs carried out by the resident** where Harrison Housing was made aware of the issue and did not respond within a reasonable timeframe. This will depend on the nature of the repair and the potential impact of its non-completion on an individual resident.

7.1.3 **Utility costs resulting from the failure of service**. This should only arise where the resident has a separate metered supply rather than a communal supply. Evidence of excess usage will be required such as meter readings and receipts for top up of a pre-payment meter.

7.2 Any such costs should have been reasonably incurred and evidenced in the form of receipts. Quotations for work and invoices do not constitute evidence of payment.

7.3 Where a repair issue is identified, the resident should provide reasonable access to Harrison Housing employees and contractors to inspect and carry out works. Failure to do so will mitigate against any calculation for compensation. Providing access for repairs is a normal requirement and we will not compensate for any loss of earnings to do so. We will not access a property using a master key in the resident's absence, even with their consent, except in cases of emergency (such as an uncontrollable leak).

7.4 In the event of a loss of heating or hot water where possible we will provide access to an alternative equipment subject to safety considerations e.g. a portable heater. We will, where available, offer access to a vacant property, guest room or communal facilities if alternative equipment is not considered safe. Loss of heating will be treated as an emergency repair between 1 October and 31 April.

- 7.5 Where damage to personal belongings has occurred, the resident will be advised in the first instance to make a claim through their contents insurance.
- 7.6 Where the resident does not have contents insurance and the damage is a **direct** result of our own service failure we can refer the matter to our own insurers. The resident should be made aware that even if approved the policy excess may exceed the value of their claim which would result in no payment. We may consider a discretionary “goodwill” payment in this situation.
- 7.7 Essential items such as cookers, fridges and washing machines (or access to communal laundries) are generally provided by Harrison Housing and we will replace any damaged items which are beyond repair in the affected resident’s home if they were originally installed by Harrison Housing. We will not offer compensation for loss of these items, but may make a gesture of good will if there is an unreasonable delay in replacing damaged items.
- 7.8 Where a contractor has caused damage, we will seek to recover costs from that third party, but we will in the meantime compensate our resident in line with this policy, if applicable.
- 7.9 We will not compensate a resident for damage to personal belongings inappropriately stored e.g. in a communal area, external shed/garage or a loft, or where the resident has failed to take reasonable measures to mitigate the loss e.g. by moving items to prevent further damage.
- 7.10 We will not compensate for damage caused by factors outside our control (e.g. severe weather) or for damage caused by entirely external parties (e.g. water company, power supplier or local authority). We will also not compensate for damage caused by the actions of a neighbour to a Harrison Housing scheme.

8. Discretionary Compensation Payment

8.1 Discretionary Compensation payments may arise from the following situation (these are examples and this list is not exhaustive):

- Poor communication.
- Poor complaints handling.
- Temporary loss of amenity or use of part of property.
- Failure to follow policy or procedure.
- Unfair, discriminatory or inconsistent treatment.
- Delay in providing a service or the service is of a poor standard.
- Failure to meet repair target response times.

- 8.2 We will consider the severity of the service failure as well as the impact on the individual resident. We will have regard for the [Housing Ombudsman Service's guidance on remedies](#) when calculating compensation. In addition, we will where necessary use discretion and flexibility.
- 8.3 Discretionary compensation payments will take into consideration:
- The impact of the loss (minor, moderate, significant or severe).
 - The duration of the problem and when we might reasonably have resolved it.
 - The impact on the individual resident including any factors of vulnerability.
 - Alternative practical remedies which have been offered in the meantime.
 - The extent to which the resident has co-operated by providing timely access or mitigating damage e.g. by attempting to contain a leak.
 - The extent to which a resident may have contributed to the damage e.g. by failing to report a repair in a timely manner or misuse of a facility.
- 8.4 Where part of the property or an amenity within it is unusable, and the resident remains at the property, we will offer compensation based on a percentage of the weekly maintenance charges (WMC). Details set out at Appendix A.
- 8.5 Where the whole property is unusable (or the usable part of the property is unsatisfactory for this purpose) we will offer alternative accommodation instead of compensation for loss of premises or amenity. This cost will be covered until we can return the whole property to a habitable state.
- 8.6 Where possible the alternative accommodation will be a guest room with access to communal facilities if needed, or the use of a vacant flat. The alternatives will be at the same scheme, or at a scheme within a 3-mile radius.
- 8.7 If such options are not available we will either book nearby hotel accommodation directly (usually a 3-star standard room) or offer a goodwill payment to stay with friends or relatives if this is the resident's preference. With our prior approval the resident may make a hotel booking, if we have been unable to do so in time e.g. if this arises at a weekend. We will compensate for this financially (see above paragraph 7.1.1).
- 8.8 Where hotel accommodation is being used, either booked by Harrison Housing or with our consent by the resident, we will provide a daily meal allowance and out of pocket expenses where receipts are provided as set out in Appendix A. These expenses will be paid daily, no more than one working day after they are incurred, unless we reach an alternative arrangement with the resident. Where a resident is unable to meet such

expenses in advance and needs an advance payment, we will consider such a request sympathetically.

- 8.9 Depending on the circumstances leading to the resident moving out of the property we will offer to:
- 8.9.1 Safely move, cover and wrap possessions left within the property whilst work is carried out, if this can reasonably be done.
 - 8.9.2 Remove the resident's possessions to a suitable storage facility, taking care to protect items from damage in the process. These items will be returned to the property when works are completed.
 - 8.9.3 Remove the resident's possessions to the vacant property that is being used as temporary accommodation, taking care to protect items from damage in the process. These items will be returned to the property when works are completed.
 - 8.9.4 Provide a combination of the above three options as agreed with the resident.
 - 8.9.5 Cover the cost of any additional energy used during works where there is an individual metered supply in the property.

9. Non-Repair Issues

- 9.1 Whilst it is anticipated that most substantial claims for compensation will result from repair issues, we recognise that there are other matters which give rise to a claim for compensation.
- 9.2 Such claims are likely to be considered for compensation under the headings of service failure, maladministration or goodwill gesture.
- 9.3 Examples of such failings (not exhaustive) are provided below:
- 9.3.1 Failure to log a transfer application, to respond to routine correspondence or to log and investigate a non-severe report of anti-social behaviour.
 - 9.3.2 Failure to respond to a report of domestic abuse, harassment or severe anti-social behaviour.
 - 9.3.3 Failure to escalate a safeguarding alert or whistleblowing report.
 - 9.3.4 Failure to deliver a regular and satisfactory cleaning service to the communal areas.
 - 9.3.5 Loss of a communal service e.g. laundry facilities or communal lounge.
 - 9.3.6 Unfair or unreasonable handling of a transfer application, including discriminatory decision making.
 - 9.3.7 Failure to log and investigate a complaint in accordance with our Complaints Policy.
 - 9.3.8 Breach of confidentiality, including a data breach.

9.4 Guidance on the levels of compensation for such occurrences are set out in Appendix A.

10. Timescales and Escalation

- 10.1 The scheme manager will usually be the first point of contact for a resident who is seeking compensation, though a direct approach may be made to the Housing Manager if the Scheme Manager is not available or via the Head Office (telephone or email to info@harrisonhousing.org.uk). Where the approach has not been made directly to the Housing Manager, this information should be forwarded to the Housing Manager within one working day.
- 10.2 The Housing Manager will contact the resident to acknowledge this claim and seek additional information, usually within 5 working days. If the compensation is not subject to a complaint under the complaints policy, and can be easily determined using the information in this policy, the Housing Manager will respond within 5 working days of receiving all the information required for the compensation.
- 10.3 The Housing Manager will aim to make a substantive decision on compensation at Stage 1 (within delegated expenditure limits) within the time scales set out in the Complaints Policy. If that is not possible the Housing Manager will contact the resident to provide an update. This may for example be delayed by factors outside our control when waiting for information from contractors about the cause of repair issue or length of works. We will aim to keep such delays to a minimum.
- 10.4 Where a decision to provide alternative accommodation is required, it may be necessary to make an interim decision on the same working day as a claim being made (or if this is being offered proactively before a claim is made). In the absence of the Housing Manager, this will be delegated to another member of the Leadership Team by the Chief Executive Officer.
- 10.5 If a resident is not satisfied with the compensation offered, or the time taken to reach a decision (subject to there being a reasonable explanation as set out in paragraph 9.3 above), the claim for compensation can be escalated to using the Complaints Policy.
- 10.6 The decision of the Chief Executive Officer (or FRAC if the compensation offered exceeds delegated authority) will be final. If the resident remains dissatisfied, they will be advised of their right to make a complaint to the Housing Ombudsman. Contact details for the Housing Ombudsman will be provided in the stage 2 response.

11. Equality, Diversity, and Inclusion

- 11.1 For Harrison Housing, diversity is about respecting people's individual differences and ensuring that all people that come into contact with us have access to the same high standards of behaviour and service.
- 11.2 We are committed to ensuring that no resident or member of staff will be treated less favourably because of any actual or perceived protected characteristic.
- 11.3 This policy will be made available in accessible formats where required, and we will welcome the involvement of authorised advocates acting on behalf of residents who need support in making a claim for compensation. This will be done whilst respecting confidentiality and ensuring that we have the resident's informed consent to communicate with an advocate.
- 11.4 The Housing Manager will provide an anonymised annual report to Trustees on the implementation of this policy and compensation decisions made (as set out at paragraph 5.6). This report will consider any potential equalities implications in the way that the policy is operating, and where necessary make recommendations for amendment to the policy.

Appendix A – guidance on rates of compensation (to be reviewed annually by Harrison Housing Leadership Team)

Area	Level of failing	Explanation and examples	Maximum Amount	Authorised by	Target payment Date
Service Failure	Minor	One missed repairs appointment	£20	Housing Manager	1 week
	Moderate	<ul style="list-style-type: none"> • More than one missed repair appointment. • Repair completion exceeding target date in residents’ handbook by 24 hours (emergency), 48 hours (urgent) or 5 days (routine). • Failure of scheduled communal cleaning service to be provided for one period (e.g. daily is a daily service provided, or weekly if a weekly service provided). 	£50	Housing Manager	1 week
	Significant	<ul style="list-style-type: none"> • Continued and/or repeated failure to keep appointments or complete repairs in target time. • Unexpected absence of a scheme manager for more than 2 working days, without alternative arrangements being put in place. • Scheduled absence of a scheme manager, with no alternative provision in place for more than 5 working days. • Failure of a scheduled communal cleaning service to be provided for more than one scheduled period. 	£100	Housing Manager	1 week
Maladministration	Minor	<ul style="list-style-type: none"> • Failure to respond to non-urgent correspondence from a resident within 10 working days. • Initial failure to log a transfer application (needs to be chased up by resident or advocate) 	£20	Housing Manager	1 week

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Area	Level of failing	Explanation and examples	Maximum Amount	Authorised by	Target payment Date
	Moderate	<ul style="list-style-type: none"> Initial failure to log and investigate a non-severe report of Anti-Social Behaviour (ASB). 	£100	Housing Manager	1 week
	Significant	<ul style="list-style-type: none"> Failure to log and investigate an allegation of domestic abuse, harassment or severe ASB. Significant failure to follow the complaints policy e.g. not logging a complaint or significant failures to meet timelines without providing an explanation. 	Up to £400	Chief Executive Officer	1 week
	Severe	<ul style="list-style-type: none"> A significant event of maladministration which is not remedied after the first occurrence and persists, or is repeated. A significant event of maladministration which is aggravated by factors such as breach of confidentiality or discriminatory behaviour by a member of staff or contractor. 	Up to £1000	FRAC	1 week
Loss of Facilities or Amenity	One room (except Kitchen or WC)	One room cannot be used for more than 24 hours, and resident remains in situ.	20% of WMC per week or part	Housing Manager	1 week (or credited to account)
	Kitchen	A communal facility will be offered for up to 24 hours, then compensation will be offered for the remaining period	20% of WMC per week or part	Housing Manager	1 week (or credited to account)
	WC	A communal facility will be offered for up to 24 hours, then compensation will be offered for the remaining period	20% of WMC per week or part	Housing Manager	1 week (or credited to account)
	Two Rooms	After 24 hours, compensation will be offered per room if it is still possible to use the remaining rooms	40% of WMC per week or part	Housing Manager	1 week (or credited to account)

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Area	Level of failing	Explanation and examples	Maximum Amount	Authorised by	Target payment Date
	Whole property	<p>The resident will be offered alternative accommodation in a guest room or vacant flat where possible. This will be at the same scheme preferably or at a scheme within a 3-mile radius. Where this is not possible a hotel room will be booked. Where the booking is made by agreement by the resident they reimbursed for an agreed hotel booking in accordance with paragraph 7.1.1 of this policy.</p> <ul style="list-style-type: none"> • Where cooking facilities are not reasonably available, a daily meal allowance. • Reasonable out of pocket expenses, upon production of receipts (e.g. public transport fares to and from scheme). 	<p>See Compensation Policy and “Hotel Accommodation” section below</p> <p>£40 per day</p> <p>Up to £20 per day</p>	<p>Up to £500 cost by Housing Manager</p> <p>Up to £1000 cost by Chief Executive</p> <p>£1000+ cost by FRAC</p>	<p>N/A</p> <p>2 working days (if paid by resident)</p> <p>2 working days</p> <p>2 working days</p>
	Heating and hot water	<p>If no alternative provision is available (e.g. guest room)</p> <ul style="list-style-type: none"> • Loss of hot water service after 24 hours. • Loss of heating service (October-April) after 24 hours • Loss of heating service (May-September) after 48 hours 	<p>£20 per day</p> <p>£20 per day</p> <p>£10 per day</p>	Housing Manager	1 week
Compliance (this is not about day to day repair issues e.g. a lift out of order but compliance failures which have a direct impact on a resident).		Failures to meet regulatory standards which have a direct impact on an individual resident or residents will be compensated as severe maladministration, covering failings in the following areas (with examples):	Up to £250 for each area of compliance	Up to £500 cost by Housing Manager	1 week

Appendix A – guidance on rates of compensation (to be reviewed annually by Harrison Housing Leadership Team)

Area	Level of failing	Explanation and examples	Maximum Amount	Authorised by	Target payment Date
		<ul style="list-style-type: none"> • Fire safety (e.g. failure to repair a faulty fire alarm within 24 hours, or to provide temporary alternative facilities) • Electrical safety (e.g. failure to maintain an up to date electrical installation certificate for the property which results in an electrical fault being undetected) • Gas safety (e.g. failure to carry out a regular gas safety inspection with certification, unless reasonable attempts have been made to gain access). • Control of asbestos (e.g. resident is exposed to damaged asbestos or disturbs asbestos because it is not logged and labelled). • Lift safety (e.g. lift fault occurs due to failure to adequately maintain or regularly service a lift leaving resident unable to enter or leave a building) • Water Safety (e.g. mains supply fails or is contaminated due to failure to maintain cold water supply pipes) • Damp and Mould (e.g. failure to respond to an initial report of damp and mould within timeframe of failure to carry out remedial works within required timeframes). 		<p>Up to £1000 cost by Chief Executive</p> <p>£1000+ cost by FRAC</p>	
Discretionary payment	Minor	Where a resident has experienced inconvenience or distress but the definitions above do not cover the situation, a discretionary payment may be made, starting at a good will gesture of £50.	£50	Housing Manager	1 week

Appendix A – guidance on rates of compensation (to be reviewed annually by Harrison Housing Leadership Team)

Area	Level of failing	Explanation and examples	Maximum Amount	Authorised by	Target payment Date
	Moderate to severe	A discretionary payment of up to £500 may be authorised by the Housing Manager, considering repeated incidents or aggravating circumstances.	£500	Housing Manager	1 week
Hotel Accommodation		<p>Cost of room per night will be based on search for local hotels in the 3 star range. We will consider the short notice of a booking and the need to try to find accommodation within a 3-mile radius. We will consider accessibility needs and if possible on-site catering facilities.</p> <p>Reasonable out of pocket expenses of up to £20 (with receipts) will be offered for each day away from the home address.</p> <p>A daily meals allowance of £40 (without receipts) will be offered each day if there are no cooking facilities.</p>	<p>To be market tested as and when needed</p> <p>Up to £20 per day</p> <p>£40 per day</p>	<p>Up to £500 cost by Housing Manager</p> <p>Up to £1000 cost by Chief Executive</p> <p>£1000+ cost by FRAC</p>	<p>N/A</p> <p>2 working days</p> <p>2 working days</p>