

<b>HORIZON HOUSING ASSOCIATION LIMITED</b>	<b>CORPORATE POLICY</b>
<b>TITLE</b>	<b>COMPENSATION POLICY</b>
<b>DATE OF APPROVAL</b>	<b>NOVEMBER 2007</b>
<b>DATE OF REVIEW</b>	<b>NOVEMBER 2010</b>

## **1.0 AIM**

- 1.1 The aim of this policy is to ensure that the Association has an accountable and fair system, which compensates customers who have experienced a direct loss, or suffered significant inconvenience, as a result of an action or a failure to act by the Association or a contractor acting on our behalf.
- 1.2 The policy will provide guidance to staff and customers on the circumstances which may lead to a payment of compensation.
- 1.3 Within the guiding and activity standards of Communities Scotland's Performance Standards, there is no reference to a compensation scheme. However, we believe it is appropriate to set out criteria under which compensation would be payable.

GS3.3 states "We deal fairly and effectively with anyone wanting to appeal against or complain about any of our decisions or activities. We make it clear that they can complain about us to the relevant Ombudsman."

## **2.0 CLAIMS FOR COMPENSATION**

- 2.1 In order to ensure accountability, any claim for compensation must be made by the customer, or someone acting on their behalf with their express consent, preferably in writing and signed by the customer.
- 2.2 The Association will respond to all claims in line with our approved Complaints Policy.
- 2.3 On each occasion compensation is paid, details will be recorded in the Compensation Register and reported annually to the Management Committee.

## **3.0 STATUTORY COMPENSATION**

- 3.1 The Housing Scotland Act 2001 introduced new statutory rights to customers, including, two forms of compensation:

Right to Repair

The Right to Compensation For Qualifying Improvements

3.2 The Association has a policy for each of these categories and relays these to customers at the commencement of a new tenancy and by means of explanatory leaflets. Both policies are available on request. The Compensation policy must be read in conjunction with these policies particularly in relation to the rights of tenants to compensation under the Right to Repair legislation.

#### **4.0 DISCRETIONARY COMPENSATION**

4.1 There are occasions when the Association believes that a discretionary payment may be appropriate. Examples include:

- Disruption to the household due to essential repair works,
- Repeat visits to resolve an outstanding problem,
- Damage to customers' personal belongings as a direct result of planned, cyclical or improvement work.

4.2 The Association is not responsible for the insurance of customers' contents or personal belongings. The Association supports the SFHA Diamond Insurance Scheme and regularly highlights the need for customers to ensure that their possessions are adequately protected.

4.3 Any correspondence with a customer following a claim for compensation will be noted 'without prejudice'.

#### **5.0 COMPENSATION FROM A THIRD PARTY**

5.1 The Association has in place comprehensive insurance for its properties and public liability insurance. Any claim against either of these policies will be forwarded on to the Association's insurer by staff, who will not accept liability.

5.2 Any large claims over the threshold agreed with the insurance company will be notified directly to the relevant loss adjuster whenever appropriate.

#### **6.0 PAYMENTS**

6.1 In cases where it has been decided that compensation should be paid, payment will be made to customers, noted 'without prejudice', after making any deductions for debt due by the customer to the association.

6.2 Payment up to the value of £200 may be authorised by the Director of Housing Services. This will be funded from the appropriate budget heading e.g. repair issue – reactive repairs budget.

6.3 Payments of £201 to £500 must be authorised by the Chief Executive, or in his absence, the Director of Corporate Services.

6.4 Payments in excess of £500 must be authorised by the Management Committee.

## **7.0 APPEALS**

7.1 Where a customer is dissatisfied with a particular decision, they have a right of appeal as outlined in the Association's Complaints Policy.

7.2 Should a customer remain dissatisfied, they may refer their complaint to the Public Service Ombudsman.

7.3 Appeals relating to cases of statutory compensation will be considered against the criteria within the guidance from the Scottish Government.

## **8.0 MONITORING AND REVIEW**

8.1 Any costs incurred will be recorded within a Compensation Register and reported annually to the Management Committee by the Director of Housing Services, who will highlight any emerging patterns and, if necessary, outline any proposed remedial action.

8.2 The policy will be reviewed in November 2010.