

# Customer Relationships Policies & Procedures



## Customer Compensation Policy

<b>1</b>	<b>Policy objective</b>
1.1	This Policy sets out the circumstances in which customers may be entitled to financial compensation if WCH (or a contractor acting on our behalf) has failed to deliver a satisfactory service. A Compensation Summary Table is set out at Appendix 1.
<b>2</b>	<b>Legislative &amp; regulatory requirements</b>
2.1	<b>Regulatory</b>
2.1.1	<u>RSH Tenant Involvement and Empowerment Standard</u> (para 1.2.1) “Registered providers shall ensure that tenants are given a wide range of opportunities to influence and be involved in: a) the formulation of their landlord’s housing-related policies and strategic priorities b) the making of decisions about how housing-related services are delivered, including the setting of service standards g) the responsibilities of the tenant and provider.”
2.1.2	<u>RSH Value for Money Standard</u> (para 2.1) “Registered providers must demonstrate a) robust approach to achieving value for money – this must include a robust approach to decision making and a rigorous appraisal of potential options for improving performance; b) consideration of value for money across their whole business..”
2.2	In line with the Housing Ombudsman principles, Watford Community Housing (‘WCH’) seeks to put customers back into their original position through rectification of service failure and / or appropriate compensation.
<b>3</b>	<b>Scope</b>
3.1	WCH is committed to providing excellent services and ensuring that all staff act professionally to deliver them efficiently and safely. However, WCH acknowledges sometimes there may be a service failure which results in : -  <ul style="list-style-type: none"> <li>• Loss of essential service(s) (see section 5 below);</li> <li>• Damage to customers’ belongings (see section 6 below);</li> <li>• Missed appointments (see section 7 below); and</li> <li>• General inconvenience caused to the customer (see section 8) below.</li> </ul>
3.2	This Policy covers all <b>tenants</b> and <b>leaseholders</b> who shall be commonly referred to as ‘ <b>customers</b> ’ throughout this Policy other than where the term <b>tenant</b> is specifically used in the context.

3.3	The Policy also covers all WCH repairs and maintenance contractors who should be required to sign up to their obligations set out below. This is a standard clause under the contract. The relevant WCH Category Manager will be responsible for ensuring this happens.
3.4	This Policy does <b>not</b> negate the need for customers to have their own contents insurance in place covering damage or losses to internal fixtures and fittings in the property.
3.5	The Policy does <b>not</b> cover compensation for damage caused by circumstances and situations beyond WCH's control including flood, fire, environmental / weather damage, break-ins and other events of this nature.
3.6	This Policy does <b>not</b> cover losses or reductions in service paid for by a service charge (e.g. communal cleaning or grounds maintenance). These service issues are taken into account when setting the following years' service charges.
3.7	Where there is a legal right to compensation (e.g. in decant situations and home alterations & improvements) the relevant policies should be applied. Please see the Decant and Alterations Policies for further information.
<b>4.</b>	<b>Loss of Essential Services for Tenants</b>
4.1	Where there is a loss of essential service(s) to a <b>tenant</b> such as water, electricity, gas (communal or individual) or drainage caused by WCH or one of our contractors, WCH will provide compensation as follows: -
4.2	<u>Communal Heating / Hot Water</u>
4.2.1	Where there is a loss of communal heating or hot water from the primary heating source which cannot be repaired within <b>72 hours</b> , compensation may be claimed. This only applies to communal heating on a seasonal basis, e.g. during colder weather. Hot water loss applies all year round. Compensation will be paid for each day or part day (to the nearest half day) after the 72 hour period at the relevant daily charge for heating and hot water uplifted by 50% for general inconvenience and to cover additional costs of running electric fan heaters.
4.2.2	For individual properties, where heating is lost for any length of time, WCH will offer to supply an electric fan heater to the tenant from our stock or this may be provided by the tenant themselves. This is meant as a temporary solution, and in either case WCH will pay compensation for additional heating costs at the rate of <b>£10 per week</b> . Where heating is lost for less than one week the £10 compensation will be paid as a flat rate payment.
4.2.3	Compensation will not be paid where the loss of service is caused by misuse or damage by a customer.
4.2.4	Losses of communal heating or hot water will, from an operational perspective, be dealt with under the Communal Services Failure Procedure.
4.3	<u>Loss of Room Use</u>
4.3.1	Loss of the use of a room for 72 hours or more where this is due to action or inaction on the part of WCH will be compensated at 20% of the net daily rent per room e.g. if rent was £120 per week for a property, compensation of £3.43 per room per day would be paid. Compensation will not be paid if the loss of the use of a room is due to the action or inaction of the tenant (e.g. carrying out their own repairs or works to the property or failing to report a repair to us within a reasonable timescale). If room loss becomes significant, a decant may be necessary in which the Decant Policy and Procedure should be referred to for further guidance.

<b>5.</b>	<b>Damage to Customers' Belongings</b>
5.1	<u>Damage caused by WCH:</u>
5.1.1	Compensation may be claimed for damage to <b>customers'</b> belongings <b>caused by WCH</b> in certain circumstances. In most cases we will require a GRT Operative or Project Surveyor to inspect the damage. Depending on the nature of the damage and the item(s) concerned, we will either repair, replace or offer compensation for the current value of the item; this decision will be made by the Repairs Manager. Compensation will <b>not</b> be paid if the damage was the result of the customer failing to remove belongings from the work vicinity or to keep their losses to a minimum.
5.2	<u>Damage caused by a Contractor</u>
5.2.1	Where a <b>WCH contractor</b> has caused damage to a <b>customer's</b> belongings, the customer will make a claim for compensation as at section 9 and the WCH Contract Manager will pass this to the relevant contractor to assess and pay as appropriate.
5.2.2	Any incidences of this nature should be reported to us by the customer within <b>10 working days</b> of the reported incident. The contractor will be expected to reimburse the customer, however the appropriate Service Manager will be responsible for overseeing this to ensure a satisfactory resolution.
<b>6.</b>	<b>Missed Appointments</b>
6.1	Where a WCH operative or contractor has missed <b>two or more</b> repairs or maintenance appointments (due to reasons within our control), we will make a goodwill payment of £40.00 to the affected customer. Contractors will sign up to this Policy in agreement before the commercial contact is signed..
6.2	We will <b>not</b> make a goodwill payment for missed appointments where the customer did not give us access to their home or caused some other delay.
6.3	Compensation will <b>not</b> be paid for customers' loss of earnings (or other out of pocket expenses arising due to missed appointments).
<b>7.</b>	<b>General Inconvenience</b>
7.1	We will consider awarding compensation payment for general inconvenience during an incident or complaint. This will be judged on a case by case basis by the relevant Service Manager.
<b>8.</b>	<b>Making a Compensation Claim</b>
8.1	Customers must make a claim for compensation by completing and submitting a feedback form in line with our Customer Feedback Policy. The claim must be made within <b>5 working days</b> of the issue arising.
8.2	It is intended that all claims will be dealt with in the same estimated timeframes as dealing with customer feedback.
8.3	Compensation amounts will be agreed in line with this Policy.
8.5	<b>Compensation for a delayed moving date (new build properties)</b>
8.5.1	Delays to moving dates can be disruptive and costly for customers. Compensation under this section applies where a prospective customer has been given an offer of a new build property and a designated moving date has been stated within an offer letter. If designated moving in date is delayed by more than 12 weeks, the incoming customer may in some cases receive a week of rent credited to the account for the property as a goodwill gesture.

<b>9.</b>	<b>Exceptions to awarding compensation</b>
9.1	<p>Compensation <b>will not</b> be payable in the following circumstances:</p> <ul style="list-style-type: none"> <li>• access to the property has been denied;</li> <li>• we were not informed within 5 working days of the incident occurring (unless exceptional circumstances prevent this); or</li> <li>• where there is insurance or insurance should have been put in place by the customer.</li> </ul>
<b>10.</b>	<b>Payment Methods</b>
10.1	<u>Compensation Relating to a Chargeable Service</u>
10.1.1	Where we are awarding compensation for failure to deliver a service for which a customer pays a service charge, the relevant amount will be credited to their service charge account for the following year.
10.2	<u>Compensation Relating to a Non-Chargeable Service</u>
10.2.1	The compensation payment method for a non-chargeable service will depend whether or not the customer is in rent arrears at the time the compensation is awarded. If the customer is in rent arrears at this time, some or all of the compensation payment will be transferred to the customer's rent account.
10.2.2	If the customer is not in arrears at the time of the compensation claim the member of staff dealing with the claim will obtain the customer's bank details to ensure compensation is paid to the customer within <b>10 working days</b> of them agreeing to the compensation. If the compensation exceeds the sum of £1000 we need to take additional steps to safeguard our customers from the risk of fraud; in these circumstances we will ask the customer to provide documentary proof (copy of bank statement, image of debit card or cheque book) of the account holder.
<b>11.</b>	<b>Policy Consultation</b>
11.1	This Policy was the subject of consultation with the Gateway Membership Team who made a number of suggestions to make the Policy clearer around payments and timescales which have been incorporated above.
<b>12.</b>	<b>Monitoring &amp; reporting</b>
12.1	Data and financial compensation will be collected through our feedback process and reported to EMT as part of the quarterly feedback report from the Customer Experience Manager.
<b>13.</b>	<b>Related documents</b>
	<p>Customer Feedback Policy and Procedure  Decant Policy and Procedure  Responsive Repairs Policy  Insurance Policy and Procedure  Customer Recharge Policy and Procedure  Managing Defects with Developers Procedure  Communal Services Failure Procedure  Refund of Credit Balances Procedure</p>
<b>14.</b>	<b>Appendices</b>
	Appendix 1 – Compensation Summary Table
<b>15</b>	<b>Approval</b>
Approved by	GMT 21/11/2019 EMT 11 Dec 2019
Review date	December 2021
Policy 'owner'	Customer Experience Manager

Appendix 1 – Compensation Summary Table

Type of Claim	Amount of Compensation	Housing Ombudsman Advice	Timescale of payment (in best case scenario)
Damage to Property Fabric/Structure	Reasonable compensation to make good the damage.	Financial compensation for costs which has been reasonably incurred by a complainant, which would not have been necessary if the service failure or maladministration had not occurred.	Following agreed and authorised claim for compensation and receiving correct and full bank details – payment within 10 working days
Loss of Communal Heating (more than 72 hours) during colder weather	Relevant daily charge uplifted by 50%. (In colder months) offer electric fan heater and pay £10 per week.	Financial compensation for costs which has been reasonably incurred by a complainant, which would not have been necessary if the service failure or maladministration had not occurred.	Following completion of works and receiving correct and full bank details – payment within 10 working days
Loss of individual heating	Offer of electric fan heater and pay £10 per week.	Financial compensation for costs which has been reasonably incurred by a complainant, which would not have been necessary if the service failure or maladministration had not occurred.	Following completion of works and receiving correct and full bank details – payment within 10 working days
Loss of Communal Hot Water (more than 72 hours)	Relevant daily charge uplifted by 50%.	Financial compensation for costs which has been reasonably incurred by a complainant, which would not have been necessary if the service failure or maladministration had not occurred.	Following completion of works and receiving correct and full bank details – payment within 10 working days
Loss of Room Use	20% of net daily rent per room.	Financial compensation for costs which has been reasonably incurred by a complainant, which would not have been necessary if the service failure or maladministration had not occurred.	Following completion of works and receiving correct and full bank details – payment within 10 working days

Appendix 1 – Compensation Summary Table

Damage to belongings caused by WCH	Repair, replace or offer compensation for current value of item.	Does not have jurisdiction over landlord's insurers but may take into consideration any evidence not available or considered at time of claim. May be ordered to pay compensation if maladministration or service failure. (Actual costs of distress and inconvenience)	Following agreed decision on compensation and receiving correct and full bank details – 10 working days
Damage to belongings caused by a contractor	Oversee process with contractor. As per the terms of the contract with WCH – further information will be provided at the start of the claim.	Financial compensation for costs which has been reasonably incurred by a complainant, which would not have been necessary if the service failure or maladministration had not occurred.	TBC by Contractor
Two or more missed appointments (with no reasonable attempt to inform)	£40.00	We may say that a landlord should pay an amount in recognition of the fact that the complainant has incurred costs that would not have arisen had the maladministration not occurred.	Following agreed and authorised claim for compensation and receiving correct and full bank details – payment within 10 working days
General inconvenience	Case by case	We take into account the severity of the situation and the length of time involved as well as any other relevant factors. The amount of compensation that we decide does not reflect a definitive loss, as we are not able to quantify this, but it is a recognition of the overall distress and inconvenience caused to the complainant by the particular circumstances of the complaint.	Following agreed and authorised claim for compensation and receiving correct and full bank details – payment within 10 working days