



Remedies & Compensation Policy

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Remedies and Compensation Policy

Table of Contents

1	Introduction	3
2	Policy Purpose	Error! Bookmark not defined.
2.1	Our Approach	Error! Bookmark not defined.
2.2	Mandatory Compensation	3
2.3	Discretionary Compensation	4
2.4	Quantifiable Compensation	5
2.5	Right to Repair	5
2.6	How to make a compensation claim	5
2.7	How compensation is calculated	6
2.8	Leaseholders and shared owners	7
2.9	Goodwill gestures	7
2.10	Ombudsman determinations	7
2.11	Situation where FCHO will not consider compensation	7
2.12	Insurance Claims	8
2.13	FCHO Insurance	8
2.14	Appeal	8
2.15	Payment	8
2.16	Delegated Authority to Approve/Offer Compensation	9
3	Legislative or Other Guidelines	9
4	Key Performance Indicators:	9
5	Monitoring	9
6	Equality, Diversity, and Inclusion	9
7	Links to First Choice Home's Policies and Procedures	9
8	Links to FCHO Big Plan	9

Table of Appendices

Appendix A – Right to Repair- Qualifying Repairs:	10
Appendix B - Compensation payments (applies to all customers, including leasehold)	11

1 Introduction

This policy sets out First Choice Homes (FCHO) Oldham's approach to managing compensation and aims to ensure FCHO complies with all statutory and regulatory compensation requirements, ensuring our system is fair and accountable. FCHO colleagues will not make promises they cannot keep or that would be unduly unfair to others.

Our approach aligns with Part 7 of The Housing Ombudsman's Complaint Handling Code (April 2024), which focuses on 'Putting things right'.

2 Policy Purpose

First Choice Homes Oldham (FCHO) is committed to delivering excellent service to all its customers and aims to resolve issues before compensation is necessary. If services fail or do not meet our published standards, FCHO aims to put things right by taking corrective action and where possible, to restore the affected person to the position they would have been in had a service failure not occurred.

There are various remedies available to correct a situation, but in some cases, financial compensation may be the only appropriate solution. Compensation can be mandatory, obligatory, or discretionary and is provided in recognition of the complainant's loss or detriment.

This Policy aims to:

- Ensure that payments are fair and reasonable.
- Recognise that each case should be considered on its individual merits.
- Ensure that where appropriate, discretion applied to claims.
- Promote consistency.
- Ensure that responsibility will be taken for any detriment or damage caused to an individual or their property and belongings by any contractor working on FCHO's behalf.

2.1 Mandatory Compensation

Improvements

Compensation for improvements may apply where a tenancy is ending, and the customer has undertaken qualifying improvements. Each case will be assessed on its own merits.

Payments will be subject to improvements being:

- Installed to a standard that is fit for purpose.
- Maintained to a good state of repair.
- Passing an inspection to ensure the improvement meets FCHO's Desired specification.
- Notional component life expectancy.

Home Loss

Home Loss payments may be made to customer who have lived in their property for a minimum of 12 months and are required to move home permanently because of redevelopment or demolition of their home.

Payments will be as prescribed by the Home Loss Payments Regulations in force at the time of the loss.

Disturbance

Disturbance payments may be made to customers who are required to move by FCHO to another property on temporary basis, they are applicable to residents who have been a customer at a property for more than twelve months and are required to move home permanently. Any offer of compensation will be made to meet reasonable moving costs which are substantiated with evidence by way of receipts.

Mandatory compensation payment will be made directly to the customer.

No compensation entitlement will accrue where the customer has decided to move, for example moves pursuant to requests, bids, or direct exchanges

2.2 Discretionary Compensation

Where there has been a service failure which has caused delay, distress, or inconvenience FCHO will consider making a discretionary compensation payment. A discretionary payment may be offered for:

- poor complaint handling
- delays in providing a service e.g. in undertaking a repair.
- failure to provide a service that has been charged for
- temporary loss of amenity
- failure to meet agreed / reasonable response times.
- loss of use of part of the property
- failure to follow policy and procedure.
- unreasonable time taken to resolve a situation.
- when a customer has suffered material loss (e.g. if an operative damages possession while undertaking repairs, loss of earnings due to time off for repairs if the operative does not attend etc).

We recognise that each case needs to be considered on its individual merits will consider individual circumstances.

When awarding discretionary compensation, the complaint manager will identify factors to consider in deciding upon the appropriate award of compensation and identify if it includes:

Minor disruption: A service failure with minimal impact and short in duration with minimal or no financial detriment to the customer.

Moderate disruption: The customer has experienced moderate disruption or monetary loss, or there have been repeated minimal impact service failures.

Severe disruption: A serious service failure leading to significant financial, physical and/or emotional impact.

2.3 Quantifiable Compensation

Where a customer has had their belongings damaged, or incurred financial loss, they are able to submit a claim for reimbursement.

Examples of loss include:

- Increased heating/energy bills due to our failure to complete a repair.
- Take-away meals when disrepair makes a kitchen unusable.
- The cost of replacing damaged household items.
- The cost of reasonable alternative accommodation if our failure to repair has made the home uninhabitable.
- Carrying out repairs where FCHO has failed to meet its obligations.

For compensation to be paid, any such costs must have been reasonably incurred and evidence of such loss must be provided such as receipts, retention of damaged belongings or photographs of the same. Any claim relating to quantifiable loss must be raised within 12 months of the loss being incurred.

FCHO will consider whether it would have been appropriate for a customer to have notified us before incurring expenses, FCHO will take into account the urgency of a situation.

Where appropriate, any award will consider wear and tear and compensation will not be paid on a new for old basis.

Payments for quantifiable loss will be paid directly to the customer.

2.4 Right to Repair

The Right to Repair scheme covers specific repairs, described as 'qualifying repairs'. These are set out at Appendix A.

The repair must:

- Cost less than £250 and; be likely to jeopardise the health and safety of the customer and should be completed within two weeks.
- If the repair is not completed within the timescales, a customer may be entitled to £10 plus £2 per day for every day the repair remains outstanding up to a maximum of £50 unless another remedy is accepted.
- There is no entitlement to any compensation if repairs were obstructed, it was unsafe to carry out the repair, or access could not be gained or was refused. A full list of exclusions can be found in FCHO's Repairs and Maintenance Policy.

2.5 How to make a compensation claim

Customers can raise request compensation in several ways.

- By telephone or in person.

- Letter or email.
- By completing the online form on FCHO's website. [Complaints Form - First Choice Homes Oldham \(fcho.co.uk\)](https://www.fcho.co.uk/complaints-form)

All requests for compensation will be considered under FCHO Complaints Policy and dealt with as a stage One complaint.

A Customer Excellence Officer will be assigned to investigate the circumstances surrounding the damage/loss and formal response will be issued in line with the timescales for handling Stage One complaints:

If a customer would like support to make a complaint, we can offer extra support and guidance. We will also make other reasonable adjustments to enable a customer to fully access the complaints process in consideration of their needs. We encourage customers to contact us to discuss any support needs or reasonable adjustment requirements they may have with us.

Where a customer is requesting to be compensated for a quantifiable loss, the Customer Excellence Officer may request copies or receipts/invoices.

Complaints should be raised no later than 12 months after the damage or loss has been incurred.

All claims will be log and acknowledged as a Stage One complaint within five working days of receipt and responded to within 10 working days of acknowledgement unless further actions are required to take place before compensation can be considered.

Appendix B provides guidance on the levels of monetary compensation that may be considered in line with remedies guidance published by the Housing Ombudsman Service.

2.6 How compensation is calculated

To assess a complaint where compensation may be payable the following factors will be considered as to whether disruption has been minor, moderate, or severe:

- Has the customer been adversely affected by FCHO or their contractor's actions or omissions?
- If a customer has been adversely affected, how and over what period?
- What other impact has there been on the customer e.g. distress or inconvenience, time, and trouble?
- Does the customer or their family have any disabilities or vulnerabilities which meant that they were more adversely affected by FCHO or our contractor's failings?
- Is it possible to restore the customer to the position they would have been in but for the service failure?
- What does the customer want FCHO to do to resolve their complaint?
- Is there an actual quantifiable monetary loss – for example, has the customer incurred costs as a result of what happened, or not received payments that they should have?

- What remedy would be proportionate, appropriate, and reasonable in the circumstances of the case?

Other actions may be offered to remedy a complaint either separately from or in conjunction with an offer of compensation. These can include practical actions e.g. offering to undertake repairs or redecoration which would otherwise be a customer's responsibility and gestures of goodwill.

FCHO may also decide to award compensation over our published maximum limits and set amounts if FCHO believe it is fair and necessary to do so. This will be considered based on the merits of each individual case.

The Customer Excellence Officer has the autonomy to offer compensation to the value of £500.00.

2.7 Leaseholders and shared owners

If a leaseholder acts as a private landlord and lets their property, FCHO will not consider compensation requests from their tenant, FCHO will also not compensate for any rent loss associated with the tenancy.

Service charges paid for a specific service that FCHO provide may be fully or partly refunded if that service failed to be provided or was not provided in full.

FCHO will only consider discretionary compensation for missed appointments on communal repairs if the leaseholder has been specifically requested to be present and records support this.

2.8 Goodwill Gestures

FCHO colleagues have the authority to offer discretionary goodwill gestures, such as sending shopping vouchers, flowers, or chocolates. These gestures normally offered for minor service failures or situations where a customer is upset, even if it is not directly caused by any fault of FCHO.

2.9 Housing Ombudsman Determinations

FCHO will fully comply with any Ombudsman determination to pay compensation.

2.10 When FCHO will not consider compensation

There are situations when FCHO may not consider offering a remedy or paying compensation examples are:

- Where damage or loss is outside of the reasonable control of FCHO or where all reasonable steps to restore services or facilities have been made.
- Where the loss or damage is not attributable to FCHO.
- Where the allegation relates to fair wear and tear or a matter FCHO has not previously been reported through the normal channels or where FCHO has not had any notice.
- Where damage or loss is caused by the act or omission of a third party.
- Where allegedly damaged items are not recoverable or available for inspection.

- Where the matter is already the subject of a separate claim or pending claim.
- Where a matter has not been pursued in compliance with the law or contractual obligations that apply to it or is out of time because of the amount of time that has passed since the incident occurred.

2.11 Insurance Claims

FCHO encourage customers to have contents insurance in place for their furniture, decorations, or any other personal possessions. For example, a contents insurance policy may cover against accidental damage, loss, fire or water damage, or burglary, amongst other things. Our compensation policy is not intended to compensate for a customer's lack of contents insurance.

2.12 FCHO Insurance

FCHO has comprehensive insurance in place for all their homes and public liability insurance. Any claim against these policies will be forwarded to our insurers by staff, who will not accept liability.

2.13 Appeals

There is no appeal process for discretionary compensation decisions. If a customer believes they are entitled to mandatory compensation but have not received an offer, they should seek independent advice.

In accepting a compensation offer customers are acknowledging that their complaint is resolved, or any proposed actions will resolve the complaint. This does not impact the customer's right to involve the Housing Ombudsman if they remain dissatisfied with any part of the complaint resolution.

If a customer is dissatisfied with the level of compensation offered, they will be asked to specify what they consider is an acceptable amount of compensation and their reasons for this. The offer will then be reviewed by the Customer Excellence team within five working days. It should be noted that the initial offer, if correctly applied according to policy, may not be altered. If an agreement on the compensation amount cannot be reached, the case will be escalated to Stage Two of FCHO's Complaints Policy.

A Senior Manager will investigate the complaint at Stage Two and provide a final response within 20 working days of the escalation date confirming the final amount of compensation being offered. Any offer made will remain valid for 3 months from the date of the response, after which it may be withdrawn, unless ordered by the Housing Ombudsman.

2.14 Payment

All compensation offers will be made via BACS transfer unless agreed otherwise. Payments will be made within 28 days of the acceptance of the compensation.

Any offers of compensation and payments will be in full and final settlement. Matters will not be reopened once an offer is agreed, or a payment has been made.

2.15 Delegated Authority to Approve/Offer Compensation

All amounts of compensation to be approved or offered must be in line with FCHO's Financial Regulations Invoice Approval limits.

3 Legislative or Other Guidelines

FCHO will follow the laws in force at the time that the payment is offered or made.

4 Key Performance Indicators:

- Excellent Landlord
- % of overall satisfaction (derived from all touchpoint surveys) – Reported to EMT
- Total volume of all complaints received. – Report to EMT, Board and Head of Service

5 Monitoring

The payment of compensation is monitored and reported by:

- The total amount of compensation paid
- The number of payments awarded by the Housing Ombudsman's Complaint Handling Code.

The payment of compensation will also be monitored through the Complaints Policy in line with complaint resolution.

6 Equality, Diversity, and Inclusion

This policy aligns with our wider Equality Diversity and Inclusion strategy by supporting the vulnerable and creating places where people want to live and build resilience in people and communities.

FCHO are committed to making our compensation and remedies process accessible and easy to use for all our customers in line with our statutory duties – as set out in the Equality Act 2010.

If you need support or additional assistance, please tell us. All requests to accommodate needs will be considered and acted on where possible in accordance with our Reasonable Adjustments Policy and the Equality Act 2010.

7 Links to First Choice Home's Policies and Procedures

- Complaint Policy
- Compensation and complaints service standards
- Data Protection Policy
- Vulnerability Policy
- Complaints and related documents

Appendix A – Right to Repair- Qualifying Repairs:

- Total / partial loss of electric power.
- Unsafe power or lighting socket or electrical fitting.
- Total / partial loss of water supply.
- Total / partial loss of gas supply.
- Blocked flue to open fire or boiler.
- Heating or hot water not working between 31 October and 1 May.
- Heating or hot water not working between 1 May and 31 October.
- Blocked / leaking foul drain, soil stack or toilet.
- Toilet not flushing (if there is only one toilet in the property).
- Blocked sink, bath, or basin.
- Tap cannot be turned.
- Leak from a water pipe, tank, or cistern.
- Leaking roof.
- Insecure external window, door, or lock.
- Loose or detached banister or handrail.
- Rotten timber flooring or stair tread.
- Door entry phone not working.
- Mechanical extractor fan not working.

Appendix B - Compensation payments (applies to all customers, including leasehold)

When considering a complaint, FCHO will consider whether we have followed our complaints procedure in line with the complaints policy. If we find we have not managed the complaint effectively through regular communication, proactive management, or investigation, we make an award for poor complaint handling using the following scales:

Levels of redress	Impact on customer
£50-£100	Minimal – service failure short duration. May not have significantly affected the overall outcome for the customer. Might include distress and inconvenience, time, and trouble, disappointment, loss of confidence, and delays in getting matters resolved.
£100-£600	Moderate – no permanent impact with little or no contact to provide updates. Failure to complete repairs, follow policy or make adequate adjustments that have a considerable impact on the complainant.
£600-£1000	Severe – with significant impact on physical and or emotional impact
£1000+	Severe – long term impact, on physical and or emotional impact.

Compensation payment schedule

Missed Appointments	£25.00
Loss of all heating (where no alternative, temporary heating has been provided)	£20 plus £5 for each additional day the facilities remain unavailable past the scheduled repair completion date
Loss of key facilities	£10 per day per adult household member and £5 per day per child after target timescale elapsed.
Total loss of all bedrooms resulting in inability to sleep in property	100% of daily rent after initial 48 hours
Discretionary allowance for out-of-pocket expenses	For example, up to £100, or a £25 decorating contribution for each room where a customer completes additional decorating

Payments for out-of-pocket expenses, such as the cost of running temporary heaters, will be made directly to the customer. There will be no deduction made for any rent arrears.