

Compensation and Remedies Policy

1. Introduction

- 1.1 This policy sets out our approach to providing appropriate remedies to complaints, including compensation payments.
- 1.2 This policy has links to and may need to be read in conjunction with our:
 - Complaints Policy
 - Alternative Accommodation (Decants) Policy
 - Responsive Repairs Policy

2. Scope

- 2.1 This policy applies to all residents of Peabody Group including Town and Country Housing, Charlton Triangle, users of Peabody community centres, properties owned by Peabody but not serviced by Peabody, and any individuals or groups affected by the services Peabody provides.

3. Aims

- 3.1 The aims of this policy are to make sure that we:
 - Provide fair and proportionate remedies to resolve a dispute successfully.
 - Offer remedies (including compensation) where appropriate, regardless of whether the resident specifically requests it of us.
 - Take a broader approach towards remedies and consider other actions to put things right beyond just offering compensation.
 - Are clear about the circumstances when we will pay compensation or offer some other form of remedy.
 - Consider each case on its merits, including the individual circumstances of the residents.
 - Apply our discretion appropriately and consistently to reach fair outcomes for residents.
 - Restore a resident to the position they would have been in had the service failure not occurred.
 - Take responsibility for any detriment or damage caused to an individual or their property and belongings by a third party (contractor) working on our behalf.

4. Our approach

- 4.1 We will consider compensation and other remedies in a number of circumstances, including when:
 - A resident has experienced delays or has incurred additional costs because of a service failure on our part.
 - We have failed to carry out a service within our published guidelines.
 - A resident has experienced a temporary loss of essential amenities such as heating, hot water and power.
 - A resident is unable to use part of their home.
 - We have not met the agreed standards of service.
 - We have not handled a complaint according to our policy.
 - We have not provided a service that a resident has been charged for.
- 4.2 This policy recognises that as well as awarding compensation or offering to undertake other actions to put things right, an appropriate remedy will include:
 - A sincere apology, in writing, verbally or in person, taking full responsibility for the service failure and acknowledging the impact on the resident.
 - Recognition that things have gone wrong, and the resident has been impacted.

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- An explanation for any shortfalls in service.
 - Details of any learning and the action taken to improve the service. Examples could include staff training, or changes to policies, procedures and processes.
- 4.3 Other actions may be taken to remedy a complaint, either separately from or in conjunction with an offer of compensation, such as:
- Practical actions, for example, offering to undertake repairs or redecoration that would normally be the resident's responsibility.
 - Agreeing to work outside normal contractual hours where practical and appropriate.
- 4.4 We recognise that the distress or inconvenience caused by a service failure can be compounded by vulnerabilities such as age, disability, and mental health, as well as short-term vulnerabilities like pregnancy or illness. Our compensation payments will reflect the additional detriment caused by these circumstances. This includes considering whether the situation should have been handled differently in light of the vulnerability, such as addressing a repair outside normal response times or adapting our communication methods appropriately.
- 4.5 On occasion, we may make a goodwill offer to resolve a complaint, such as sending shopping vouchers, flowers, or chocolates. These gestures are typically reserved for minor service failures or situations where a resident has been upset, regardless of whether it was due to a failure on our part. Such gestures will be carefully considered to ensure they suit the situation.
- 4.6 There are situations when we may not consider offering a remedy or paying compensation. Examples are:
- Claims for personal injury. These claims are directed to our insurance team for assessment.
 - Claims for damage caused by circumstances beyond our control (e.g., storm or flooding).
 - Problems caused by a third party not working for us.
 - Damage covered under contents or buildings insurance.
 - Damage caused by a resident's visitors.
 - Incidents caused by the resident's negligence or failure to comply with the terms of their tenancy or lease, such as not providing access to contractors to complete necessary work.
 - Impact on residents' own fixtures and fittings due to improvements or upgrades we are making to our properties, such as installing new windows requiring the removal of blinds that no longer fit.
 - Situations where the resident has not taken reasonable steps to limit the damage in their home, such as deciding not to move or remove items despite being informed of potential damage.
 - Payments ordered by a court or competent tribunal regarding the same issue.
 - Instances where we have provided a full action plan for required work at a property and have adhered to this plan.
- 4.7 Certain repair work may damage a resident's decorations. We always attempt to make good, and if we are unable to match existing decorations exactly, we do not offer additional compensation. For example, we would not award compensation for removing floor coverings (such as laminate or ceramic tiles) that we have not fitted. In most cases, residents must ask our permission to fit this type of floor covering, and they will be informed that we do not compensate for damage to these.
- 4.8 We do not compensate residents for loss of earnings, including annual leave for necessary appointments.

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- 4.9 We do not reimburse residents if they decide to employ a repair contractor or advocate to assist them without getting our written permission and agreement beforehand.
- 4.10 Our Alternative Accommodation (Decants) Policy provides full details on any rehousing and disturbance compensation available to residents. It also specifies which expenses can be reimbursed.
- 4.11 We do not reimburse utility costs, such as water or energy used to carry out a repair. For example, water used when draining down a system, or electricity used for power tools.
- 4.12 Where a resident is taking legal action against us which involves a compensation claim, the case will be managed by our Legal Services team and not considered under this policy.
- 4.13 We adopt an evidence-based approach and will not make any compensation awards based on unfounded beliefs or whether something is likely to happen or not.

Insurance Claims

- 4.14 We expect residents to have contents insurance in place for their furniture, decorations or any other personal possessions. For example, a contents insurance policy may cover accidental damage, loss, fire or water damage, or burglary, amongst other things. Our compensation policy is not intended to compensate for a resident's lack of contents insurance.
- 4.15 If it is claimed that we are responsible for any damage to furniture, decorations, or personal belongings, we will thoroughly investigate to determine if our actions or lack of action caused or worsened the damage before involving our insurers. If it is confirmed that damage was directly caused by us or our contractors, we will take the appropriate steps to rectify the situation.

How to make a compensation claim

- 4.16 If we consider an offer of compensation to be appropriate to resolve a situation, this will be made without the need for a resident to explicitly request this from us.
- 4.17 Residents can make a compensation claim as part of a complaint in several ways. For example, by telephone, in person, in writing (by letter or email) or by completing an online complaint form, which can be found by visiting www.peabody.org.uk.
- 4.18 Any complaint that includes a claim for compensation must be made no later than twelve months after the damage or loss has been incurred.
- 4.19 We may consider complaints involving a compensation claim that are received beyond the twelve-month period in exceptional circumstances, on a case-by-case basis.

How we assess compensation claims

- 4.20 In assessing compensation, we will consider the following factors:
- The number of times a service failure has occurred and over what period of time.
 - The extent of avoidable time, trouble, distress, and inconvenience caused to a resident due to any service shortfalls.
 - Whether non-financial compensation has already been provided, such as additional work or other actions to address the issue.
 - Evaluation of whether the actions or inactions of the resident or a third-party advocate have contributed to any loss, distress, or inconvenience.
 - Any actual, quantifiable costs incurred by the resident, for example, increased energy bills due to a repair not being completed.
 - Consideration of household vulnerabilities, such as age or disability, of which we were reasonably aware.

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- Whether there has been a failure to follow policies and procedures.
- The time it has taken for us to resolve a problem.
- The overall impact that a series of events or failures may have had on a resident, including the duration of any avoidable distress or inconvenience and the seriousness of any unfair impact.
- Actions taken by the resident or us as the landlord that have either mitigated or contributed to actual financial loss, distress, inconvenience, or unfair impact, as well as the impact on the resident's living arrangements.

4.21 When assessing compensation, we carefully consider what we believe to be fair given the specific circumstances of the case. We do not limit our discretion by setting minimum and maximum amounts for awards. We may decide to award compensation below or above our published maximum limits if we believe it is fair and necessary to do so. This will be considered based on the residents' experience, service failure, and the impact of each individual case. Any award over the published limits will be authorised in line with section 7.4 of this policy.

Additionally, there may be occasions when we offer further compensation after we have concluded Stage 2 of our internal complaints procedure if we identify further failings. This is aimed at resolving the case directly with the resident. However, residents maintain their right to speak to the Housing Ombudsman once the Stage 2 process is complete.

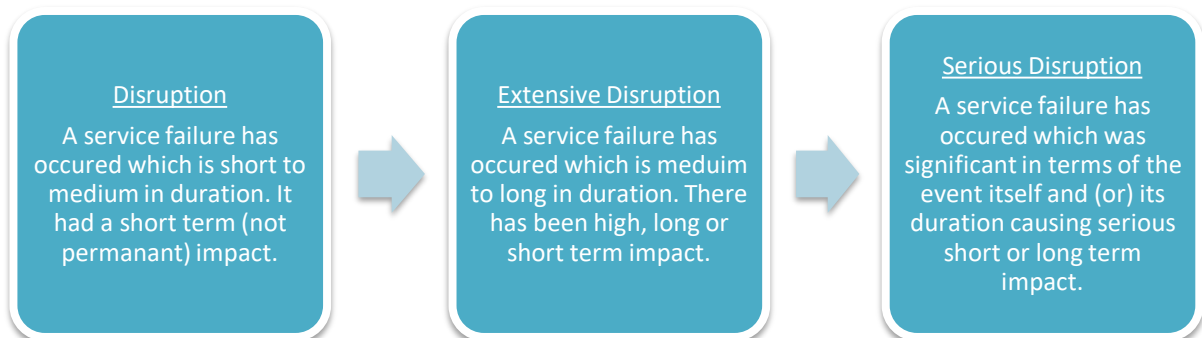
Furthermore, we may consider payments of compensation based on the level of service charge if there is evidence that we did not provide that paid-for service as expected.

General compensation (applies to all residents, including leasehold and shared owners)

Distress and Inconvenience

4.22 We consider payments for distress and inconvenience when a situation has impacted a resident in terms of their family life, use of their home, or their general well-being. We will consider any avoidable stress, worry, anxiety, uncertainty, or frustration caused. We will also reflect on whether we have exacerbated any existing health conditions, mismanaged expectations or given a resident a sense that they have been treated differently. We assess compensation remedies, based on the following scales:

4.23



Time and Trouble

4.24 Any resident pursuing a complaint with us will inevitably incur a certain amount of time, trouble and minor costs (such as phone calls). We do not compensate residents for reasonable time and trouble in making a complaint. We will consider payments when the time and trouble in pursuing a complaint is more than would reasonably be expected. This could be due to us not following our complaints procedure, unreasonably delaying in recording, responding to or escalating a complaint, not responding to reasonable communication and demonstrating overall poor complaint handling. We assess compensation remedies based on the following scales:

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4.25

Repair related compensation

4.26 We only pay compensation for repairs we are responsible for if we have failed to complete the repair within our published guidelines. The compensation payment schedule below outlines the level of compensation that we may pay:

| Reason for compensation |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| No heating (total loss) after the first 24 hours to help towards the cost of temporary heating |
| No hot water (total loss) after the first 24 hours |
| Total loss of mains water (where it is our responsibility), after the first 24 hours if we have not provided alternative provisions. For example, bottled water. |
| Contribution for when residents are unable to prepare a meal |
| Cost of additional electricity when we have supplied a dehumidifier |
| Missed appointments by our contractors |
| Discretionary allowance for out-of-pocket expenses |

4.27 Payments for out-of-pocket expenses, such as towards the cost of running temporary heaters, will be paid directly to the resident even if they are in rent arrears.

4.28 We only pay compensation for loss of services when we have evidence that we have been negligent, which has resulted in the prolonged loss of services.

Room loss allowance

4.29 We will assess whether a room or property is unusable when an authorised representative of Peabody attends after a resident has requested a repair. For each unusable room, a resident can receive compensation based on the percentage of weekly rent, up to a maximum total of 50% for all rooms affected.

4.30 If a resident experiences only a partial loss of room, the percentage of compensation will reflect this.

4.31 In exceptional circumstances, our failure to deliver a service may impact a resident's enjoyment of their whole property. In such cases, we consider refunding a percentage of rent alongside any payments for distress and inconvenience. This is dependent upon the extent of the resident's experience. We only consider a lack of garden enjoyment between 1 May and 31 October.

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Leaseholder and shared owners

- 4.32 We may refund or contribute towards an insurance excess if it is proven that we have delayed the handling of a repair or defect.
- 4.33 If a leaseholder lets out their property, we will not compensate for loss of rental income or any rent change. Any compensation we pay will only be discussed and credited to our leaseholder directly, and not the tenant of the leaseholder.
- 4.34 We only pay for a missed appointment on a communal repair where we have specifically asked the leaseholder to be present, and our records show this.
- 4.35 If a leaseholder has purchased a new property from us, and we have not put right any property defects that have been identified and confirmed within the defect liability period, we only consider paying compensation where we have caused the delays using the below guide:

| Category of defect | When it is payable |
|------------------------------------------------------|-----------------------------------------------------------------|
| Emergency defect, such as an uncontainable leak | If not made safe within 24 hours and making good within 30 days |
| Urgent defect, such as a slow leak | If not made safe within 5 days and making good within 30 days. |
| Routine defect, such as an internal decorative issue | If not completed within 60 days |

How we pay compensation and handle appeals

- 4.36 We pay compensation payments directly to a resident's bank account, so long as there are no current rent arrears. If a resident has rent arrears or any other debt, a compensation payment will normally be credited against the appropriate debt in the first instance. In exceptional circumstances, we may consider a direct payment to the resident to be appropriate.
- 4.37 Compensation payments awarded by the Housing Ombudsman Service (HOS), separate from any compensation we may have already offered or paid, will not be offset against arrears and will be paid directly to the resident.
- 4.38 If a resident 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. This evidence would normally need to be in the form of a Grant of Probate or Letters of Administration (if no will is in place).
- 4.39 We offer compensation as part of the Stage One and Stage Two complaint response. This will reflect any compensation due until then and any further delays or time needed in a plan of action. We may revise this offer again if further delays are identified once all actions are completed.
- 4.40 We pay or credit any compensation award within 21 working days from the date a resident has accepted it. We do not make compensation payments by cheque.
- 4.41 If a resident does not agree with a compensation award offered at Stage One of the complaint process, they can appeal within 10 working days, telling us why they remain unsatisfied and what they believe we have missed.

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- 4.42 If we do not receive an appeal within 10 working days, the appropriate Stage One case handler will close the complaint. The compensation provided will stay open and valid to be accepted for a period of three months from the date it was provided. Exceptions to this will be considered on a case-by-case basis.
- 4.43 If we cannot agree on a resolution at Stage One of the complaint process, the case will escalate to Stage Two and be independently reviewed. Stage Two is the final stage of our complaints process. The compensation offer will remain valid for acceptance, for three months from the date it was offered. Exceptions to this will be considered on an individual basis.
- 4.44 When a resident's complaint is escalated to Stage Two of the complaint process, it does not guarantee the same compensation amount will be awarded. Depending on the independent review, the compensation amount may be decreased, increased, or remain the same. Each case is assessed based on individual circumstances.

5. Equality, Diversity and Inclusion

- 5.1 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.
- 5.2 We are committed to making our compensation and remedies process accessible and easy to use for all our residents 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.
- 5.3 You can request a reasonable adjustment from us through your neighbourhood manager or contact our Contact Centre. Examples of the support we can provide include providing information in alternative formats and adapting our communication method.
- 5.4 An Equality Impact Assessment has been carried out for this policy and ongoing monitoring of complainant' protected characteristics will be conducted to identify any adverse impact and future actions.

6. Legislation and Regulation

- 6.1 This policy was developed using the Housing Ombudsman Service's Remedies Guidance (April 2024).
- 6.2 The key pieces of legislation related to this policy are:
- Landlord and Tenant Act 1985
 - Leasehold Reform, Housing and Urban Development Act 1993
 - Occupiers Liability Act 1957 and 1984
 - Defective Premises Act 1972
 - Limitation Act 1980

7. Compensation Oversight and Authorisation

- 7.1 All compensation payments will be monitored by the Complaints Team responsible for implementing this policy.
- 7.2 The Director of Contact Centre and Complaints has overall accountability for this policy.
- 7.3 All Directors are responsible for ensuring compensation payments are made in compliance with this policy and lessons learnt are used to prevent service failures in their service area.

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7.4 We aim to review this policy every three years; however, compensation amounts will be reviewed regularly throughout the year. We reserve the right to suspend this policy at any time.

Approval

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|-----------------------|-------------------------------------------|
| Version number | 1.5 |
| Effective from | 2 June 2024 |
| Policy owner | Director of Contact Centre and Complaints |