

## Compensation Policy

### 1.0 Policy summary

- 1.1 This policy sets out the grounds and basis upon which compensation may be awarded. This policy is applicable to all customers of Stonewater. Where differences in contractual rights indicate differential arrangements may be appropriate, this has been noted in the policy.
- 1.2 Stonewater is committed to providing a high-quality service but recognises that there may be occasions when our service fails or falls below our published standards and/or a customer is disadvantaged or suffers financial loss as a result of Stonewater's actions.
- 1.3 Stonewater will take a customer-focused approach, utilising a range of remedies to put the situation right. In some instances, it is recognised that financial compensation may be an appropriate form of redress.
- 1.4 Stonewater will take responsibility for any detriment or damage caused to an individual or their property and belongings by a contracting partner working on our behalf. The focus will always be to put it right for our customer first. Where appropriate Stonewater may seek to reclaim the compensation paid from the relevant contracting partner.

### 2.0 Policy objectives

- 2.1 The policy applies to all Stonewater customers across multiple tenures.
- 2.2 This policy provides a framework that allows for consistent, justifiable, and transparent decision making in circumstances when paying compensation.
- 2.3 Through the application of this policy, Stonewater will ensure that compensation payments are fair and proportionate.
- 2.4 While providing a framework to ensure consistency, Stonewater recognises that a flexible approach to compensation is needed. Each case will be considered on its individual merits with discretion and common sense applied in line with Stonewater's Customer Promise.
- 2.5 Stonewater will adhere to any compensation recommended by the Housing Ombudsman Service.

### 3.0 Policy scope

- 3.1 Stonewater will consider three types of compensation within this policy:
  - Mandatory (such as statutory home loss payments) – this type of payment applies to customers in Stonewater rented homes unless stated
  - Quantifiable loss payments (where people can demonstrate actual loss) – this type of payment applies to all customers who are personally impacted by a Stonewater service
  - Discretionary payments (for time, trouble, distress and inconvenience) – this type of payment applies to all customers those who are personally

impacted by a Stonewater service

Compensation should be claimed within 6 months of the failure, fault, or event unless there are exceptional circumstances that prevent this.

#### **4.0 Mandatory compensation payments**

##### **4.1 Homeloss and disturbance payments**

A Homeloss payment is designed to compensate tenants if they are required to move permanently as a consequence of redevelopment or improvement to the home/land. The amount of compensation payable is set by the Government each year.

Disturbance payments are made to a residential occupier (except lodgers and those who have a license to occupy) to compensate for reasonable expenses in moving from the home/land as a consequence of redevelopment or improvement work. For more information, please see our Decant Policy.

##### **4.2 Tenant improvements**

The Housing Act 1985 (Sections 99A and 99B) grants secure tenants the right to carry out improvements subject to Landlord consent. We grant this right to Assured tenants in their tenancy agreement.

##### **4.3 Right to Repair**

Stonewater will comply with the Right to Repair provisions contained within the section 121 of the Leasehold Reform, Housing and Urban Development Act 1993. Further details are available on request.

#### **5.0 Quantifiable loss payments**

##### **5.1 Examples of quantifiable loss could include:**

- Increased heating bills due to disrepair
- Having to pay for alternative accommodation or take away food, where there is no other form of cooking facilities
- Paying for cleaning
- Carrying out repairs where it is evidenced that Stonewater have failed to meet its obligations

Any such costs must have been reasonably incurred and evidence of such loss must be provided. Where alternative accommodation is required, Stonewater will be able to arrange this and therefore Stonewater would only generally make a payment where we have failed to arrange temporary accommodation where we have agreed it is needed.

##### **5.2 Under the terms of our tenancy agreements, customers must allow access to their homes for repairs to be carried out which may result in having to take time off work. Therefore, we will not compensate for loss of earnings.**

- 5.3 Where alternative sources of heating and/or hot water are required due to a repair related issue, Stonewater will supply these. Stonewater will make a payment to cover the daily increased energy costs associated to this. This amount will be reviewed annually, published as well as communicated to customers on a case-by-case basis. Unless exceptional circumstances Stonewater will only make loss of heating payment available during colder months – 1 November to 30 April.
- 5.4 Where damage to personal belongings has occurred, the customer should submit a claim through their own contents insurance. If it is due to a service failure on Stonewater's part, we may pay any policy excess amount.
- 5.5 If the customer does not have contents insurance, a claim might be able to be submitted to Stonewater, which will be passed to our insurers for investigation. Our insurer will investigate if we were negligent and advise if a claim is accepted. The excess may be higher than a customer policy and may not cover the claim.
- 5.6 Where a customer does not have contents insurance and has lost essential items and cannot afford replacement, Stonewater will offer support with grant applications.
- 5.7 Should one of our contractors cause damage due to proven neglect whilst undertaking repair works, Stonewater will attempt to remedy this in the first instance. So as not to cause any unnecessary delay, this may include payment to the customer directly. Stonewater may seek to recover the amount from our contractor at a later date.

## **6.0 Discretionary compensation payments**

- 6.1 Discretionary compensation payments include payments for the following:
- Poor complaint handling
  - Delays in providing a service e.g., in undertaking a repair
  - Failure to provide a service that has been charged for to the required standard
  - Temporary loss of amenity
  - Failure to meet target response times
  - Loss of use of part of the property
  - Failure to follow policy and procedure
  - Unreasonable time taken to resolve a situation
- 6.2 Discretionary payments of compensation will be dependent upon the severity of any service failure and the associated impact on the customer. We follow the Housing Ombudsman Service's guidance on remedies as a guide to calculate the compensation payable. However, we will apply discretion and flexibility, which will mean that payments may diverge from the amounts suggested in the guidance.
- 6.3 When determining the level of compensation payable or action to remedy the complaint, we will consider whether the failure is minor, moderate, or severe. To decide upon this category, Stonewater will consider the duration of the problem, the extent or severity of the service failure and the impact on the

customer. When considering impact on the customer, we will consider vulnerabilities and identify whether the impact is worsened through disability, old age, or the presence of young children.

6.4 Our colleagues will apply discretion and flexibility recognising that it may be appropriate to remedy a complaint with actions separately from or in conjunction with an offer of compensation. These can include practical actions (such as offering to undertake repairs or redecoration, which would otherwise be a customer's responsibility) and gestures of goodwill (e.g. vouchers, chocolates, flowers).

6.5 On repair related issues and issues where part of the home is confirmed to be out of use, Stonewater may base the compensation amount on a percentage of the weekly rent and service charge.

6.6 If we identify that we have failed to deliver a support service or service to a communal area, which is paid for by customers, we will in the first instance seek to rectify the issue through completing the outstanding service within a reasonable timescale. If we are unable to do so, we may make a discretionary payment to the customer impacted. Each case will be considered taking account of the impact the lack of service delivery has had on the customer comfortably residing in their home. For example:

- In the instance of no service, the payment will be based on the amount of time for which there was no service
- Where the service has not been delivered to the required standard, discretion will be applied to calculate a payment based on a discount to the service charge for the time there has been an issue. (For example, if it has been evidenced that while the grounds maintenance service has been delivered, it has not been delivered to an acceptable standard for the last 3 months, we could make a payment 25% of the grounds maintenance service charge for 3 months)

## **7.0 Situations where compensation will not be considered**

7.1 This policy does not include service failures which are:

- The fault of a third party such as a utility company – electricity, water, gas, but not including our contractors
- Beyond our control e.g. severe weather or where we have advised customers in advance that a service will not be available
- Insurance claims relating to financial loss, damage to third party property or personal injury which will be dealt with in accordance with our insurance procedures or contract preliminaries
- Payments resulting from tribunal or legal proceedings
- Where the loss is due to lack of action, wilful damage, misuse or negligence by a customer, their family or visitors

- Where the customer has denied access to effect a repair
- Where the customer has unreasonably prevented a resolution
- For goods stored inappropriately, for example in communal areas, a loft, garage, carport or shed
- For loss of earnings or annual leave

## **8.0 Right of appeal**

8.1 All rented customers and leaseholders have the right to appeal should they be unhappy with the compensation offered. An appeal must be made within 5 working days from the date of the decision letter.

8.2 If compensation has been offered in response to a complaint, and the complainant remains unhappy with the compensation offered, the Complaints, Compliments and Comments Policy should be followed. Further details are available in our Complaints, Compliments and Comments Policy.

8.3 In the case of Homeless and Disturbance compensation payments, rented customers and leaseholders have the right to appeal under the Landlord Compensation Act (1973) if they are unhappy with the compensation offered. Rented customers and leaseholders will be encouraged to use the complaints procedure in the first instance and will be advised that their next course of action is to contact the Lands Tribunal on exhaustion of our complaints process. Further details are available in our Decant policy.

## **9.0 Reclaiming of compensation**

9.1 Where Stonewater compensate a customer for an issue for which our contracting partners are responsible, the issue will be raised during regular contract management meetings. Where appropriate Stonewater may seek to reclaim the compensation paid from the relevant contracting partner.

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