

BANGLA HOUSING ASSOCIATION LIMITED

Compensation Policy

PURPOSE:

This document sets out the Compensation Policy

Approved by the Board on 19 July 2017

To be reviewed in July 2020

1.0 Purpose & scope

This policy does not apply to any compensation pursued and awarded through court action. It also does not cover any compensation payments made to members of the public, staff, suppliers or any other third party.

Where compensation might be appropriate to be paid, requests should be made within one month of any incident by following our complaints policy.

If a resident owes money to Bangla Housing Association (Bangla) then this will be deducted from any compensation payment made

1.1 For managed properties, we will assess whether the landlord RP should be liable for paying the compensation. In which case;

1.1.1 We will liaise with the appropriate RP to process and respond to the claim.

1.1.2 We will keep the tenant informed and ensure they receive a satisfactory reply from the RP concerned.

For Bangla owned properties and If the Association is deemed to be responsible for dealing with the claim for compensation then we will follow the below procedure

2.0 Consideration

Before financial awards are approved consideration will be given to a range of remedies that may be appropriate. It is good practice to consult with the complainant to find out how they would like things put right”.

3.0 Compensation for Service Failure

3.1 In certain circumstances where Bangla fails to perform or delivers an unsatisfactory service that a resident has paid for Bangla will consider paying compensation.

3.2 Any payments Bangla makes under the compensation policy will be in full and final settlement of the issue. This means that that resident or service user is accepting that the matter is resolved by taking the compensation payment and will take no further action.

3.3 The payment of compensation does not constitute admission of legal liability

3.4 Compensation may be reduced or not be payable where the resident has not kept appointments or in any way knowingly stopped or hindered Bangla’s efforts to resolve the complaint

3.5 No payments will be made for missed appointments by contractors or Bangla staff. Similarly, Bangla will not normally charge tenants for missed appointments with Bangla staff. However, ‘an abortive call out charge’ may be recharged for missed appointment with contractors.

4.0 Claims for damage

- 4.1 If a tenant's property has been damaged by contractors working for Bangla during the course of the repair, it is the responsibility of the contractor to settle the tenant's claim, although the Maintenance Officer will assist the tenant in making the claim. Clearing the area and ensuring all items are put away in a safe place will reduce the likelihood of accidental damage. Tenants are expected to provide reasonable proof of the damage caused and evidence of the value of article.
- 4.2 If a claim for damage arises as the result of a tenant's belongings being damaged through, for example, a flood or fire, but where the damage was not caused by contractors working in their home, then the Association's liability will depend on whether: the cause was unforeseen (i.e. there was no way that Bangla could have reasonably known about it or prevented it). In this case the recourse would be through the tenant's own contents insurance. If a tenant has not taken out contents insurance, and the cause is proven to be unforeseen, then Bangla will not compensate the tenant.
- 4.3 Bangla expects customers to take out personal contents insurance and compensation will only be paid for damage to customer's furniture, personal property etc in exceptional cases. As compensation is complicated by the issues of fault and liability each case will be considered on its merits. Where there is a different interpretation of facts, an agreement should be reached but the final decision rests with Bangla.
- 4.4 Bangla will not normally compensate tenants for the value of any personal possessions damaged by the actions of its staff or contractors. It is the customer's responsibility to insure their own personal belongings.
- 4.5 However, tenants must undertake reasonable care, when repair works are being carried out; for example; If kitchen units are being replaced, the tenant needs to ensure all kitchen items are removed; drawers and cabinets are emptied and stored temporarily in other rooms.
- 4.6 The Association cannot compensate for the theft of any items alleged to be by staff or contractors. Theft of any item must be notified to the Police and should be covered by the tenant's household contents insurance.
- 4.7 Customers are expected to have taken reasonable action to mitigate their losses prior to submitting compensation claims. We may require access to the tenant's property or for them to follow our advice or recommendations on how to lessen the impact of any damage. It may include tenants claiming on their personal contents insurance.

5.0 Right to Repair Compensation

- 5.1 If Bangla does not carry out a repair within an agreed timescale a tenant may be entitled to compensation.
- 5.2 When a tenant reports a repair, they will be advised of who will carry out the repair and when it should be completed. If a repair is not carried out within the time limit (unless a new time limit is agreed with the tenant due to the job being more complex than was first anticipated) the tenant must inform Bangla and a new time limit will be agreed. If the repair is not carried out within the second time limit a tenant will be entitled to claim a "one off" compensation payment of £10 plus £2 for each day that the repair remains outstanding up to a maximum of £50.

6.0 Compensation for loss of facilities

6.1 If a tenant loses the use of part or all of their home and amenities, compensation will be considered, but not necessarily automatically granted. Bangla will only pay compensation after 1 week of continued loss once the contractual timescales have been exceeded. No retrospective payment will be made or if a tenant has been decanted from their property as a result of a repair.

6.2 The rent charged will be used as the basis for calculation. Calculations should be made on a daily basis. Loss of:

Bathrooms/WCs	Up to 15% of the weekly rent once the contractual timescales have been exceeded (reduced to 10% if a separate WC is available)
Kitchens	Up to 15% of the weekly rent once the contractual timescales have been exceeded
Bedrooms & living rooms	Up to 15% of the weekly rent once the contractual timescales have been exceeded (irrespective of the number of bedrooms effected)
Heating	£5.00 per week. If alternative heating is provided, an additional £1 per day for each portable heater provided.
Hot water	£5.00 per week

Note: the total compensation calculated can be no greater than 100% of the weekly rent.

7.0 Non-Payment of Compensation

Compensation will not be paid in the following circumstances (please note this list is not exhaustive and should be used for guidance):

- When all statutory and contractual obligations have been fulfilled.
- When contractors have been unable to gain access to the property to complete a repair.
- When further work is needed that could not have been anticipated and the tenant has been kept informed.
- When the loss or damage has been caused by another tenant or neighbour (e.g. a leak from a washing machine).
- When the loss or damage has been caused by the tenant, a member of their household or a visitor.
- When the loss or damage occurred as a result of an unauthorised alteration to the property carried out by the tenant or work not completed to the stated standard set by the Association.
- When the loss or damage has been caused by a contractor or third party who is not acting on behalf of the Association.
- When the tenant has not claimed for lost or damaged items within the stated timescale and they are unable to produce the damaged items for inspection.
- The works exceed initial diagnosis that further inspections and estimates are required.
- A tenant has failed to give access for the work to be carried out.
- The repair cannot be carried out because of circumstances beyond Bangla's control, e.g. Parts on order, adverse weather conditions, failure of public utility supply.

- When tenant's belongings have been damaged due to unforeseen events e.g. leak from fixtures and fittings at the property. In such cases it is the tenant's responsibility to insure their own personal belongings through their own contents insurance.

In addition, the following are also excluded from the Compensation policy: -

- Larger items of repair & cyclical maintenance will be part of a planned programme.
- Repairs covered by a rechargeable repairs policy
- Where the process for identifying, and investigating tenants' complaint has not been followed
- Customers are forfeiting the right to compensation and potentially breaking the terms of their tenancy.
- Bangla will not compensate for any loss of earnings. It is the customer's responsibility to make suitable arrangement where required.

8.0 Goodwill Gestures

This is a discretionary offering

Bangla may make ex-gratia 'goodwill' gestures or payments where we consider it morally appropriate, without recognising any liability or obligation. Goodwill gestures or payments will not be made where other relevant compensation is afforded, and are at the discretion of the Tenancy Services Manager or the Director

Job role Authorisation for compensation

Maintenance Officer	£50
Tenancy Services Manager	> £50 - £100
Director	> £100 - £250
Payments above £251 must be authorized by the Chair / Board	>£250

9.0 **Appeals:** This procedure should be read in conjunction with the Complaints Policy and Procedure. If a resident is dissatisfied with the compensation awarded and the relevant Manager is satisfied the amount awarded is appropriate, then the claimant can utilise the Complaints system to appeal the award

10.0 **Monitoring & Review:** The policy will be reviewed in accordance with any future legislative or regulatory changes as and when they occur and at least 3 yearly. The Director in consultation with the Chair/Board have discretion to vary this policy in exceptional circumstances.