

Policy Name: Compensation and Reasonable Redress Policy

1. Policy Summary...

- This policy sets out how Midland Heart will deal with remedies and compensation claims made by its tenants following a complaint.
- This policy is a framework to support with awarding compensation, however, we should be taking an individual tenant-centric approach.
- This is to be applied in conjunction with the Complaints Policy.

2. Policy Principles

- We will consider offering remedies and compensation payments when a tenant has suffered distress and inconvenience, unnecessary time and trouble or actual financial loss due to an action or omission on our part. A formal complaint does not need to be raised to issue compensation, this can be done locally, in line with this policy.

Examples where we may offer remedies include where:

- A tenant has experienced unreasonable delay or a sub-standard service.
 - A tenant has been provided misleading, insufficient or inadequate information.
 - We failed to follow our policy and procedure without good reason.
 - A tenant has experienced unprofessional behaviour by our employees or contractors.
 - A tenant has experienced a loss of facilities or use of all or part of their home.
 - A tenant has experienced financial or material loss.
- This policy recognises that an appropriate remedy should normally also include:
 - A sincere and well-worded apology from an appropriate person/team.
 - Recognition that things have gone wrong and the tenant has been impacted.
 - An explanation for any shortfalls in service.
 - Details of any learning and the action taken to improve the service. Any learning identified will be clearly set out in our response, together with the actions being taken to improve the service.

3. Aims & Objectives

This policy aims to ensure that we:

- Take a fair, and consistent approach towards remedies.
- Act in line with the Ombudsman's Complaint Handling Code.
- Have a tenant centred approach and empower employees to reach fair outcomes.
- Encourage a broader approach towards remedies and consider other actions we can take beyond just offering compensation.
- Provide remedies that are proportionate to the service failure and reflect the impact on the tenant.
- Consider remedies offered based on the merits and circumstances of each individual case and the tenant's individual needs.

It applies to...

- The policy applies to all Midland Heart Tenants and Residents. A tenant or resident is anyone who receives or requests a service from us or who is affected by our activities.
- This includes anyone who has applied for our homes or uses our services or a member of the public who has been impacted by a decision we have made or a failure in our service provision.
- Anyone who has made a complaint on behalf of a deceased tenant, as long as they can provide legal evidence that they are the executor of the estate.

Circumstances in which compensation will be issued

The compensation payments are separated into three categories:

- Mandatory (such as statutory home loss payments)
- Quantifiable loss payments (where people can demonstrate actual loss)
- Discretionary payments (for time and trouble/distress and inconvenience)

Mandatory payments

This could include home loss, disturbance, improvements and payments under the Right to Repair scheme.

Quantifiable loss payments

Examples of this include increased heating bills due to disrepair, having to pay for alternative accommodation or take away food, paying for cleaning or carrying out repairs where Midland Heart have failed to meet its obligations. There is a caveat here that any such costs must have been reasonably incurred and evidence of such loss should be provided. Where evidence is not provided we should look on the balance of probabilities and pay an amount in recognition of that fact that the resident has incurred costs that would not have arisen had the problem not occurred.

Discretionary payments

It should provide examples of where discretionary payments are applicable which could include:

- Poor complaint handling
- Delays in providing a service
- Failure to provide a service that has been charged for
- 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

Other remedies

Compensation is not always the only option, it is important to consider other actions to remedy a complaint either separately, or in conjunction with, an offer of compensation. This could 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). We should demonstrate a flexible approach to considering different remedy solutions.

Distress and Inconvenience

This should be considered when our actions or inactions have caused:

- Upset, discomfort, worry, frustration or uncertainty.
- Expectations to be mismanaged.
- Evidence of having been treated differently to others.
- Problems through delays in us resolving matters or through poor complaint handling.

It is important to consider the individual and their circumstances, especially around vulnerability or known disabilities as this could further compound any adverse impact experienced by a tenant. For example, the impact of being without heating or hot water during winter is likely to be very different for an older, disabled resident than for a younger resident who is out at work during the day. If we are aware that a tenant has vulnerabilities, such as being elderly or having mental or physical health conditions, we will take this into account when considering the overall impact and it will be reflected in any remedy.

We will ask the tenant what their desired outcome is and work towards achieving this as far as possible.

Consideration should be taken to understand did the tenant contribute towards any delay. If the tenant's actions have influenced our ability to complete an action or deliver a service, we will factor this in to make sure our remedy is balanced and proportionate. For example, did the tenant:

- Fail to communicate clearly with us.
- Not bring matters to our attention within a reasonable timeframe.
- Decline to help clarify their complaint.
- Not respond to contact from us.
- Repeatedly refuse access to inspect and assess their property.
- Pursue their complaint in an unreasonable or excessive way.

Exceptions

Cases where we may not offer compensation include where:

- The service failure was the fault of a third party such as a utility company – electricity, water, gas etc.
- The failure was beyond our control - e.g., severe weather or where we have advised in advance that a service will not be available.
- The issue is subject to tribunal or legal proceedings.
- The incident was caused by a tenant's failure to comply with the terms of their tenancy or lease e.g., to provide access to their home for essential work.
- A personal injury claim has been lodged (this will be managed by our Legal Team).
- Loss of Wages. We do not generally reimburse tenants for time off work, loss of wages or loss of employment whilst repairs are carried out as tenants are required to give access for repairs to be carried out as required. There may be circumstances when it is appropriate to pay compensation in recognition of any inconvenience where repairs appointments are repeatedly missed or fail to resolve the repair issue.
- Compensation for Damage or Loss. Tenants are usually expected to have their own contents insurance in place and, where appropriate, should be advised to claim for loss or damage to personal possessions or household items from their insurer. However, if there is any suggestion or allegation that our actions or inactions have resulted in the damage to belongings, if we are at

fault, we will take appropriate steps to put things right, which could include replacing any damaged belongings or referring the issue to our insurer for items of a high cost.

Calculating Compensation

- For compensation we will take a reasonable and proportionate approach, ensuring the tenant/household circumstances are considered on an individual basis.
- We will utilise the Compensation Matrix to support with calculating compensation to ensure we have a fair and consistent way
- The Customer Experience Officers will be fully trained on how to calculate compensation and will support the wider teams.
- In line with the Ombudsman Guidance we will categorise into minor, moderate or severe:
 - Minor - recommendation of payments between £50 - £100
This is where there has been a mild impact. The issues were short term, fixed now and minimal impact.
 - Moderate - Recommendation of payments between £100 - £600
Usually a bigger impact, where there has been a negative effect and things have taken a lot longer than expected.
 - Severe - Recommendation of payments between £600 - £1000
This is usually a significant impact, severe disruption, detrimental to health (emotional or physically), long term issue with repeat concerns.

Paying Compensation

Any compensation awarded will not normally be offset against any rent arrears or debt unless the customer specifically requests this.

We will carry out a direct payment to tenant via BACS.

Failure to Supply Services Subject to a Service Charge:

In these cases we will consider a refund of service charges, for the complainant but also those who were also affected in the block or area. Where these charges are met through Housing Benefit or Universal Credit payments we will generally refund to the rent account and notify the administering authority to avoid the customer being put in the position of receiving payments to which they are not entitled. Refunds are treated differently to compensation payments and there should be a clear distinction when calculating payments.

We will request bank details and require these in writing to process the BACS payment. These details will be deleted once the payment has been processed in line with GDPR.

The compensation will be paid within 10 working days.

If a tenant is deceased, we will need to see evidence that the person acting on their behalf is the executor or administrator of their estate before any compensation awarded is paid.

Reasonable Adjustment and Support

We are committed to fairness and equality for all regardless of their colour, race, ethnicity, nationality, gender, sexual orientation, marital status, disability, age, religion or belief, family circumstances or offending history, as referred to in our relevant Group policies. Our aim is to ensure that our policies

and procedures do not create an unfair disadvantage for anyone, either directly or indirectly. An Equality Impact Assessment has been completed on this policy.

Related Law & Regulations

Legislation/Regulation	Relevance to This Policy
Housing and Regeneration Act	Provides a framework for housing related complaints.
Equality Act 2010	Provides a duty for ensuring equality of opportunity for all protected groups and those associated with protected groups.
Localism Act 2011	Localism Act changes the way that complaints are dealt with once the complaints process of the landlord has been exhausted. The emphasis is that, where possible, complaints should be resolved at a local level and this should ultimately reduce the numbers that are escalated to the Housing Ombudsman.
Human Rights Act 1988	Under the Equality Duty of the Human Rights Act, organisations have a duty to promote equality of opportunity. That duty applies when decisions about individuals are being made. Article 8 refers to the right to respect the right to private and family life.
Independent Housing Ombudsman Complaints Code 2024	Sets the requirements for complaint handling and learning. Statutory from April 2024.
General Data Protection Regulation 2018 (GDPR) guidance.	All information held about our tenant, residents or colleagues must be in line with the Midland Heart Data Protection Policy, Data Protection Procedure and General Data Protection Regulation 2018 (GDPR) guidance.

This policy links to...

Internal:

- Violence and Aggression Guidance (in relation to unacceptable behaviours)
- Health and Safety Policy
- Reasonable Adjustment Policy (Appendix 1)
- Safeguarding & Wellbeing Policy & Procedure
- Whistleblowing Policy

- Disciplinary Policy
- Data Protection Policy & Procedure
- Unreasonable Persistent Complainant Policy

External:

- Housing and Regeneration Act
- Equality Act 2010
- Localism Act 2011

- Human Rights Act 1988
- Independent Housing Ombudsman
Complaints Code 2024