

Compensation Procedure

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Procedure Statement

Town and Country Housing (TCH) is committed to providing a high level of service to all its customers and involving them in the decisions that we make about those services. This procedure has been written to include ideas from our customers and demonstrates our continued commitment to them.

We recognise that there will be occasions when customers feel that a service has not met published standards. When this happens a compensation award may be made if residents experience financial loss or severe inconvenience.

This policy sets out TCH's approach to ensure the consistent and fair treatment of all claims, whilst following statutory guidelines. Please also refer to Peabody's Group Complaints Policy and Group Compensation and Remedies Policy.

1.0 Introduction

1.1 Town and Country Housing aims to give an excellent service to our customers. We want to know when a service has not met the published standard.

1.2 Compensation falls into 2 categories, statutory and discretionary.

2.0 Statutory Compensation

There are certain grounds where TCH tenants may be entitled to compensation:

2.1 Home Loss

Home loss payments may be made to tenants or owner-occupiers who have lived in their property for a minimum of twelve months and are required to move home permanently as a result of redevelopment or demolition of their home.

2.2 Disturbance

Disturbance payments may be made to people to compensate for expenses incurred in permanently moving to another home; (such as, removal expenses, cost of altering soft furnishings, re-connecting movable fixtures and fittings, and telephone re-connection charges.) There is no fixed payment amount set out in legislation, but payments will reflect the reasonable cost of relocation. A discretionary disturbance payment may also be made to people who are required to move to another property temporarily or to people who have lived at a property less than twelve months and are required to move home permanently. This payment is for reasonable moving costs.

2.3 Improvements

If your tenancy is ending and you completed improvements to your property after 1 April 1994 you may be entitled to compensation for those improvements. This does not apply to fixed-term tenancies.

2.4 Right to Repair

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 your landlord does not carry them out within that time you may be entitled to compensation. Your landlord can tell you if your repair is a 'qualifying repair'.

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2.5 Payment for damage to your property/belongings

It is usually a landlord’s responsibility to insure the building and a tenant’s responsibility to insure the contents of their home (TCH strongly recommends that tenants obtain their own suitable contents insurance). If damage has occurred to a tenant’s property and they think TCH is responsible, depending on the value of the claim, this may be referred to TCH insurance. Details will be provided at the time.

If TCH does not accept responsibility for the damage and the resident is likely to experience hardship as a result of the incident and application for support under the Discretionary Support Fund (DSF) may be considered. This should be discussed with the Tenancy Support Team in the first instance.

2.6 Public Liability and personal injury.

Personal injury claims will always be dealt with under the TCH Public Liability Insurance Policy. The claimant will be referred to the current insurers who will deal with the claim.

2.7 Under the Statute of Limitations, the injured party has three years from the date of the alleged incident to commence legal proceedings. If the injured party is a minor at the time of the alleged incident, they will have 3 years from the date of their 18th birthday within which to commence legal proceedings.

2.8 Fraudulent claims will be investigated and criminal prosecutions will follow.

2.9 Discretionary Compensation

Landlords are expected to have a compensation policy which provides guidance on when it will consider offering compensation. If a complainant decides to accept compensation from TCH this does not prevent them from contacting the Housing Ombudsman. When a complaint involving compensation is received by the Ombudsman, they will consider whether it was a reasonable offer in the circumstances of the case, including whether it was consistent with our policy.

2.10 The amount awarded will depend on the circumstances of the case and is usually for time and trouble bringing a complaint or for distress and inconvenience experienced by the complainant.

2.11 When considering whether compensation should be awarded as part of a complaint resolution, there are a number of things that should be considered:

- What has gone wrong?
- What would the complainant like to happen as a resolution?
- How has the complainant been adversely affected?
- The timescale of any service failure i.e. how long has it been going on for?
- Has there been a quantifiable loss?
- Does the tenant or a household member have any disabilities or vulnerabilities that affected the situation?

3.0 Who can claim compensation

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- 1.0 Tenants of Town and Country Housing
- 2.0 A representative, on behalf of a tenant, for example a family member, although we will always require written consent from the tenant to liaise with a third party and the compensation would always be paid to the tenant, unless we are otherwise instructed by the tenant.
- 3.0 Residents (non TCH) who live in areas in which we work
- 4.0 Leaseholders and shared owners.

4.0 Definitions

Days

When the policy refers to the number of “days” this means working days (Monday – Friday) and does not include Bank Holidays and Christmas closing.

Claim

Any request or entitlement for compensation.

Claimant

The individual making the claim.

5.0 When we will not pay compensation

- Where the Organisation has acted reasonably to mitigate any loss and/or damage.
- Where the Organisation could not have been expected to have had prior knowledge or warning of an event and acted reasonably thereafter.
- The problem has been exacerbated by factors outside the Organisation’s control.
- The claimant’s action e.g. if they did not take action to mitigate the effect of the situation (if it would have been reasonable for them to do so). For example, reporting the failure or fault at the earliest opportunity, or turning off a stop cock in the case of a burst pipe or moving possessions from the site of a leak.
- The failure, or fault, arose as a result of negligence or actions by the claimant, their household members, or their associates or through their failure to comply with the terms of their tenancy.
- The claimant or their associates have not given their full cooperation. For example, where they have failed to provide reasonable access to remedy the failure, or fault.
- Loss of earnings.
- Defects in new homes – this will be passed to the developer/their insurer.
- Where the matter is being considered, or an award has been made through either a court of law or our insurers, our contractors’ insurers or the development insurers. When a payment is made it will be done on the understanding that it is in full and final settlement of the matter.
- Residents’ personal possessions, decoration and claims arising from incidents that would normally be covered by home contents

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insurance (e.g. a burst pipe). Residents are advised to take out their own home contents insurance.

6.0 When we will pay compensation

6.1 Discretionary Compensation for Time, Trouble, and Inconvenience

- Minor disruption £50-£250 – We recognise that there has been some service failure, but the impact was for a short duration with no permanent impact.
- Moderate disruption £250-£700 – We recognise that there has been a failure that has adversely affected the resident but there might not have been any permanent impact.
- Extensive disruption £700+ - We recognise that there has been a significant and serious long-term effect on the resident.

6.2 Repair Related

Reason for Compensation	Action/Amount by TCH
No heating (total loss where repair has exceeded published timescales)	£3.00 a day after initial 24 hours between the winter months of 1 October and 30 April.
No hot water (total loss where the repair has exceeded published timescales)	£1.50 per day per person (per tenancy records) after initial 24 hours.
Total loss of mains water (where it is TCH's responsibility, and the repair has exceeded published timescales)	£5.00 per day.
Total loss of power (where it is TCH's responsibility and not part of planned maintenance)	£10.00 per day after initial 24 hours.
Cost of additional food while cooking facilities are unavailable due to the repair exceeding published timescales	£10.00 per day per adult and £5.00 per child after initial 24 hours.
Cost of additional electricity used while using a de-humidifier	£3.50 per day per de-humidifier.
Cost of additional electricity used while using a temporary electric heater	£3.50 per day per electric heater between the winter months of 1 October and 30 April
Missed appointments by a contractor	This will depend on the contract between the contractor and TCH.
Discretionary decorating allowance	Up to £25.00 per room to complete additional decorating.

6.3 Room loss allowance

- 6.4 The assessment as to whether a room or property is unusable will be made by TCH. This will be considered during the first visit to inspect the damage caused by the incident. However, this will also be considered throughout the course of a repair to account for changes in the situation.
- 6.5 For each unusable room, a resident can receive up to the following percentage of the weekly rent as compensation. The maximum that can be claimed is 50% of weekly rent.
- 6.6 If a customer experiences only a partial loss of room, the percentage of compensation will reflect this. For example, if the bath in a bathroom is unusable, we may award 5% instead of 25%, as the whole room was not unusable, or, if a kitchen extractor fan or light is not working, we may award 2% as it does not stop the room from being used.
- 6.7 In exceptional circumstances, our failure to deliver a service may impact a resident's enjoyment of their whole property. In such cases, we consider refunding a percentage of rent alongside any payments for distress and inconvenience. This can range from 5% to 20% of rent dependent upon the extent of the resident's experience. We only consider a lack of garden enjoyment between 1 May and 31 October, capped up to a maximum of 5% of rent.

Room	Percentage of weekly rent	Period after which compensation is payable
Kitchen	25%	48 hours
Bathroom	25%	48 hours
Bedroom	20%	48 hours
Living room	10%	48 hours

7.0 Personal effects claims

- 7.1 If TCH accepts that damage has occurred to a resident's property but decides not to refer this to TCH Insurers the following approach for assessing such claims will be applied. This approach is intended to provide a clear and consistent process.
- 7.2 When considering a claim for damage to personal effects, a number of things need to be established:
- Proof of Ownership (Photographs or receipts)
 - Damage has been caused
 - Date damage first noticed
 - Age of item
 - Cost of item when purchased new

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A claim form should be completed by the resident and include pictures of the item and its damage.

- 7.3 Once the resident has provided all possible information, the claim can be assessed. Any settlement offered as part of the claim will not be on a new for old basis and will take into account depreciation based on the age of the item being claimed for.

Age of Item	Percentage of original/replacement value
No evidence of damage or ownership	0%
Items up to 1 year old	100%
Items 2-5 years old	90%
Items 6-10 years old	50%
Items 10 or more years old	25%

- 7.4 If the resident is unable to provide any evidence of proof of ownership or damage for an item claimed, TCH will not provide any compensation for the item claimed for.

- 7.5 When considering a claim for personal effects and depreciation due to age, TCH will also consider that some items are essential. As such different consideration will be given to these items so that residents do not go without essential items.

- 7.6 Items that TCH consider to be essential are beds, mattresses, bedding, washing machines, fridges, freezers and ovens. If the age of an essential items means that our settlement using the above chart would leave a resident unable to purchase a replacement item the below table should be used instead.

- 7.7 Consideration can be given to settling for multiple items of the same type i.e beds, mattresses and bedding. However, these should be items for the resident and family that permanently live at the property and should not include guest beds.

Age of Item	Settlement
Essential items up to 2 years old	TCH will pay 100% of the like for like replacement
Essential items more than 2 years old	TCH will pay 100% of the cost of a generic replacement item from a general retailer such as Argos. This can be settled by TCH purchasing the replacement item or providing the cash equivalent for the resident to put towards an item of their choice.

- 7.8 Proof of ownership and damage to the original item still needs to be provided for essential items to be considered.

7.9 Living room furniture such as sofas or armchairs or other kitchen items such as a microwave can be considered to be essential items on a discretionary basis. The individual circumstances of the resident should be considered at the time of the claim.

7.10 Examples of essential item claims:

- The claim is for a 10 year old double bed/mattress with under storage. Under the normal claim the resident would receive 25% of the cost of a replacement. Under the essential items format TCH will offer to purchase a generic double bed/mattress or the cash equivalent so the resident had a replacement bed.
- A claim is made for two beds in a property where parent/s and child live, both beds are 7 years old and the 50% settlement would not allow for a replacement to be purchased. Both beds would be considered essential, and TCH will offer to purchase generic replacement beds or the cash equivalent so that the resident would be able to purchase a replacement.
- A claim is made for two beds in a property with only one resident. We are told that the second bed is for a grandchild that comes to visit. Only the bed of the resident would be considered as essential and settlement of the second bed would fall under the normal calculation.

8.0 Leaseholder customers (including shared owners)

- 8.1 The general compensation section 6.0 applies to leaseholders (including shared owners)
- 8.2 Service charges paid for a specific service that we provide may be fully or part refunded if evidence is proven that we are responsible for the service and it was not provided as expected.
- 8.3 We may refund an insurance excess, if Peabody are proven to be negligent in their handling of a repair or defect.
- 8.4 If a leaseholder lets out their property, we will not compensate for loss of rental income or rent increases and any compensation paid will be discussed and credited to the leaseholder directly and not the tenant of the leaseholder.
- 8.5 We will only pay for missed appointments on communal repairs if we have specifically requested that the leaseholder be present and our records support this.
- 8.6 If a leaseholder has purchased a new property from us and we fail to rectify property defects that have been identified and confirmed by us as a defect within a reasonable time, we will consider the following compensation. We will only compensate where we have caused the delays.

9.0 Goodwill gesture

When TCH are not at fault we may consider offering a goodwill gesture.

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10.0 Compensation approval

10.1 All compensation should be discussed with the Customer Feedback and Information Team in the first instance to confirm that compensation should be paid. Any compensation payment higher than £250 should be discussed with the Customer Feedback and Information Manager. (AD of Customer Experience in absence of CF&IM)

10.2 Compensation payments in excess of £250 will need additional approval from the below:

- Up to £2k – Customer Feedback and Information Manager (AD of Customer Experience in absence of CF&IM)
- Up to £5k – Director of Operations ((AD of Customer Experience in absence of Director)
- Over 5K – Member of EMT responsible for the area being complained about.

10.3 When requesting approval of compensation at any level, a copy of the proposed complaint response that sets out the reason for the compensation should be provided along with any supporting evidence. If the compensation is not related to a complaint then the request should include an explanation and supporting evidence.

10.4 All compensation payments still need to be approved by the compensation budget holder for the payment to be processed. A copy of the approval from the appropriate person will need to be included with the payment request form.

11.0 Customer Responsibility

11.1 Customers who believe they may be entitled to compensation, in accordance with this policy, should make a claim within 6 months of when the event or loss occurred.

11.2 The claim should set out the amount of compensation sought and the reasons why the claim is to be made. It must be supported by evidence of the costs incurred where appropriate, and details as to the length of time the issue has continued. TCH will need to inspect any damage. A claim does not have to be made in writing.

12.0 Paying the claim

12.1 Where a discretionary compensation claim has been agreed, we may require an acceptance slip to be completed prior to making payment. Payment should then be made within 10 working days by bank transfer, replacing or repairing the damaged item or paid to the resident’s rent account, where there are arrears.

12.2 Payments of compensation for time, trouble and inconvenience will be used to offset any rent arrears or other monies due to TCH, except where doing so would cause significant hardship.

12.3 Any other payments for out-of-pocket expenses, such as towards the cost of running temporary heaters, will be paid directly to the customer even if they are in rent arrears.

If the complainant does not respond to the offer of compensation, the complaint handler will make two written follow up attempts in the 4 weeks following the date of the offer. In the final follow up attempt it will be explained that we will not make any further follow up attempts if the complainant does not respond. (This is not a withdrawal of the offer).

12.4 Compensation awarded by the Housing Ombudsman Service cannot be offset against any arrears.

13.0 Help to make a compensation claim

TCH staff can offer advice and assistance. We can provide information in other formats, for example in large print or Braille or in other languages. Customers can also contact us through a third party representative, such as the Citizens Advice Bureau or Shelter.

14.0 Appeals

Where compensation is not awarded, the claimant can appeal the decision and this will be dealt with in line with TCH complaints procedure.

15.0 Equalities statement

An equalities impact screening assessment has been undertaken to determine any potential negative impacts on any residents within the nine protected characteristic groups. None have been identified. As part of the screening process, TCH also considers any negative impacts on financial inclusion and community cohesion. Again, none were identified.

16.0 Resident Influence

The draft revised policy was published in our newsletter inviting comment before publication. From the feedback we received, most respondents felt that the policy was clear, but there was a request that we clarified the terminology referring to home disturbance compensation, which we have done. Other feedback was around ensuring that the policy was consistently applied and that all staff were aware of this policy and the associated complaints policy. We deliver induction training around these policies to all new staff, and deliver regular training updates, guidance and briefings, including advising all staff of any policy changes, with the aim of ensuring all staff have an up-to-date knowledge of policy and its application. All staff will be made aware of this revised policy.

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Compensation Claim Form

Please provide the below information.

Name:

Address:

Contact number:

Email address:

PLEASE NOTE:

1. We cannot process any claims without photo evidence of damage.
2. If we agree liability for the damage of an item below, we will always look to clean or repair the damage before replacing it or paying compensation.

Description of item.	Photo of damaged item. Please attach the photos to the email.	Date you first noticed damage on the item.	Original cost of the item.	Date damaged item was purchased / age of item.	Cost of new item (if applicable).	Are you able to provide a receipt or proof of purchase? Yes / no?
<i>Example: chest of drawers</i>	<i>Example: IMG12345.jpg</i>	<i>Example: March 2022.</i>	<i>Example: £120</i>	<i>Example: January 2021.</i>	<i>Example: have not replaced it yet.</i>	<i>Example: yes, I have attached it to the email.</i>