



**Compensation and Payments Policy
(Ref: G26)**

Purpose of Policy: The purpose of this Policy is to clarify the circumstances in which the Association will offer compensation or other payments to tenants

Policy Monitoring Details	
Department	All
Author	C Hughes
Status	Group
Date Board Approval	Not required
Update	
Planned Review Date	5 years after approval, compensatory figures to be reviewed annually
Regulatory Outcomes Being Achieved	Scottish Social Housing Charter Outcome 2 - Communication
Tenant Consultation Required	Not required
Equalities Impact Assessment	Not required
HRA Implications	Not applicable

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1. Introduction

- 1.1 This Policy sets out the circumstances in which the Association will consider making compensatory or other payments to tenants.
- 1.2 The Policy also makes a distinction between statutory and discretionary payments.

2. Aims

- 2.1 The key aim of this Policy is to ensure that tenants and staff are aware of situations where compensatory or other payments can be made.
- 2.2 The Policy also sets out the amount or value that can be offered in a variety of circumstances, together with authorisation levels.

3. Policy

Statutory Payments

- 3.1 Statutory payments apply only to tenants of social rented properties and are governed by the Housing (Scotland) Act 2001. The Property Services Team manages these matters.

3.2 Right to Repair

This covers certain urgent repairs that cost less than £350 to complete and that should be carried out within specific timescales. Where the repair is not completed within the timescales set, the tenant can instruct an approved Alternative Contractor to undertake the repair.

The scheme also provides for tenants to receive compensation where certain 'qualifying repairs' are not completed within our agreed standards.

Full details of Right to Repair are included in the Right to Repair Policy.

3.3 Right to Compensation for Improvements

If a tenant has carried out improvements to their home (with Manor Estates' permission), they may be entitled to compensation for these improvements when they leave the property.

Full details of Right to Compensation for Improvements are included in the Compensation for Improvements Policy.

Discretionary Payments

- 3.4 Discretionary payments are not restricted to social tenants of the Association and can be considered for other customers, including owners and mid-market rent tenants.

3.5 Disturbance and Reimbursement Payments

Disturbance or reimbursement payments can be made following work carried out in tenants' homes, as part of planned/cyclical maintenance programmes, and/or where the tenant needs to be decanted (either temporary or longer term).

These payments may also apply where a tenant has to be decanted from a property in an emergency, such as damage to their home caused by fire or flood. Further details are included in the Association's Decant Policy.

Payments can be applied towards a rent payment, offset against arrears or given direct to the tenant. Where the claimant is in receipt of full housing benefit, rent reduction would not be applicable and the payment should be made to the tenant.

- 3.6 We aim to provide all customers with an excellent service, but we know that sometimes things can go wrong. This compensation is where the Association has discretion as to what and how payments are made. It applies to social and mid-market tenants and to owners who receive factoring services from us.
- 3.7 Compensation payments are given to make up for a failure or poor service where an apology and resolution of a complaint is insufficient. For example, compensation for time and effort in pursuing a complaint, as a good will gesture or where the complainant has experienced distress and/or inconvenience.
- 3.8 In some circumstances, it will be appropriate to offer a gesture of apology, such as flowers or a gift card.
- 3.9 Staff at Manager level have the autonomy to make decisions about the awarding of compensation payments at Stage 1 complaints (or where staff have identified that the customer has received a lower level of service than they should have). Appendix 1 lists the amounts and authority levels.
- 3.10 Any compensation to be awarded because of a Stage 2 complaint must be approved by the Departmental Director.
- 3.11 In accordance with the Scottish Public Services Ombudsman's Model Complaints Handling procedures, not all complaints will require payment of compensation.

3.12 Where a customer has advised that they intend to take legal action, we do not pursue the matter as a complaint and we do not offer compensation.

4. Legislative Information

4.1 Housing (Scotland) Act 2001
Housing (Scotland) Act 2010
SPSO Model Complaints Handling Procedure

5. Reporting

5.1 All compensation payments will be recorded centrally. The Housing Management Director will monitor the register and will report to the Senior Management Team bi-annually (or more frequently if there are any emerging concerns).

6. Other Relevant or Related Policies

- PS 15 Right to Repair Policy
- PS 16 Right to Compensation for Improvements Policy
- HM 17 Decant Policy
- G 03 Model Complaints Handling Procedures

7. Publicising This Policy

This Policy will be available on the Association's website, with hard copies being made available on request. The Policy can also be made available in alternative formats and languages on request.

APPENDIX 1

Discretionary Compensation Awards

Type of payment/compensation	Calculation/Amounts	Authorisation
Service falling short of expected standard either picked up from a complaint or from front line officer	Flowers or gift voucher up to £50	Housing/Property Services Manager or equivalent
Payments as the result of a stage 1 complaint for any reasons, or goodwill payment or where a staff member has picked up that our service has fallen short and tenant has been inconvenienced*	Negotiated individually and based on reasonable assessment of cost incurred. Offers for any reason up to £75 Offers for any reason over £75 and up to £200 Offer for any reasons over £200	Housing/Property Services Manager or equivalent Housing Management/Property Service Director CEO
Payments arising from a stage 2 complaint.	Decision based on a reasonable assessment of circumstances.	Director

Where payments made to customers in accordance with this Policy may be offset against arrears, in the above circumstances where the payment is due to negligent or service failure, consideration should be given to making the payment of compensation directly to the individual. Payments made under these categories, where there is an outstanding debt, must be discussed and agreed with the appropriate manager.

*When considering compensation, the following should be taken into account:

- The level of inconvenience and distress caused to the customer (no compensation is given towards loss of income)
- How seriously or consistently has our service failed
- The amount of unreasonable time and effort has the customers spent in pursuing the complaint
- The length of time it has taken Manor Estates to resolve the matter