



## Hawthorn Housing Co-operative

### 4u. Redress & Compensation for Complaints Policy

<b>POLICY IMPLEMENTATION CHECKLIST</b>	
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Version Number:	3.0
Approved by Director on:	April 2020
Committee Responsible for approval:	Management Committee
Approved by Responsible Committee on:	18 <sup>th</sup> May 2020
Effective from:	May 2020
Due for review on:	May 2023
Diversity compliant:	N/A
Equality Impact Assessment required:	No
Data Protection compliant:	N/A
Health & Safety compliant:	N/A
Procedure implemented:	N/A
KPIs/reporting arrangements implemented:	N/A
Training complete:	Yes
Posted on Website:	Yes
Publicity material issued:	N/A

Hawthorn Housing Co-operative will provide this policy on request at no cost, in large print, in Braille, on tape or in other non-written format, and in a variety of languages

## 1.0 Policy Aims & Objectives

This policy sets out Hawthorn Housing Co-operative's (Hawthorn) approach to redress for customer complaints including levels of ex-gratia payments as compensation for justified complaints received from tenants and other service users.

Hawthorn aims to provide a high quality housing service and resolve any issues before the need for a formal complaint or request for compensation payment arises. If the services fail or fall below our published standards then Hawthorn will put matters right and will apologise as quickly as possible.

**The aim of this policy is to ensure that:**

- Problems are resolved quickly and efficiently;
- Practical solutions are explored completely to remedy the situation;
- Staff are aware of the key methods of redress available to help resolve complaints;
- Where financial payments are appropriate as a means of redress for a complaint that they are proportionate to the loss or inconvenience caused;
- Financial payment is considered against clear agreed guidelines;
- All residents and service users are treated in a fair and equitable way and;
- Staff have clear procedural guidance on how to deal with requests for compensation following complaints or breakdown in our service standards

## 2.0 Relevant Legal & Regulatory Information

The Public Services Reform (Scotland) Act (2010) gives the Scottish Public Sector Ombudsman (SPSO) the authority to enforce standard model Complaints Handling Procedures (CHP) on registered social landlords (RSLs). Through CHPs the SPSO aims to ensure RSLs manage their businesses so that:

- It is easy for tenants and other customers to make complaints and provide feedback on services
- That information is used to improve services and performance
- Landlords let people know what they have done in response to complaints and feedback.

The model CHPs do not require landlords to provide legally protected, personal or commercial information to complainants or members of the public.

The SPSO expect RSL to have a clear policy on redress which includes financial redress for customers.

## 3.0 Key Definitions

### **Full and final settlement by ex- gratia payment**

Any payments Hawthorn makes under the redress policy will be in full and final settlement of the issue. This means that the tenant or service user is accepting that the matter is resolved by taking the compensation payment and will take no further action. All payments under the redress policy will be referred to as ex gratia payments.

## 4.0 Redress

### **4.1 General Redress**

Redress is attempting to set right a wrong. Our general approach, where ever possible and practical, is that when someone is detrimentally affected when something has gone wrong that they should be returned to the position that they would have been in if the failure had not occurred.

It is essential from the outset that complainants are given realistic expectations about what Hawthorn can achieve and offer in terms of trying to right a wrong.

Redress should be proportional to the degree and nature of the failure and hardship or injustice suffered by the customer.

### **4.2 Redress for Complaints may include the following:**

- An apology
- An explanation
- Practical action to mitigate any detriment
- Where possible, reimbursement of actual loss and/or cost incurred (see section 5 for guidance)
- A modest payment as an expression of regret (see section 4.2.1)
- Other appropriate action suggested by the complainant or Hawthorn that is acceptable to both parties. Where this suggestion involves an offer of compensation, the level of offer, is set within the limits set out within this policy
- Hawthorn will let customers know when policies or procedures are changed as a result of complaints and where the need for further guidance for staff, committee, or customers is identified
- Clear feedback will be provided to customers where changes have been made to prevent their complaint arising again

#### **4.2.1 Payments**

A modest payment in recognition of the complaint and as a tangible expression of regret on behalf of Hawthorn are listed below:

<b>Payment Amount</b>	<b>Authorised Member of Staff</b>
£15	Director or Asset Manager
£30	Management Committee

Payment will only be awarded where Hawthorn has accepted responsibility for the complaint and that the reason for the complaint has not been exacerbated by anything the customer did or did not do.

#### **4.3 Limits to redress**

Redress may be limited by:

- The time that has passed since the problem occurred
- The degree to which the complainant contributed to the failure, loss and the detriment suffered. This may be due to a failure to abide by the terms of the tenancy agreement
- The resources available to Hawthorn to use for this purpose (see sections 4.2.1 & 5)
- If redress involves an insurance claim then the limitations of Hawthorn or their contractor's insurance policies

## **5.0 Compensation & Ex-Gratia Payments**

Compensation payments by Hawthorn are not automatic, even where it is clear that mistakes have been made. Where a practical solution would provide all or part of the remedy, this will be discussed with the tenant or service user.

In some cases a compensation payment may be appropriate if there is no practical action that would provide an appropriate remedy.

When making this decision Hawthorn will consider the following:

- The problems caused by Hawthorn in getting it wrong
- The length of time that it took Hawthorn to resolve the problem
- Whether those affected have particular needs that were made worse by the situation
- Difficulties the tenants or service users experienced when making their complaint
- How quickly and easily the problem was resolved

Compensation payments may be payable where a customer is making a complaint as they have suffered a loss as a result of a service failure on the part of Hawthorn. Where a claim is upheld Hawthorn will consider making a payment in the following circumstances:

- Failure of staff to follow Hawthorn's policies and procedures
- Failure of staff to act in a reasonable way
- Failures by contractors not covered by their insurances etc.

Where an injury or loss is evident, staff must seek advice from the Asset Manager or Director on when to refer the complaint to Hawthorn's insurers.

Hawthorn may **not** make compensation payments in recognition of the time and trouble taken to make a complaint or as a tangible expression of regret in the following circumstances (this list provides examples and is not exhaustive):

- Where the mistake or failure has caused little or no problem to the service user affected
- Where the complaint was caused by a third party and is something that Hawthorn has no control over
- Where the resident or service user could make a claim on their house contents insurance policy
- Where the incident was caused as a result of negligence by the tenant or service user or their failure to comply with the terms of their tenancy

## 6.0 Guidance for staff

In every instance of an ex-gratia payment or compensation payment all awards should be authorised by the Director or by the Management Committee.

Staff and customers should realise that compensation payments by Hawthorn are not automatic, even where it is clear mistakes have been made. Where a practical solution would provide all or part of the remedy this will be discussed with the tenant or service user.

Any period for which compensation payment would be considered would start after the deadline for the repair has passed. Detailed below are repair issues which may result in an ex-gratia payment if not resolved within the target completion time for the repair.

### 6.1 Total Loss of Heating and Hot water

Where there is no heating and no hot water between the 1<sup>st</sup> October and 30<sup>th</sup> April, Hawthorn may offer a fixed amount of £10.00 a day. This payment may be offered after the initial 24 hours and includes any additional heating cost incurred through the use of temporary heaters. This is additional to any compensation that may be due to the tenant under the Right to repair scheme which Hawthorn will always attempt to claim back from the contractor. The value of the compensation will be reduced by 50% where the problem is no hot water only.

Where there is no heating and/or hot water between 1<sup>st</sup> May and 31<sup>st</sup> September the standard payment would drop to £5.00 per day. In exceptional cases of severe weather or vulnerable residents' then discretion may be shown and compensation increased to £10 per day. This is additional to any compensation that may be due to the tenant under the Right to repair scheme which Hawthorn will always attempt to claim back from the heating contractor. The value of the compensation will be reduced by 50% where the problem is no hot water only.

Tenants will always be offered temporary heaters if the heating cannot be fixed within the stated response time. Where the heating is re-instated no heaters are generally left by the contractor and should a further fault develop it is the tenant's responsibility to report this to the office or the emergency contractor outwith office hours.

## **6.2 No Sanitary Provision**

If a house has only one toilet and it is not flushing, Hawthorn may offer a rebate equal to the daily rent for each day taken to rectify the problem after the standard response time has passed.

## **6.3 Unusable Rooms**

If a room is unusable due to no electricity at all in the room, unsafe floor or unsafe collapsed ceiling, Hawthorn may offer a rebate equal to the daily rent for each day taken to rectify the problem after the standard response time has passed.

## **6.4 Rent Arrears**

Hawthorn will normally offset any compensation payment against outstanding rent arrears or other tenancy debt the tenant may have with Hawthorn. (I.e. The compensation would be paid into the rent account if the tenant has any arrears).

## **6.5 Legal Action**

Where a tenant is taking legal action against Hawthorn the case will be referred to Hawthorn's solicitor for advice.

## **6.6 Insurance Claims**

In some situations it may be more appropriate for a claim to be processed through Hawthorn's insurance, for example a fire or a flood. In these cases staff will liaise with the insurance company for advice and assistance.

# **7.0 Monitoring Information**

Reports will be provided to Management Committee on compensation payments made as part of the quarterly complaints reports.

# **8.0 Relevant Policies & Forms**

- **Complaints Policy**
- **Confidentiality Policy**
- **Making a Complaint leaflet**