

SNG Compensation Policy

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Document Control Sheet

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Policy author	Head of Complaints
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Version Control

Date	Reviewed by	New version number	Summary of changes
12/01/2024	Head of Customer Feedback	0.3	Draft by Policy Author for Final sign off
26/01/2024	Head of Customer Feedback	0.4	Following RBP Clarification on tenures included (Section 1) Clarify wording to confirm not all customers have right to compensation (Section 1) Clarity on support offered to assist residents (Section 9)
28/02/2024	Customer Operations Director	0.5	Approved for publication
01/03/2024	Head of Customer Feedback	1.0	Final copy published to NEMO
20/03/2024	Head of Customer Communications	1.1	Updated for tone of voice and revised web links
12/09/2024	Head of Complaints, Central Complaints Manager, Head of Customer Feedback	2.0	Create a SNG wide (integrated) Compensation policy, following a review of existing legacy organisation policies.

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1. Scope

- This policy applies to all customers, regardless of tenure type, who live in properties owned or managed by Sovereign Network Group (SNG) and/or any of its correctly appointed contractors.

2. Purpose and objectives

- The purpose of this policy is to make sure compensation payments are consistent, fair, and proportionate.
- We will follow any compensation recommended by the Housing Ombudsman Service.
- Our policy allows us to:
 - reduce the time needed to resolve our customers’ issues.
 - make sure we are fair and impartial.
 - make sure we comply with industry best practice.

3. Policy statement

- Sometimes things go wrong, and customers don’t get the service they expect, or we fall short of the standards we have promised. Our aim is to restore customers to the position they would have been in, had the service failure not occurred.
- Our compensation policy recognises that there are other remedies available to put a situation right, and customers are not automatically entitled to compensation, but in some instances, financial compensation may be the only and appropriate form of redress.

4. Definitions

Term	Definition
Compensation	Often referred to as ‘redress’ - the aim of compensation is to restore a person to the position they would have been in had the service failure not happened. Compensation can be financial or non-financial.

5. Policy

5.1. Our commitment

- In the interests of fairness and transparency, each case will be considered on its own merits.
- When considering a case, we take the customer's personal circumstances into account as these may have impacted the severity of our service failure. While we endeavour to treat all customers equally, there are instances where solutions may need to be prioritised where customers have specific needs.

5.2. Types of compensation

- Compensation can be financial or non-financial.
- By offering non-financial compensation, we recognise that customers want us to 'put things right.' We may also offer financial compensation at the same time if we consider our actions have had a significant impact on the customer (see 5.4 below).
- Compensation should be claimed within 12 months of the failure, fault, or event, unless there are exceptional circumstances that prevent this (such as delays due to waiting for works to be completed). In such cases, we will work with customers to ensure fair and equitable outcomes.
- There are three types of compensation:
 - Mandatory (such as statutory home loss payments).
 - Quantifiable loss payments (where people can demonstrate actual loss) – this type of payment applies to all customers who are personally impacted by our service.
 - Discretionary payments (for time, trouble, distress, and inconvenience).

5.3. Statutory compensation

5.3.1. Home loss and disturbance

- If customers are decanted (moved) from their home, they may be entitled to compensation.
- There are two types of payments that may be available:
 - statutory home loss payments.
 - disturbance payments.
- Home loss payments compensate for the upset caused by moving from the home.

- Disturbance payments compensate for the actual 'out of pocket' costs of moving from the home.
- If they are moved permanently, customers are entitled to both these payments, although there are certain restrictions.

5.3.2. Home loss payments

- Customers will qualify for a home loss payment if they have been moved due to one of the following reasons:
 - compulsory purchase.
 - a demolition, improvement or closing order made by the Local Authority.
 - improvement or redevelopment by a Housing Association - customers will qualify for home loss if they move out of their home after the Housing Association has informed them of the intention to redevelop or dispose of the site.
 - demolition under any other compulsory order.
 - a court order for eviction from a secure tenancy granted to allow demolition or work (if a customer moves out before a court order is granted, there will be no right to a home loss payment).
- To qualify for a home loss payment, a customer must:
 - have lived in their home for more than twelve months.
 - have an Assured or Fixed Term Tenancy, and
 - have moved permanently.
- The amount of compensation payable is set by the Government each year and we will comply with this.
- Only one home loss payment is made per household.
- If there are any monies owed to us, we will deduct this from the home loss payment. If the option to return to the original home is offered, and the customer chooses to remain in the property they've been decanted to, and we allow it, they will not qualify for any home loss payment.

5.3.3. Disturbance payments

- Customers qualify for disturbance payments if they are the legal tenant on the date the move took place, and if they are moved permanently. The move must have been a direct consequence of one or more of the following:
 - compulsory purchase order.
 - a demolition, improvement or closing order made by the Local Authority.
 - improvement or redevelopment by SNG.
 - demolition under any other compulsory order.

Disturbance payments are made to cover the reasonable expenses of moving. This may include several different items, for example:

- cost of removal.
- disconnection / reconnection of appliances.
- re-fitting or replacement of carpets and curtains.

For further information, customers can request a copy of our Decant Policy.

5.4. Quantifiable loss payments

- In some cases, there is evidence that our service failure has resulted in the customer suffering a loss that is clear and measurable. When we assess these cases, we make a judgement if any costs were reasonably incurred, and we require evidence to support any claim.
- These could include increased heating bills due to disrepair, having to pay for alternative accommodation or take-away food, paying for cleaning or carrying out repairs where SNG has failed to meet its obligations.
- Any such costs must have been reasonably incurred and evidence of such loss must be provided.

5.5. Discretionary payments

- Discretionary compensation can be paid where our actions have resulted in:
 - Poor complaint handling.
 - Delays in providing a service (e.g. in undertaking a repair).
 - Failure to provide a service that has been charged for.
 - Temporary loss of amenity.
 - Failure to meet target response times.
 - Loss of use of part of the property.
 - Failure to follow policy and procedure.
 - Unreasonable time taken to resolve a situation.
 - The customer suffering distress and inconvenience.
- We will treat customers fairly and ensure that we recognise our failings and the impact on our customers. We will take the customer's personal circumstances into consideration when doing this and each case will be considered on its own merits.
- We may deal with a complaint differently depending on the individual circumstances of the household. It may be appropriate to remedy a complaint with actions separately from, or in conjunction with, an offer of compensation. These can include the following:

- Practical actions (such as offering to undertake repairs or redecoration, which would otherwise be a customer's responsibility).
- Gestures of goodwill (e.g. vouchers). In such circumstances, any discretion will be applied fairly and appropriately.
- If there has been an actual, evidenced financial loss incurred as a direct result of our mismanagement or service failure, we will consider the specific circumstances when considering a payment of compensation.

5.6. When compensation may not be considered under this policy

Compensation may not be considered through this policy in certain circumstances, including the following:

- Customers' own improvements that are unauthorised.
- New properties in the defects period.
- Short-term nuisance caused by building works.
- Neighbourhood nuisance.
- Loss of earnings or annual leave (if, under the terms of their tenancy agreements, customers must allow access to their homes for repairs to be carried out which may result in having to take time off work).
- Disrepair cases (this is covered by a separate policy).
- Where the fault is due to a customer's own action or lack of action, including those of a family member, visitor, or neighbour (e.g. the customer has denied access to effect a repair or unreasonably prevented a resolution).
- Where the compensation claim is subject to a tribunal or legal proceedings.
- Matters relating to services not provided by, or outside SNG's control (e.g. flooding).

5.6.1 Insurance claims

- Insurance claim cases relate to any alleged SNG negligence or that of our contractors working on our behalf, which results in:
 - Personal injury or death,
 - Damage to personal possessions,
 - Damage to home contents,
 - Any other losses arising from alleged SNG negligence or that of our contractors working on our behalf.
- We will not typically consider these types of losses under this policy, and if asked to do so, will refer them to the insurance team, who will open a public liability claim

with our insurer. Our insurer will investigate and determine whether SNG have been negligent/at fault and therefore liable for the damages.

- This referral mechanism is available to all customers irrespective of whether they have home contents insurance to claim against or not.
- The exception to the above is where damage has been caused directly because of our actions or omissions or that of our contractors who work on our behalf, and where the facts are not in dispute, this policy can consider a reimbursement payment without the need for the customer to make a claim at further inconvenience and cost to themselves.
- As stated in 5.5 above, each case will be considered on its own merits, paying particular attention to the personal circumstances of the customer making the claim. If a case is referred to our insurers, customers will be made aware of the process and what steps are required. We will be available to support customers through the process.

6. Compliance

- To make sure we comply with this policy, all colleagues handling customer complaints and compensation claims will have read this policy and the Housing Ombudsman Service Complaint Handling Code.
- Housing Ombudsman Service decisions to award compensation, are maintained in a central register, along with a 'lessons learnt' document, and reported to the Chief Customer Officer's Leadership Team.
- The Customer Operations Director has ownership over this policy and is ultimately responsible for any breaches of this policy.

7. Sustainability

- At SNG, we recognise the critical importance of sustainability in our operations and services. We are committed to embracing sustainable practices that contribute to environmental protection, social equity, and economic viability.
- Compensation payments are carefully monitored and budgeted for, with root cause analysis used to make sure the financial cost does not impact investment in sustainability initiatives and allocating resources for property maintenance.
- Effective handling of compensation claims contributes to customer well-being, satisfaction, and trust, supporting the sustainability of thriving communities.

8. Responsibilities

Role	Responsibility
SNG Executive Board	Ultimate responsibility for determining and directing SNG’s response to service failures and Ombudsman complaints.
CCO (Chief Customer Officer) and CCO LT (Leadership Team)	Provides assurance to the Board on the effectiveness of complaint and compensation policies, Ombudsman decisions and strategies to improve services and reduce service failures.
Resident Engagement groups	Provide feedback on SNG’s approach to compensation and collates customer feedback on past issues.
Customer Operations Director	Responsibility and ownership over the Compensation Policy and related process.
All colleagues and contractors	<p>All colleagues should be aware of this policy.</p> <p>Colleagues dealing with complaints and/or compensation must read this policy and comply with this policy.</p>
Customers	<p>Please read this policy carefully, along with our Complaints policy.</p> <p>Let us know if you need any assistance with understanding this policy or making a formal complaint or compensation claim.</p> <p>We encourage you to contact us as soon as an issue arises. We will endeavour to redress the problem before a formal complaint is required and there may be discretion to offer some form of compensation, depending on the circumstances.</p> <p>If you are unhappy with our proposed solution or wish to formally complain about the service failure, please do so via our website or talk to us for guidance.</p> <p>If you are still unhappy once the formal complaints process has concluded, a complaint should be made through the Housing Ombudsman website. (https://www.housing-ombudsman.org.uk/residents/make-a-complaint)</p> <p>It is important that formal complaints are raised with us within 12 months of the incident occurring.</p>

9. Equality and diversity

- We will apply this policy consistently and fairly and will not discriminate against anyone based on any relevant characteristics, including those set out in the Equality Act 2010.
- We aim to provide information that is clear, accessible, and in an appropriate format (such as translated into another language, or in large print).
- Where appropriate, we will assist residents in making a claim for compensation. Complaints Specialists will discuss the compensation process with customers who are experiencing difficulties and guide them through the process. For example, clarifying the policy or helping to complete paperwork. This policy provides assurance that compensation is offered in a fair and consistent way.

10. Related documents

- This policy should be read in conjunction with the code, policies and guidance listed below:
 - The Housing Ombudsman's 'Complaint Handling Code'
 - Complaints Policy
 - Equality and Diversity Policy
 - Data Protection Policy
 - SNG repairs Policy
 - Aftercare in your new-build home
 - Decant Policy (available on request)

11. Legislation and regulation

- The legislation listed in this policy is not intended to cover all legislation that applies to this policy. To comply with clause 1.1 of the Regulator of Social Housing's Governance and Financial Viability Standard, which requires adherence to all relevant law, we will take reasonable measures to ensure compliance with applicable legislation by reviewing policies and procedures and amending them as appropriate. Any queries relating to the applicable legislation should be directed to the Policy Owner.
- The Regulator of Social Housing (RSH) Tenant Involvement and Empowerment Standard, as set out in the Regulatory Framework, states that registered providers shall:
 - have an approach to complaints that is clear, simple, and accessible that makes sure complaints are resolved promptly, politely, and fairly.

- Legalisation and guidance relating to the payment of compensation, includes:
 - Housing Ombudsman Service – Complaint Handling code and Compensation Guidance Framework
 - Housing Act 1996
 - Home Loss Payments (Prescribed Amounts) (England) Regulations 2007,2020, 2022
 - Right to compensation for Tenants Improvements scheme 2001
 - Compensation Guidance Framework
 - Land Compensation Act 1973 (as amended)
 - Sections 153A, 153B, and 138C from Part V of the Housing Act 1985
 - Section 124 of the Housing Act 1988
 - The Secure Tenants of Local Housing Authority (Compensation for Improvements) Regulations 1994
 - Statutory Instrument 1944 No.133
 - Right to Repair Regulations 1994 in force from 1st April 1994
 - The Secure Tenants of Local Housing Authorities (Right to Repair) (Amendment) Regulations 1994
 - Local Government Act 2000
 - Equality Act 2010
 - The Data Protection Act 2018/General Data Protection Regulations (GDPR)

12. Review

This document will be reviewed annually, or sooner if significant changes occur in the relevant legal or operational landscape. The review cycle for this policy will include feedback from the Resident Engagement groups and will be approved by the Customer Operations Director.