

GOODWILL AND COMPENSATION POLICY



STATEMENT OF INTENT

It is the objective of the Saffron Group ((referred to hereafter as 'Saffron') to provide friendly, efficient and accessible housing services to a high standard. However, Saffron recognises that there will be occasions when services do fall short of expectations and Saffron will offer appropriate compensation in these cases and aim to resolve the problem quickly and efficiently.

Saffron recognises that there may be circumstances where it will need and/or wish to take different or alternative action to that outlined in this procedure, and it reserves the right to do so.

1. Purpose Statement

1.1 Sometimes service failures happen and we have a Complaints Policy to resolve any issues customers may be experiencing.

1.2 The purpose of this policy is to ensure that customers are given appropriate remedy when things go wrong, or where there is a statutory obligation to do so.

1.3 This policy serves to ensure that we restore a customer's position to what it would have been had there not been a service failure.

2. Remedies

2.1 As per the Housing Ombudsman's guidance financial remedies are not the only means to resolve a complaint or service failure. There may be other remedies that are more appropriate. Compensation payments will always be made in line with the schedules defined as Appendices to this policy.

2.2 There are some instances, however, where financial remedies are the only and appropriate form of redress.

3. Applying the Policy

3.1 This policy aims to provide clarity and consistency in those instances when compensation is paid.

3.2 Each compensation request will be considered on its own merits on a case-by-case basis.

3.3 Where we are aware that a customer may be entitled to compensation, we will inform them.

3.4 For ways to access this procedure see 9.1 below. Compensation can only be assessed/offered once in receipt of a claim from a tenant, or automatically as part of a complaint investigation.

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3.5 Compensation requests will be acknowledged no later than 10 working days from the date of Saffron's receipt.

3.6 Compensation decisions will be confirmed within 20 working days of the date of Saffron's receipt.

3.7 If we cannot pay compensation, we shall explain our reasons.

3.8. Compensation claims should be consistent, however each case will be unique and therefore an element of common sense must apply when applying the policy.

4. Categories of Compensation

4.1 Statutory – Saffron is obliged to offer financial redress as per the Law and relevant regulations.

4.2 Discretionary - Compensation that Saffron chooses to offer in certain circumstances.

5. Home Loss Compensation - Statutory

5.1 Home Loss payments, made under the Land Compensation Act 1973 and The Home Loss Payments (Prescribed Amounts) England Regulations 2018, will be made to tenants/residents who are required to permanently leave their home because of improvement or development works.

5.2 The amount paid is set in the regulations, and any payment will be offset against any outstanding debt owed to Saffron. Payment will only be made to tenants/residents who have been resident in their home for a minimum of one year.

5.3 Please see Saffron's Decant Policy for more information about Home Loss payments, together with a schedule of payments.

6. Disturbance Payment - Statutory

6.1 Disturbance Payment are made in accordance with the Land Compensation Act 1973, to compensate tenants/residents for reasonable expenses associated with a required move, whether this is temporary or permanent.

6.2 Tenants/residents, who may not qualify for a Home Loss payment, can still receive a Disturbance payment.

6.3 Each case will be assessed on its merits, in accordance with our Decant Policy. Costs only directly related to the move will be considered, but may include:

- Disconnection and reconnection of appliances and utilities
- Mail redirection

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- Redecoration
- Carpets
- Installation of adaptations and disability aids required where these are not already installed in the new home.

6.4 Please see Saffron's Decant Policy for more information about Disturbance Payments, together with a schedule of payments.

7. Right to Compensation for Improvements - Statutory

7.1 Please see Tenant Own Improvement and Alterations policy

8. Right to Repair - Statutory

8.1 Right to Repair Payments made under Section 96 of the Housing Act 1985, will be made to tenants/residents when we fail to carry out a 'qualifying' repair that has been reported on 2 separate occasions within the published repair timescales, and the customer has allowed reasonable access to the property.

8.2 Repairs with a value exceeding £250 will not qualify for right to repair.

A one-off compensation payment of £10 can be claimed, plus £2 for each day the repair continues to be outstanding up to a maximum of £50. This will not be payable if the delay is due to the availability of a non-standard part and the customer has been informed.

8.3 Please see appendix 1 and 3 for rate of payment and qualifying repairs

9. Quantifiable Compensation

9.1. There may be occasions when it is considered appropriate for Saffron to offer compensation to its tenants/residents and leaseholders where they have incurred financial loss.

10. Compensation for Loss of Chargeable Services

10.1 Compensation may be considered where a customer experiences the loss of a paid service.

10.2 Examples may include, but are not limited to:

Failure of services covered by a fixed service charge (calculated on the basis of the charge payable for the duration the service was not provided/available). Variable service charges will not typically be compensated directly, with the following year's charge amended instead to reflect the period of service failure.

E.g. if you pay an estimated service charge for grounds maintenance services, but a service failure happens, the actual charge will be revised and compensation will not be made as a separate compensation payment.

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11. Compensation for Financial Loss

11.1 Compensation will be considered when a customer has incurred a quantifiable financial loss/cost because of our actions or inactions.

11.2 This will include reimbursement of costs incurred while we resolve a repair outside of the agreed service timescale. (e.g. running costs related to auxiliary heaters and/or dehumidifiers, increased heating bills due to disrepair, having to pay for alternative accommodation or take away food, paying for cleaning or carrying out repairs where we have failed to offer a service within policy timeframes). Please see Standard Losses and Associated Payments appendix 2.

11.3 We will compensate for the running costs of auxiliary heaters and dehumidifiers for their use while a follow-on repair remains outstanding or where a service failure has been confirmed for the duration until the follow-on repair or service failure is fully resolved.

11.4 To claim for relevant utility costs, for example for the use of auxiliary heaters and/or dehumidifiers, a tenant will need to provide a comparison bill from the previous year so we can establish the additional costs we are liable to compensate for.

11.5 Where a comparison bill cannot be provided because the tenancy is less than a year old or has changed supplier; a reasonable offer will be made with reference to the confirmed tariff, the KW rating of the appliance and the reasonable timeframe and with reference to a reasonable manner of use. This approach of calculation will apply in all relevant instances where a reference bill is not available and wherever Saffron is obliged to reimburse for costs associated with running auxiliary heaters and dehumidifiers.

11.6 Where a service failure has happened and been confirmed, and, as a direct result, a tenant has experienced damage to their possessions or components the tenant owns/is responsible for (e.g. carpets, decorations) we will compensate a tenant rather than require them to make a claim on their insurance at further cost and inconvenience to them. See 6.8 Home Contents Insurance, below.

11.7 Where repairs have been completed within timescales, it is reasonable to expect tenants/residents to make a relevant claim via their Home Contents Insurer. See also 17. Home Contents Insurance.

11.8 In addition, compensation will be given by Saffron for damage caused by Saffron or a contractor acting on our behalf when carrying out repairs or maintenance to a customer's home.

11.9 Financial losses must relate to reasonably incurred costs and there must be evidence of the costs and losses. E.g. proof of purchase and proof of damages. See payments schedule Appendix 2

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12.Compensation for Loss of Earnings

12.1 Where Saffron or a contractor working on its behalf fails to attend an appointment and where we have not provided at least 24 hours' notice of a cancellation, Saffron may compensate any loss of earnings caused by such a service failure, as applicable only for the time required to allow access.

12.2 Proof of tenant's loss of earnings will be required for Saffron to consider compensation in the form of proof of their rate of pay and a letter from the tenant's employer.

12.3 See payments schedule Appendix 2

13. Missed appointments

13.1 Where Saffron or a contractor/third party working on Saffron's behalf, fails to attend a first appointment, without providing 24 hours' notice, the tenant will be given an apology and be provided with a re-scheduled appointment. Saffron can compensate for loss of earnings as per 6.4 above where a first appointment has been missed.

13.2 A re-scheduled appointment will be prioritised as far as possible but without impacting works and appointments that have a higher service priority, as defined under the relevant service policy (Repairs and Maintenance Policy).

13.3. Saffron will not be liable for unsuccessful attendance where the correct procedure has been followed that evidences an operative has visited at the correct time.

13.4 Where Saffron fails to attend a subsequent, re-scheduled appointment for the same works, and the tenant has not been provided 24 hours' notice of a cancellation, the tenant will be entitled to a compensation offer of £10, in addition to consideration of Loss of Earnings as per 6.4 of this policy.

13.5 Where Saffron fails to attend a second re-scheduled appointment (3rd appointment missed) the tenant may be entitled to a compensation offer of £20 for that appointment and any subsequent missed appointment that relates to the same work, where Saffron has failed to provide 24 hours' notice of the cancellation on each occasion.

13.6 We will not compensate in duplicate where there is a live, ongoing Right to Repair Claim about a given repair.

13.7 Saffron cannot be held accountable for issues that it could not reasonably have foreseen or mitigated in advance such as the impact of unplanned staff sickness.

14. Complaint Mal-administration

14.1. £25.00 compensation may be offered for each instance of mal-administration relating to complaint handling. This includes Saffron's failure to adhere to our policy deadlines for acknowledging a complaint (at each stage) and responding to a complaint (at each stage).

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Complaint responses will automatically make appropriate compensation offers in line with this policy, including those identified because of complaint mal administration.

14.2 See payments schedule Appendix 2.

15. Goodwill Gesture

15.1 At all times our intention is to provide the correct service at the right time. Where we fail to do this, our priority will always be to put this right as soon as possible. In some exceptional circumstances and at our discretion entirely, a goodwill gesture may also be considered where we have made an error, or provided poor service, as an apology.

15.2 Goodwill gestures are generally in the form of a token, usually flowers or a gift voucher, and would not normally exceed £50 in value.

15.3 The other sections of this policy ensure customers will not be disadvantaged by Saffron's service failures but there may be some circumstances where a financial goodwill payment is made. This cannot exceed £50 in value.

15.4 See payments schedule Appendix 2

16. Stress/Inconvenience

16.1 Compensation payments for stress and inconvenience caused by confirmed service failures, will be made based on the level of Saffron's responsibility for the inconvenience and the impact on the customer. Please see Appendix 5.

16.2 Stress and Inconvenience compensation must be assessed under the complaint procedure.

16.3 The level of detriment caused by a service failure and the length of time it continued unresolved will be important in establishing any payment amount - see appendix 5.

16.4 Saffron will not consider stress and inconvenience payments where a problem is quickly resolved and there is minimal inconvenience to the tenant; or if the repair is completed within agreed service timescales.

16.5 Saffron will compensate for those service failures that Saffron or its contractors (third parties working on Saffron's behalf) are partially or wholly responsible for, but not for stress and inconvenience caused by factors outside of our control.

16.6 Compensation for stress and inconvenience will not exceed £250.

16.7 Compensation offered for stress and inconvenience must not have a bearing on other compensatory awards as per this policy and where it should reasonably apply (e.g. missed appointments payments, quantifiable losses, loss of earnings, right to repair, and all other statutory entitlements). See payments schedule Appendix 5

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17. Home Contents Insurance

17.1 Tenants/residents/residents will be advised at the start of their tenancy of the importance of home contents insurance.

17.2 We will only consider compensation if Saffron's action or inaction has caused damage to a customer's personal belongings. This includes damages caused by delayed services (where access has reasonably been given by the tenant) or by third parties working on Saffron's behalf.

17.3 Where a service failure has happened saffron will consider reimbursement without the need for the customer to make a claim via their insurer at further inconvenience and cost to themselves, and, where the facts are not in dispute.

17.4 In all other insured situations, such as flood, fire, theft etc. where damage is caused, compensation should be sought through insurance. This also applies where Saffron has resolved issues within agreed timescales.

18. Situations where compensation will not be considered:

18.1 These include, but are not limited to:

- claims for personal injury
- claims for damage caused by circumstances beyond our control (e.g. through storm or flooding)
- problems caused by a third party not working for Saffron
- Claims for cancelled appointments where 24 hours' notice is provided, or where the appointment could not go ahead for health and safety reasons or due to unforeseen circumstances beyond the control of the business (such as unplanned staff sickness).

18.2 This also includes instances where any damage is covered under contents insurance – and where it is reasonable for a claim to be made where services have been timely, effective and in compliance with relevant policies.

19. Third Parties

19.1 We will ensure that all contractors carry Public Liability Insurance.

19.2 Where a claim is made in respect of personal injury, damage to possessions or other financial loss alleged to have been caused by a contractor's negligence, Saffron will compensate the customer directly, and then seek to recover the costs from the contractor.

20. Accessing compensation

Claims for compensation can be made in the following ways:

- In writing

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- Via e-mail: complaints@saffronhousing.co.uk
- Via our website.
- A compensation request form will need to be completed. This can also be found on our website.
- Acceptance of an offer of compensation will be considered as full and final payment but without prejudice to putting things right.
- We will ask that the tenant signs a Compensation Acceptance Form to confirm acceptance and agreement of the amount offered.
- Discretionary compensation will not usually be paid when a customer is, or intends to, take legal action or where an insurance claim is pending.
- Payments will normally be paid via BACS electronic transfer. Discretion can be shown in the way compensation is paid by Saffron and it can be paid via cheque. A common sense approach will apply in deciding the best manner of payment in agreement with the customer.

21. Reasonable Adjustments

21.1 Where a tenant needs reasonable adjustments made to make a claim, Saffron will facilitate this. Please see Saffron's Reasonable Adjustments Policy.

22. Compensation Payments

22.1 Where compensation has been awarded we can make payment via BACS transfer or via cheque. Compensation will never be paid in cash.

22.2 Where compensation is awarded, and the tenant has rent/service charge or recharge arrears, the amount will be applied to the account as a deduction from that debt. Any remaining amount, where applicable, can then be paid as above 10.1

23. Monitoring and reporting

- We will monitor the reasons for compensation claims and the amounts paid out and use this information to consider and make improvements to our services.
- We will review our compensation levels to ensure that they continue to meet statutory requirements

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24. Associated Policies

Complaints Policy

Decant Policy

Repairs and Maintenance Policy

Tenant Own Improvements and Alterations Policy

Reasonable Adjustments Policy

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Appendix 1 Statutory Schedule of Payments

Qualifying Right to Repair Claim	£10, + £2 daily for each day the repair remains outstanding, up to a maximum of £50.	
Home Loss Payment	Please see our Decant policy	
Disturbance Payment	Please see our Decant policy	
Improvements	See Tenant Own Improvements and Alterations policy.	

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Appendix 2 Standard Losses and Payments Schedule

First missed repairs appointment (where tenant has not received 24 hours' notice of the cancellation) – contractor or saffron operative and the failure was within Saffron's control to mitigate in advance. We will not compensate in duplicate where there is a live Right to Repair Claim	£0, but Saffron may consider compensating for loss of earnings as per 6.4 of this policy.	
Second missed repairs appointment for same works (in the absence of 24 hours' notice of the cancellation) – contractor or saffron operative and the failure was within Saffron's control to mitigate in advance. We will not compensate in duplicate where there is a live Right to Repair Claim	£10, in addition to loss of earnings as per 6.4 of this policy	To qualify for a missed appointment payment, the customer must have been available to allow access during the appointment time and agreed the appointment in advance.
Third missed appointment for the same works (in the absence of 24 hours' notice of the cancellation) – contractor or saffron operative and the failure was within Saffron's control to mitigate in advance. We will not compensate in duplicate where there is a live Right to Repair Claim	£20, in addition to loss of earnings as per 6.4 of this policy	To qualify for a missed appointment payment, the customer must have been available to allow access during the appointment time and agreed the appointment in advance.
Auxiliary heater run costs as needed to complete effective follow-on repair or a service failure has been confirmed as necessitating its use.	<p>To claim for relevant utility costs a tenant will need to provide a comparison bill from the previous year so we can establish the additional costs we are liable to compensate for.</p> <p>Where a comparison bill cannot be provided (if the tenant has not lived at the property for a year) a token, reasonable offer</p>	

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	will be made with reference to the confirmed tariff, the KW rating of the appliance and the reasonable timeframe and with reference to a reasonable manner of use	
Dehumidifier Running Costs as needed to complete effective follow-on repair or a service failure has been confirmed as necessitating its use.	To claim for relevant utility costs a tenant will need to provide a comparison bill from the previous year so we can establish the additional costs we are liable to compensate for. Where a comparison bill cannot be provided (if the tenant has not lived at the property for a year) a token, reasonable offer will be made with reference to the confirmed tariff, the KW rating of the appliance and the reasonable timeframe and with reference to a reasonable manner of use	
Complaint Maladministration	£25 for each instance demonstrated at each stage of procedure.	
Financial Losses, including loss of earnings	Reimbursement of proven costs, including loss of earnings as per 6.4 of this policy.	
Goodwill Payment	Not more than £50, but usually in the form of a token such as a voucher or flowers (value of which will not exceed £50)	Goodwill payments are wholly discretionary.
Loss of Heating and/or hot water (between 1 st September and 30 th April)	£20/ week after 1 st 7 days	
Loss of cold, clean drinking water (where we are responsible for the loss)	£20 per week after first 7 days Reimbursement of all costs related to purchasing drinking water (including	

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	offer of advance payment of £20)	
Meal allowance costs where there is total absence of any cooking facilities	£20/ day for adults and £12/ day for children	
Uninhabitable rooms (relating to loss of habitable rooms considered to be Living Room, Dining Room, kitchen and Bedrooms) - discretionary payments for loss of a room. Habitability will be assessed by relevant Responsive Maintenance Manager and determined by health and safety assessment.	<p>We will pay this compensation by reducing the rent we charge on the property, by the following weekly maximum amounts:</p> <ol style="list-style-type: none"> 1. Kitchen 20% of rent 2. Bathroom 20% of rent 3. Living room 20% of rent 4. Bedroom 10% of rent 	See Decant Policy

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Appendix 3 Defects, which qualify under the 'Right to Repair';

Defect	Maximum Response Time (working days)
Total loss of power	1
Partial Loss of power	3
Unsafe power (including lighting socket or electrical fittings)	1
Total Loss of water supply (our responsibility)	1
Total Loss of gas Supply	1
Total or partial loss of space or water heating between 30 th April and 30 th September	3
Blocked or leaking foul drain or soil stack	1
Toilet not flushing (only means)	1
Blocked sink, bath or basin	3
Tap which cannot be turned off	3
Leaking from water or heating pipe, tank or cistern	1
Leaking roof	7
Insecure external window, door or lock on ground floor	1
Loose or detached banister or handrail	3
Rotten timber flooring or stair tread (make safe)	1
Door entry system not working	5
Mechanical extractor in internal kitchen or bathroom not working	5

Appendix 4

Payment to recognise distress and inconvenience – as confirmed under complaint procedure.

Level of Saffron's Responsibility	No Impact	Low Impact	Medium Impact	High Impact
None	£0	£0	£0	£0
Partial	£0	£25	£100	£175
Full	£0	£50	£150	£250

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Low impact: The complaint has been upheld but there has not been significant inconvenience or distress caused. Impact has been no more than a reasonable person could be expected to accept and the compensation is a token in acknowledge of Saffron's responsibility.

Medium impact: Inconvenience and/or distress has clearly been caused as a result of a failure in service. A repeated failure of a low impact event could result in the impact being increased to a medium impact.

High impact: A serious failure in service has taken place. This could either be due to the severity of the event or a persistent failure has occurred over a prolonged period of time or an unacceptable number of attempts to resolve the complaint have failed. Payments should take into account the level of stress, anxiety, frustration, uncertainty and inconvenience caused. This will include the severity, length of time, number of people affected and their individual circumstance.

Right of Appeal

All customers have the right to appeal any decision made by Saffron under this policy. Appeals will be dealt with in accordance with Saffron's Complaints Policy.

Tenant Consultation	04-03-2024
Board/Committee	Service Quality Committee
Date Approved	22 nd April 2024
Review Date	March 2026
Officer	Director- Tenant Experience and Insight
Version Number	V2