

Compensation and Remedies Policy

1. Introduction

- 1.1 This policy sets out our approach to providing appropriate remedies to complaints which includes managing payments of compensation.
- 1.2 This policy has links to some of our other policies, and we have thought about these links when reviewing the policy. The policies below are related to this policy:
 - Complaints Policy
 - Alternative Accommodation (Decants) Policy
 - Responsive Repairs Policy

2. Scope

- 2.1 This policy applies to all customers of the Peabody Group, including Charlton Triangle, users of Peabody community centres, properties owned by Peabody but not serviced by Peabody, and any individual or group affected by the services Peabody provides.
- 2.2 This policy does not apply to Town and Country Housing.
- 2.3 We aim to provide a good and reliable service to all customers and to resolve any issues before the need for a compensation payment or other form of remedy arises. If a service we provide fails or falls below our published standards, then we will put things right.

3. Aims

- 3.1 The aims of this policy are to make sure that we:
 - Recognise that providing a fair and proportionate remedy is an essential part of successfully resolving a dispute.
 - Consider and offer remedies (including compensation) where appropriate, regardless of whether the customer specifically requests them.
 - Take a broader approach towards remedies and consider whether there are further actions we can take beyond just offering compensation.
 - Set out the circumstances when we will pay compensation or offer some other form of remedy to a complaint.
 - Ensure compensation payments are assessed, monitored and controlled.
 - Promote consistency.
 - Recognise that compensation claims need to be considered on the merits and circumstances of individual cases.
 - Offer a remedy that is fair and proportionate to a service failure based on the merits and circumstances of each individual case.
 - Apply our discretion appropriately in reaching fair outcomes for customers.
 - Consider cases with compassion and provide fair outcomes.

4. Our approach

- 4.1 Compensation payments and other remedies are considered when a customer has experienced a delay or has incurred additional costs because of a service failure on our part, or if we have failed to carry out a service within our published guidelines. For example:
 - A temporary loss of utilities within our control, including heating, hot water, mains water and power.
 - When a customer is unable to use part of their home.
 - If we have not met agreed standards of service.
 - We have not handled a complaint properly.

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- We have not provided a service that a customer 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 should always include:
- A sincere and well worded apology.
 - Recognition that things have gone wrong, and the customer has been impacted.
 - An explanation for any shortfalls in service.
 - Details of any learning and the action taken to improve the service. Examples include staff training, changes to policies and procedures, or a change of contractor.
- 4.3 We may consider practical action to resolve a dispute to remedy an adverse effect caused by the service failure instead of providing financial compensation. Examples could include:
- Decorating work.
 - Agreeing to repairs that we would not normally be contractually obliged to undertake.
 - Agreeing to work outside normal contractual hours where practical and appropriate.
- 4.4 We recognise there are instances where the distress or inconvenience caused by a failure in service will have been compounded by a vulnerability such as age, disability, or mental health. This is also the case for short term vulnerabilities such as pregnancy or illness. Our compensation payments reflect the additional detriment that may have been caused due to these individual circumstances. This includes reflecting on whether the situation should have been handled differently in light of the vulnerability, for example, whether a repair should have been dealt with outside of normal target response times or if we failed to adapt our communication appropriately.
- 4.5 There are occasions where we may make a good will offer to resolve a complaint. For example, sending shopping vouchers, flowers or chocolates. Such gestures are normally reserved for minor service failures or instances where a customer has been upset but this is not necessarily due to any failure on our part. Such gestures should be carefully considered and whether they are appropriate may depend on our relationship with the customer.
- 4.6 There are situations when we may not consider offering a remedy or paying compensation. Examples are:
- Where the fault is caused by a third party or is something for which we are not responsible.
 - Where a claim can be made on the customer's home contents or buildings insurance.
 - Where the incident was caused because of negligence by the resident or their failure to comply with the terms of their tenancy or lease. For example, not providing access to contractors to complete appropriate work.
 - Personal injury claims relating to physical or mental health. These will be directed to our insurance team to assess.
 - Circumstances beyond our control. For example, damage to flooring from extreme weather or any other natural disaster.
 - Any impact on a customers' own fixtures and fittings because of improvements or upgrades we are making to our properties. For example, we are installing new windows and a customer needs to remove their own blinds as they no longer fit the new frame.
 - If a customer has not taken reasonable steps to limit the damage caused in their home. For example:
 - When a customer decides not to move or remove items when it is made clear that they could be damaged.
 - Where a payment has been ordered by a court or competent tribunal about the same issue.
 - Where work is required at a property, we have provided a full action plan in advance, and we have kept to this plan.

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- 4.7 Certain repair work may damage a customer's decorations. We always attempt to make good, and if we are unable to exactly match existing decorations, we do not offer additional compensation. For example, we would not award compensation for the removal of floor coverings (such as laminate or ceramic tiles) that we have not fitted. In most cases, a customer must ask our permission to fit this type of floor covering, and they will be reminded that we do not compensate for damage to these.
- 4.8 We do not compensate customers for loss of earnings, which includes the use of annual leave or needing to be available for a (reasonably booked) appointment.
- 4.9 We do not reimburse customers 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 customers. It also specifies the expenses that can be reimbursed, such as pre-agreed hotel costs.
- 4.11 We do not reimburse utility costs, such as water or energy used to carry out a repair. For example, water used in draining down a system, or electricity used for power tools.
- 4.12 Where a customer 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 was likely to happen or not.

Insurance Claims

- 4.14 We expect 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.
- 4.15 However, where it is alleged that we are at fault for any damage to furniture, decoration or personal belongings we should take appropriate steps to investigate and establish whether we have caused or exacerbated any damage through our actions or inactions before referring the issue to insurers. Where it is proven damage has been caused directly through us or our contractors' actions, we will provide appropriate redress and take the necessary steps to put this right.

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 customer to explicitly request this from us.
- 4.17 Customers 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 six months after the damage or loss has been incurred.
- 4.19 We only consider complaints that include a compensation claim after the six-month period in exceptional circumstances, supported by appropriate evidence. We consider this evidence on a case-by-case basis and entirely at our discretion.

How we assess compensation claims

- 4.20 To assess compensation, we consider the following factors:

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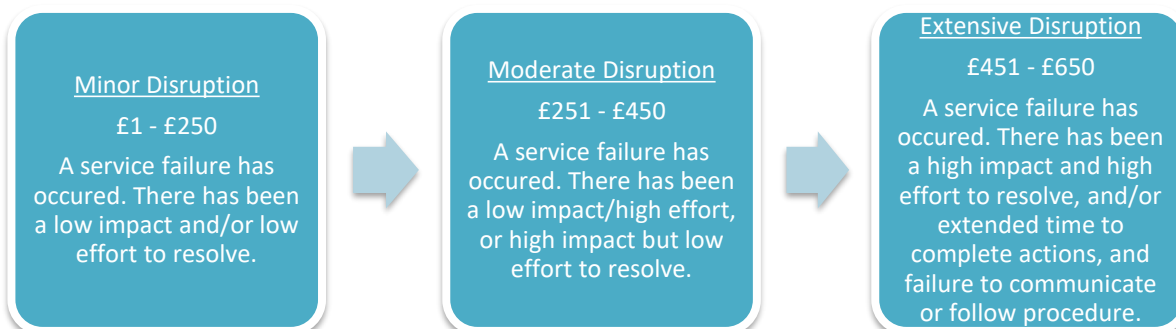
- The severity of the time, trouble and inconvenience suffered and whether we may have avoided the situation.
- Whether we have already provided non-financial compensation. For example, if we have carried out additional work and completed repairs.
- An assessment of whether the customer could have avoided the loss or inconvenience.
- Any known costs that have been reasonably incurred for example, increased energy bills due to a failure to complete a repair.
- Any household vulnerabilities, including age or disability, where we were reasonably aware of these.
- Whether we have failed to follow policies and procedures.
- The time it has taken for us to resolve a problem.
- The cumulative impact that a series of events or failures may have had on a customer.
- If there are any statutory payments, such as home loss payments, due.

4.21 We may decide to award compensation over our published maximum limits and set amounts if we believe it is fair and necessary to do so. This will be considered based on the merits of each individual case. We will authorise any award over the published limits in line with section 7.4 of this policy.

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

Time, trouble and inconvenience

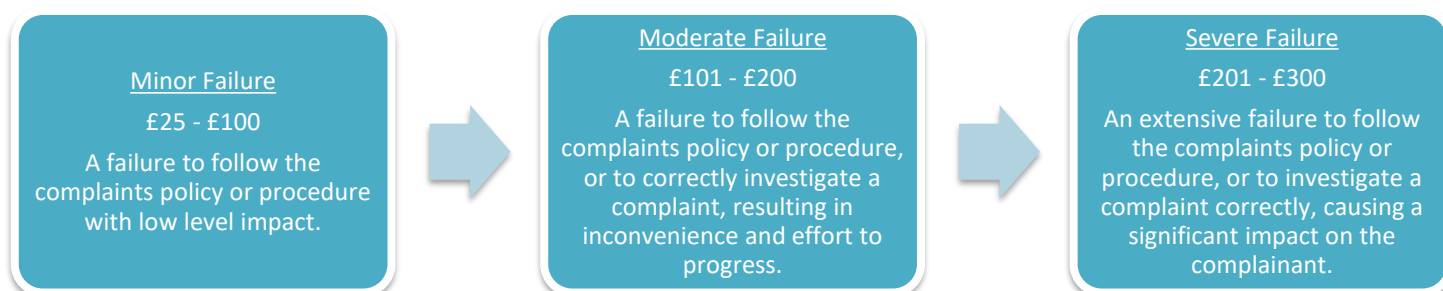
4.22 When considering a complaint, we investigate and consider someone's time, trouble and inconvenience, and pay up to a maximum of £650, using the following scales:



4.23 We may provide a full or partial refund for service charges paid for a specific service if there is evidence that we did not provide a service that we are responsible for as expected.

Poor complaint handling

4.24 When considering a complaint, we 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:



Repair related compensation (not applicable to leaseholders or shared owners)

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4.25 We only pay compensation for repairs 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	Amount/action we will take
No heating (total loss) after the first 24 hours to help towards the cost of temporary heating	£3 for each day between the winter months of 1 October and 30 April
No hot water (total loss) after the first 24 hours	£1 for each day per person on the tenancy record – to a maximum of £5 per day
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.	£5 for each day
Total loss of power (where it is our responsibility, and not part of planned maintenance), after the first 24 hours	£10 for each day
Contribution for when customers are unable to prepare a meal	£10 for each day per adult and £5 for each day per child
Cost of additional electricity when we have supplied a dehumidifier	£2 for each day per dehumidifier up to a total of 60 days. If the period exceeds 60 days, we will consider each case individually
Missed appointments by our contractors	£10 for each missed appointment when there has been a repair service failure
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

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

4.27 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

4.28 We will assess whether a room or property is unusable when an authorised representative of Peabody attends, after a customer has requested a repair. For each unusable room, a customer can receive a percentage of weekly rent, up to a maximum of 50%, as compensation using the guide below:

Room	Percentage of weekly rent	When it is payable
Kitchen	25%	After the first 48 hours

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Bathroom	25%	After the first 48 hours
Bedroom	20%	After the first 48 hours
Living room	10%	After the first 48 hours

4.29 If a customer experiences only a partial loss of room, the percentage of compensation will reflect this. For example, if the bath in a bathroom is unusable, we may award 5% instead of 25%, as the whole room was not unusable, or, if a kitchen extractor fan or light is not working, we may award 2% as it does not stop the room from being used.

4.30 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 can range from 5% to 20% of rent dependent upon the extent of the resident's experience. We only consider a lack of garden enjoyment between 1 May and 31 October, capped up to a maximum of 5% of rent.

Leaseholder and shared owner customers

4.31 We may refund or contribute towards an insurance excess, if it is proven that we have delayed the handling of a repair or defect.

4.32 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.

4.33 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.

4.34 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	Amount/action we will take	When it is payable
Emergency defect, such as an uncontrollable leak	£1 per day with a maximum of £300 per defect	If not made safe within 24 hours and making good within 30 days
Urgent defect, such as a slow leak	£1 per day with a maximum of £300 per defect	If not made safe within 5 days and making good within 30 days.
Routine defect, such as an internal decorative issue	£1 per day with a maximum of £300 per defect	If not completed within 60 days

How we pay compensation and handle appeals

4.35 We pay compensation payments directly to a customer's bank account, so long as there are no current rent arrears. If a customer 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 customer to be appropriate.

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- 4.36 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 customer.
- 4.37 If a customer 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).
- 4.38 We usually offer compensation once we have completed any remedial actions or repairs. However, we may make a commitment in writing to completing certain actions and calculate an award up to the date when we will have completed these.
- 4.39 We pay or credit any compensation award within 21 working days from the date a customer has accepted it. We do not make compensation payments by cheque.
- 4.40 If a customer does not agree with a compensation award offered at stage 1 of the complaint process, they can appeal within 10 working days, telling us why they remain unhappy and what they consider to be an acceptable amount.
- 4.41 If we do not receive an appeal within 10 working days, the appropriate stage 1 Case Manager will close the complaint. We would normally expect any award of compensation to be accepted within three months from the date it was offered.
- 4.42 If we cannot agree a resolution at stage 1 of the complaint process, the case will escalate to stage 2 and be independently reviewed by the Customer Experience Team, which is the final stage of the complaint process. We would normally expect any award of compensation to be accepted within three months from the date it was offered.
- 4.43 When a customer escalates their complaint to stage 2 of the complaint process, it does not guarantee the same award of compensation will be made. Depending on the independent review, the amount of compensation may be decreased, increased or remain the same. Each case is 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 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.
- 5.3 You can request a reasonable adjustment from us through the officer you are engaging with, or by contacting our Customer Hub. 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 (September 2022).
- 6.2 The key pieces of legislation related to this policy are:

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- 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. Responsibilities

- 7.1 All compensation payments will be monitored by the Customer Experience Team who have responsibility for implementing this policy.
- 7.2 The Director of Digital Services and Customer Contact 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 being used to prevent service failures in their directorate.
- 7.4 Compensation payments will be approved in line with the following authorisation limits:

Payment amount	Authorised officer
Up to £2000	Head of Service / Complaint Resolution Team Manager
Between £2001 - £4999	Director of Service
Over £5000	Executive Director or Panel

- 7.5 We will 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

Version number	1.4
Effective from	21 September 2023
Policy owner	Director of Digital Services and Customer Contact