

	Compensation Policy
Policy statement	<p>The Group (any entity which forms part of the Group of companies, owned or controlled by Paradigm Housing Group Limited) strives to provide good quality housing and services to all its customers. However, it recognises that there will be instances where the Group have not met its service standards and customers may be inconvenienced or suffer a loss as a result. In such instances customers may be offered compensation in line with this policy.</p> <p>Compensation under this policy is defined as either:</p> <ul style="list-style-type: none"> • A financial settlement or reimbursement in lieu of a clear, definable and measureable loss, or; • A financial payment or an offer of something tangible as an apology for any inconvenience incurred.
Background	<p>The compensation policy provides customers, Paradigm staff and key stakeholders with an overview of the Group’s approach to compensation. Compensation claims may form part of a formal complaint and is supported by clear compensation procedures.</p> <p>This policy replaces all former compensation policies dated 2003 which includes:</p> <ul style="list-style-type: none"> • Right to Repair Compensation Policy • Service Delivery Failure Compensation Policy • Resident Improvements and Compensation Policy
Objective	<ul style="list-style-type: none"> • To provide a consistent, fair and proportionate approach to requests for compensation • Outline the circumstances under which this policy will apply • Provide guidance on assessing claims for compensation, and the level and type of compensation that will be offered.

Policy Principles

This policy details the circumstances under which compensation will be considered by the Group and the process for determining any amount of financial or non-financial compensation to be offered. This will be governed by statutory legislation and the following guidelines and relating to discretionary compensation.

There are two forms of compensation that we can offer to our customers; payments or gestures that are discretionary and we choose to make and payments that we are obliged to consider.

Discretionary Compensation

The Group will consider and investigate claims relating to the following as outlined within this section:

Missed Appointments

The Group may compensate if a member of the Group's staff or assigned contractor fails to attend a pre-arranged appointment with a customer providing there is evidence that the appointment was made and a further appointment has been scheduled.

In such cases, a one off payment of £25 can be claimed to compensate for any inconvenience that the customer may incur for the re-arranged appointment.

Exception:

- ❖ No compensation will be paid if the customer was advised during the previous working day that the appointment would be cancelled or re-arranged, or if the non-attendance was due to exceptional circumstances i.e. severe weather conditions.

Loss of Rooms/ Facilities

In cases where repairs or improvements to a property (which are the responsibility of the Group), have not met the Group's service standards and have resulted in the loss of use of a room or facility in your home, compensation will be considered.

The amount payable will be calculated as a percentage of the gross weekly rent for the period the rooms and/or facilities are unusable. The calculation will take into account the type of room and inconvenience incurred up to a maximum of 50% of the gross rent regardless of how many rooms or facilities are unusable.

Unusable room / facilities	Maximum amount (based on total loss)
Kitchen	25%
Bathroom	25%
Living Room	10%
Bedroom(s)	20% each
Facility (total loss of water supply, electricity, heating*)	25%

Partial loss of rooms will be calculated at 50% of the above. Any payments for full or partial loss of rooms or facilities are made to compensate for any inconvenience and associated costs incurred. If the rooms and/or facilities are unusable for less than one week, the calculation will be reduced proportionately and calculated from day two.

Exceptions:

- ❖ A customer will not be entitled to claim compensation during the agreed period of time during which a room/facility is unusable due to works carried out under a planned maintenance programme, or due to a kitchen or bathroom renewal carried out as a responsive repair
- ❖ If any loss of facilities are due to a problem beyond the Group's control, i.e. local or national power power-cut or works being undertaken by utility companies etc., no compensation will be payable
- ❖ A customer will not be entitled to a loss of room or facility payment for the period of time the customer occupies alternative accommodation in accordance with the Group's decant procedure
- ❖ *Where temporary heaters have been offered no loss of heating compensation will be payable. Please see additional fuel costs below
- ❖ Loss of heating costs will only be considered during the period of 1st October to 31st March.

Additional Fuel Costs

Where the Group are unable to repair or replace the heating system within our published timescales it has provided temporary heaters, compensation can be claimed to cover the additional fuel costs in running the temporary heaters. In these circumstances compensation up to £2.00 per full 24hrs until the system is repaired or replaced can be claimed.

Exceptions:

- ❖ Additional fuel costs will only be considered during the period of 1st October to 31st March and where a repair or replacement has taken longer our published timescales

Damage of Personal Possessions

Where a customer's personal possessions have been damaged, the cost of replacing or repairing should be met by the customer's contents insurance.

Where a customer's personal possessions have been damaged as a result of a property failure (e.g. a burst pipe), and the customer has no contents insurance and/or confirms that the claim is not covered by their contents insurance, the Group may consider reimbursing the customer.

In these cases, customers will be expected to provide documented evidence of purchase and of the damage caused via our claims form process. If reimbursement is agreed, the value of the goods, at the time of their loss or damage rather than their replacement value, will be applied.

Service Delivery Failure

Compensation may be considered in circumstances where a customer has suffered a loss or inconvenience due to the Group's failure to deliver services to its published standards. In these cases customers will be

	<p>expected to provide evidence via our claims form process and any awards will be made at the Group's absolute discretion.</p> <p><u>Obligatory Compensation</u></p> <p>Compensation that we are obliged to consider in line with legislative requirements includes the following as outlined within this section.</p> <p><i>Home Loss</i> 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.</p> <p><i>Disturbance</i> Disturbance payments may be offered to cover losses or expenditure as a consequence of tenants who are required to move to another property either temporarily or permanently.</p> <p><i>Right to Repair</i> The Right to Repair Scheme covers small, urgent repairs costing up to £250 which, if not carried out within a prescribed period of time, are likely to jeopardise the health or safety of the tenant. Tenants with Secure and some Assured tenancies have the right to claim compensation under the scheme if these qualifying repairs are not carried out within prescribed time scales.</p> <p><i>Home Improvements</i> Tenants with Secure, Assured and Five Year Fixed Term Assured Shorthold tenancies, who have completed 'qualifying improvements' after 1 April 1994 and their tenancy is ending, may be entitled to compensation for those improvements in-line with statutory and contractual rights.</p>
<p>Making a claim</p>	<p><u>Claims for Compensation</u></p> <ul style="list-style-type: none"> • Claims for compensation must be made within 28 days of the incident or damage occurring • For all claims of £25 and under, customers can raise their claim to the Group via telephone, email, letter or face to face contact • For all claims above £25 customers will be asked to complete the appropriate Compensation Claim Form and provide receipts and/or evidence to support the claim • Offers of compensation over the value of £25 will be made in writing and customers will be expected to indicate their acceptance of the offer within 14 days of receiving the letter. <p><u>Compensation Payments</u></p> <p>All payments of compensation will be made without any admission as to liability to the customer within 28 days of the Group receiving their signed acceptance of the offer.</p>

	<p>Where a customer's rent account has been paid in advance in line with their tenancy agreement, or where compensation is a reimbursement for damaged items or out of pocket expenses, payments will be made directly to the customer.</p> <p>Where a customer's rent account is in arrears, or has not been paid in advance in line with their tenancy agreement, the payment will be credited to the customer's rent account.</p> <p>Where a customer owes outstanding sundry debt to the Group, the payment of compensation will be off-set against what is owed.</p>
<p>Scope</p>	<p><u>This policy does not include:</u></p> <p><i>Legal proceedings</i> Compensation will not be dealt with or settled by the Group under this policy where a claim or action against the Group is subject to legal proceedings.</p> <p><i>Individuals or companies with whom Paradigm has a commercial relationship</i> This includes, but is not limited to private landlords to whom we provide a management service. The contractual terms on which we provide services should incorporate the basis on which payments are made including the terms on which penalties or compensation is calculated.</p> <p><i>Service Charge Adjustments</i> Where a service paid to the Group through a Service Charge has not been provided, or fails to adhere to the Groups standards, an adjustment for the period of time the service was not delivered will be made and accounted for in the next Service Charge year.</p> <p><i>Personal Injury Accident Claims</i> A personal injury is a claim where an injury has occurred to the body, mind or emotions and where it is claimed that such injury has been caused through negligence of the Group.</p> <p>Any such claims made against the Group will be dealt with by the Group's insurers and will not be dealt with or settled by the Group under this compensation policy.</p> <p><i>Claims for Damage of Personal Possessions by the Group</i> Where a claim is made for personal possessions that have been damaged as a result of action or inaction by the Group, this will be forwarded to our insurers for consideration under the Group's liability insurance and will not be dealt with or settled under this compensation policy.</p> <p><i>Compensation Administered on Behalf of a Third Party</i> The terms of the Groups policy do not apply where compensation has been offered to customers by a third party, or where the Group is asked to administer a payment on behalf of a third party.</p>

Legal and regulatory framework	<ul style="list-style-type: none"> • The Housing Act 1985 and 1988 as amended • Section 30 of the Land Compensation Act 1973 • Local Housing Authorities (Right to Repair) Regulations 1994 • Leasehold Reform, Housing and Urban Development Act 1993 • Housing Corporation circular 33/94
Responsibility	<p>The Head of Customer Experience is responsible for formulation and implementation of this policy.</p> <ul style="list-style-type: none"> •
Customer focus	<p>The key principles and payments schedule detailed within this policy were reviewed as part of the 'Tenant Deal' and were approved by the Residents Forum, the Housing Services Committee and the Amalgamated Board.</p>
Cross references	<ul style="list-style-type: none"> • Decant procedures • Complaints procedure • Disrepair procedure • Home improvement process • Right to Repair process
Equality, Diversity and Vulnerability	<p>We seek to ensure that all our services are inclusive and non discriminatory. An Impact Assessment has been undertaken as part of the review of this policy.</p> <p>Our Compensation Claims Form is in an easily understood format. Customers who need specific or additional assistance in completing the Compensation Claims Form will be signposted to external agencies for support.</p>
Risk	<p>Implementing this policy will result in compensation payments being made fairly and consistently to customers.</p> <ul style="list-style-type: none"> • Effective processes and service delivery will lead to a reduced amount of compensation that we pay out. • An effective compensation process reduces the time and staff resource dealing with payment decisions. • Ensuring that we make consistent decisions and payments will enhance the Group's reputation. • Learning from why compensation payments were made will lead to service improvements and will impact on the level and value of payments in the future.
Value for money	<p>The calculation of compensation is directly related to the amount of impact and inconvenience incurred and therefore we consider it to be fair and value for money.</p> <p>We will regularly review compensation amounts paid and the feedback received to help us improve the services that we deliver.</p>

Definitions	<p>'The Group' - Paradigm Housing Group including Paradigm Homes Charitable Housing Association, Paradigm Commercial plc, Paradigm Development Services Limited and Paradigm Foundation Trust.</p> <p>Customer - includes tenants, leaseholders and shared owners.</p>
Policy Owner	Head of Customer Experience
Prepared by	Customer Experience Manager
Approved by	Management Team
Signature (of Director signing off the policy and date)	<p>Executive Director of Housing</p> <p>May 2016</p>
Date of Board approval (if approved by Board)	N/A
Effective date	May 2019
Review date	May 2021

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