



Payments to Tenants (Compensation) Policy

**XXXX 2020
XXXX 2022**

This policy applies to

- | | | | |
|--|--|---|---|
| <input checked="" type="checkbox"/> Link Group | <input checked="" type="checkbox"/> Link Housing | <input checked="" type="checkbox"/> Link Living | <input checked="" type="checkbox"/> Link Property |
| <input checked="" type="checkbox"/> Horizon | <input checked="" type="checkbox"/> Larkfield | <input checked="" type="checkbox"/> West Highland | <input type="checkbox"/> Lintel Trust |

Policy Summary

The policy sets the objectives and principles for our approach to either legislative or discretionary payments to tenants to ensure that the Link and its partners has an accountable and fair system. The policy operates in the context of the Scottish Social Housing Charter, which sets the standards and outcomes that all social landlords should aim to achieve when performing housing activities.

Any reference to “Link” includes all partner landlords within the group. Where specific posts are mentioned, the equivalent in each of the partner landlords should be substituted

Equalities

An Equalities Impact Assessment has been carried out and this policy complies with the Link Group’s vision of providing socially inclusive services underpinned by our core values of equality and diversity. Services and procedures which are developed from this policy will be subject to similar assessment.

Privacy

A privacy impact assessment has been carried out and this policy fully complies with the Data Protection Act 1998 and Link’s Data Protection Policy

Policy Owner

Director of Housing
Services

Review Manager

As appropriate depending
on lead partner

Approved By

Link Group Board

Revision History

Date	Version Number	Comments
15 September 2020	1	Only partial review has been carried out. Suggest full review in November 2022

1.0 INTRODUCTION

Link may make payments to tenants in a number of circumstances, arising from repair work, tenants' improvements to their homes or the operation of the complaint's procedure. In some cases, the way payments are calculated is set out in legislation or regulatory guidance. In other cases, Link will have discretion to award payments.

This policy makes provision for those payments and ensures that Link has an accountable, fair and transparent system in place, which compensates tenants who have experienced significant inconvenience, as a result of an action or a failure to act by Link or a contractor acting on our behalf.

There is no reference within the Scottish Social Housing Charter compensation scheme. However, we believe it is appropriate to set out criteria under which compensation would be payable therefore this policy operates in the context of the Scottish Social Housing Charter, setting out the standards and outcomes that all social landlords should aim to achieve when performing housing activities.

In respect of payments made for repairs and maintenance works or the requirement to move tenants out of their home for a temporary period, reference has been made to the following clauses from the Scottish Secure Tenancy Agreement:

5.11 We will carry out necessary repairs due to fire, flood, or Act of God, within a reasonable time or offer equivalent permanent re-housing as soon as such a house becomes available. Until that time, we will try to help you to get temporary accommodation if the house is uninhabitable.

5.14 If we cause damage to the house or your property in connection with inspections, repairs or improvements or entry, we will reinstate the damage or compensate you for your losses. We have a right to require you to move temporarily to suitable alternative accommodation if this is necessary for the repairs to be done. If you are moved temporarily, we will reimburse you for any extra expenses you have as a result. You will be charged rent during this period but no more than you normally pay.

Any reference to "Link" includes all partner landlords within the group. Where specific posts are mentioned, the equivalent in each of the partner landlords should be substituted.

2.0 PRINCIPLES

The following principles govern the operation of this policy:

- **Quality:** We aim for the highest levels of customer satisfaction with both the process and the end result.
- **Fairness:** In determining entitlement to payments and the amounts payable.
- **Sustainability:** Ensuring allowances are allocated to maintain the standard of our properties at first let and during cyclical or planned maintenance.
- **Value for money:** Applying the most cost-effective outcome for both tenants and Link

3.0 OBJECTIVES

This Policy is designed to meet the following objectives:

- Clearly define the responsibilities of tenants and Link in relation to payments to tenants and be open and accountable for all actions and decisions.
- Provide tenants with clear information on all aspects of compensation and payments to tenants either discretionary or legislative.
- Provide clear guidance to staff on the circumstances which may lead to a payment of compensation, such as
 - **Statutory payments:** compensation under right to repair and / or for tenants' improvements at termination of tenancies
 - **Disturbance payments:** following work carried out in tenants' homes as part of planned/cyclical maintenance programme, and or where the tenant needs to be decanted.
 - **Discretionary payments:** payments arising from complaints due to negligence or service failure,

4.0 APPROACH AND METHOD

4.1 The Link Group Board, in its formal approval of the policy, acknowledges that it accepts full responsibility for its implementation. Day to day responsibility for the operation and monitoring of this policy lies with the Group Directors and Managers. All relevant staff have a responsibility to ensure that the policy is applied as instructed.

4.2 The policy will be implemented through:

- Devising procedures for compliance with the policy

- Keeping staff and tenants informed of policy and procedural requirements, amendments, and changes
- Where necessary initiating staff training sessions to ensure all staff are aware of their responsibilities and obligations
- Monitoring adherence to policy requirements and procedures

5.0 COMPENSATION PAYMENT CATEGORIES

Link may make reasonable payments under the following categories

5.1 Statutory Payments

This is compensation which falls under the Housing (Scotland) Act 2001 regulations and is only applicable to tenants of social rented accommodation. Compensation or financial payments can be awarded to tenants under the Right to Repair or the Right to Compensation for Improvements. The calculation of these payments is set out in legislation and regulatory guidance.

- **Right to Repairs scheme** – covers specific small urgent repairs which cost less than £350 and should be done within a set time limit, these are known as qualifying repairs. If Link does not carry out the repair within the set time scale the tenant has the right to compensation
- **Right to Compensation for Improvements** – if a tenant has asked Link's permission to make improvements they may be entitled to compensation for these improvements when they leave their property

The above two schemes are administrated by the Asset Management Team. Further details can be found in Appendix 1

5.2 Disturbance & Reimbursement Payments

Disturbance or reimbursement payments can be made following work carried out in tenant's homes, as part of planned/cyclical maintenance programmes, and/or where the tenant needs to be decanted (either temporary or longer term). Values and conditions are detailed in Appendix 2,3 & 4.

Payments can be applied to a rent account, offset against arrears or given direct to the tenant as per Appendix 2. Where the claimant is in receipt of full housing benefits, rent reduction would not be applicable and the payment should be made directly to the tenant. Further guidance is given on this in Appendix 5

5.3 Discretionary payments

We aim to provide customers with an excellent service, but we know that sometimes things can go wrong. Discretionary payments can be made out with the other categories, where Link has judged it necessary to recompense someone and made a

decision about, what, and how a payment should be made e. It is applicable to social, mid-market and sharing owners and any other individuals who may be entitled to compensation due to our negligence or service failure.

Compensation payments are given as reparation, i.e. in recognition of a failure or lack of service received where an apology and resolution of a complaint is not enough. Compensation for time and effort in pursuing a complaint for example, may warrant a good will gesture such as flowers or vouchers or recompense for distress and inconvenience experienced. Where monetary recompense is been given, the tenant should sign a letter to accept this payment (Appendix 6)

Staff at officer level have the autonomy to make decisions about the awarding of compensation payments for Stage 1 complaints, up to £75. For anything else Appendix 5 lists the amounts and authority levels. Any compensation to be awarded as a result of a stage 2 complaint must be approved by the service Director

All payments or gesture of goodwill should be recorded on our Aareon and coded to the correct budget code. Tenants should sign a declaration accepting the compensation and agreeing that the matter is now concluded and will not be taken further (Appendix 6)

6.0 LEGAL ACTION

If a customer states that they are taking legal action, in line with SPSO guidance, we do not pursue this as a complaint, and we do not offer compensation.

7.0 PUBLIC LIABILITY CLAIMS

If the loss or damage to property or belongings is the fault of Link staff (or Link's contractors) whilst carrying out repairs, then it is Link's (or the contractors) responsibility to compensate for the loss i.e. tenants are not expected to claim on their own insurance. There is a separate procedure for this.

Where the cost of this compensation is more than our insurance excess, we will claim this through our insurance. If less this will be paid for by the repairs and maintenance budget or contractors concerned.

Where the tenant believes Link has been negligent (i.e. where they believe we have failed to exercise care), Link and its partners have public liability insurance to cover the cost of compensation for loss. If a tenant believes we have been negligent in causing damage or loss, they can make a claim to our insurers. Each partner's insurance procedures should be followed in these circumstances. If the insurers found Link to be negligent, the insurers would award compensation. Partners insurance procedures can be found on Linkipedia.

8.0 RANGE OF PAYMENTS

The range of payment, how they are calculated and who authorises the payments are listed in Appendix 1

- Discretionary, disturbance allowance payments and compensation for improvement payments may be a monetary value paid direct to tenants or by supplying vouchers to be redeemed at appropriate retail outlets.
- In some cases, monetary payments may be credited to a tenants account to reduce debts to Link. This provision also applies to statutory compensation for tenants' improvements at the end of a tenancy, but does not apply to other statutory payments
- Link may, by prior agreement with a new tenant, allow for redecoration to be carried out at the start of a tenancy. In this case the allowance will take the form of vouchers. The amount paid will be related to the reasonable costs of materials only and will not cover labour costs and will be consistent with our Void Policy
- If tenants suffer loss or incur temporary additional costs as a result of what our contractors were required to do to maintain, repair or modernise their homes, Link may assist them to claim against the contractor(s)
- Link is not responsible for the insurance of customers' contents or personal belongings. Link currently supports Thistle Tenants Contents

Insurance and staff will highlights the need for customers to ensure that their possessions are adequately protected

9.0 MONITORING, PERFORMANCE MEASUREMENT AND REPORTING

- 9.1 The activities covered under the Payments to Tenants Policy will be subject to monitoring with the following key areas for monitoring to be considered in line with this policy
- 9.2 Periodic audits of policy compliance may be conducted by the Internal Auditor with results being reported to the Audit Sub-Committee.
- 9.3 Key areas for monitoring to be considered in line with this policy will be
- Risk management.
 - Provision of training and / or information to staff.
 - Compliance with policy and procedure.
 - Cumulative amounts of payments in each financial year under each of the payment categories outlined above in Section 3 Objectives
 - Budgetary and expenditure control.
 - Reasons for discretionary payments and any trends linked to contractor performance or tenant dissatisfaction with our services.
- 9.4 These areas will be monitored by individual appropriate Managers for each company and / or function and reported to the relevant Board. If any significant issues of concern arise these will be dealt with by the Director who will report such matters to the appropriate Board and / or the Audit Committee.

Any matter which demonstrates a serious failure of internal controls should also be reported immediately to the Chief Executive.

10.0 COMPLAINTS AND APPEALS

Link Group welcomes complaints and positive feedback, both of which provide information which helps us to improve our services. We use a complaint handling procedure (CHP) developed by the Scottish Public Services Ombudsman (SPSO) and the Scottish Housing Regulator.

The CHP allows for most complaints to be resolved by front line staff within a five-day limit (first stage), or if the complaint is complex, a detailed investigation will be made by a manager within a 20-day limit (second stage). At the end of the second stage our response will be made by a director. If the customer remains dissatisfied, he/ she may then refer the matter to the SPSO.

The SPSO does not normally review complaints about our factoring service. If a factoring customer is dissatisfied after using the CHP, the complaint may be referred to the Homeowner Housing Panel.

At each stage Link will advise the customer how the complaint should be taken forward and advise which agency would be most appropriate to consider the case.

11.0 POLICY AVAILABILITY

This policy is available on request free of charge from Link. A summary of this policy can be made available in a number of other languages and other formats on request.

12.0 POLICY REVIEW

Link undertakes to review this policy within three years to take into account changes in applicable legislation, rules and guidance, changes in the organisation and continued best practice.

The review will be led by Link's Director of Housing, in conjunction with the other partner landlords.

RANGE OF PAYMENTS

Calculation of amounts due, if not determined by statute, will be based on a fair assessment of the costs incurred, as detailed in table 1 below and appendices 2 - 4.

Where payments are not required by statute, Link reserves the right to make a reasonable assessment as to whether the payment should be made, and the amount due, based on the circumstances of each individual case and Link's assessment of what is reasonable. The amounts detailed in appendices 2 – 4 are given as guidelines only

Type of payment	Calculation	Authorisation
<p>Subsistence / hotel payments: Payable to tenants / hotel on emergency evacuation. Also, payable where cost effective for planned short decants for repairs / insurance works / planned maintenance. Tenants' furniture may be left in situ or removed to storage as appropriate.</p>	<p>Subsistence will be paid on a scale related to the size and composition of the household, in addition to meeting B&B costs. N.B usually met by insurance cover. See Appendix 2.</p>	<p>Housing Manager or Area Manager, depending on value</p>
<p>Decoration allowances: Paid to new tenants in lieu of decoration being carried out by Larkfield HA.</p>	<p>Negotiated individually to maximum amounts outlined in appendix 3.</p>	<p>Housing Officer / Maintenance Officer</p>
<p>Disturbance Allowances: Payable following repairs by Link under planned/cyclical maintenance programme or reactive repairs service</p>	<p>As set out in appendix 4.</p>	<p>Technical Manager/Housing Manager or Maintenance Officer</p>
<p>Compensation under Right to Repair: <u>Statutory obligation</u> under Housing (Scotland) Act 2001 S27 and Sch 4.</p>	<p>Range £15 to £100 plus cost of repair ordered by tenant to maximum of £350 per repair.</p>	<p>Technical Manager</p>

Type of payment	Calculation	Authorisation
<p>Compensation for Improvements:</p> <p><u>Statutory obligation</u> under Housing (Scotland) Act 2001 S30 for improvements made after 30/09/02 (SSI 2000 No.312);</p> <p>Link's voluntary scheme based on SI 1994 No.632 and Housing (Scotland) Act 1987 S58A for improvements made after 01/04/1994 and before 30/09/02. Date is start date of improvement works.</p>	<p>Payable on termination of tenancy (range £100 to £4,000) will, except in exceptional circumstances, be used to offset tenant's debts.</p>	<p>Technical Manager or Area Manager, depending on value</p>
<p>Home loss payments</p> <p>Statutory obligation under Land Compensation (Scotland) Act 1973 in limited circumstances</p>	<p>Obligation to make payments rarely rests with Link. Legal advice will be taken for each individual case</p>	<p>Area Manager</p>

SUBSISTENCE PAYMENTS

Additional costs arising from temporary move into hotel or bed & breakfast accommodation or temporarily staying with friends or relatives:

- Meals, where not provided and no cooking facilities available
- Travel costs in excess of normal travel to work, school or regular activities
- Laundry costs
- Other reasonable costs necessarily borne directly by the tenant's household

Managers should use the scale for guidance. Households with special needs may require additional assistance. If full board or cooking facilities are provided, or laundry facilities, then the scale payments may be restricted.

SCALE

	Daily allowance
1 st adult	£20.00
2 nd and subsequent adults	£12.00
1 st child	£10.00
2 nd and subsequent children	£10.00

Household size

Adults	Children Under 16	Daily allowance
1		£20.00
1	1	£30.00
1	2	£36.00
1	3	£42.00
2		£32.00
2	1	£42.00
2	2	£48.00
2	3	£54.00
2	4	£60.00
3		£44.00
3	1	£54.00
3	2	£60.00

DECORATION ALLOWANCES

Material costs of redecoration to a reasonable tenantable standard

Payments will not include labour costs.

There may be occasions where the tenant is unable to arrange to redecorate, Link may carry out the work on request and no allowance will be available.

The allowances are based on Link being otherwise liable for full redecoration and includes walls, ceilings and where necessary, woodwork. The scale of the allowance will be proportionate to the amount of redecoration required.

Managers will have discretion to restrict allowances if only partial decoration is needed, and exceptionally to enhance allowances for large or difficult rooms.

Tiling is not regarded as decoration in terms of this policy.

Voucher Allowances (Maximum)

Living room	£90.00
Living room with kitchen	£120.00
Separate dining room / additional public room	£65.00
Kitchen	£75.00
Kitchen with dining area	£90.00
Hall	£65.00
Hall & stairway (within house)	£140.00
Landing	£55.00
Bathroom	£75.00
Shower room	£50.00
Separate WC	£45.00
Double bedroom	£65.00
Single bedroom	£55.00

DISTURBANCE ALLOWANCES

Our planned maintenance programmes are conducted in such a way to minimise disturbance to decoration.

Where practicable and affordable, the need for redecoration will be avoided through incorporating finishes that hide all reasonable damage brought about by the works, e.g. where windows are renewed, and facings cover minor damage to plaster/decoration therefore a disturbance allowance will not be paid.

Should this not be possible a Disturbance Allowance may be payable as outlined in the table below. These payments will be paid after works are completed.

Disturbance Allowances

Works	Allowance
Kitchen Replacement	£75
Single Bathroom Replacement	£50
Additional Cloakroom/toilet	£25
Full Heating Replacement	2apt £180*
Full Rewiring works	3 Apt £215*
	4apt £285*
	5apt £320*
Single Window Replacement	£50*

*except in exceptional circumstances

* due to the age and construction types of Larkfield stock, Larkfield managers can authorise the maximum allowance levels as set out above, as part of an approved major repairs contract.

DISCRETIONARY AWARDS OF COMPENSATION

Type of payment/compensation	Calculation/Amounts	Authorisation
Service falling short of expected standard either picked up from a complaint or from front line officer	Flowers or gift voucher up to £50	Housing Officer/Property Services Officer or equivalent
Payments as the result of a stage 1 complaint for any reasons, or goodwill payment or where a staff member has picked up that our service has fallen short and tenant has been inconvenienced*	Negotiated individually and based on reasonable assessment of cost incurred.	
	Offers for any reason up to £75	Housing Officers/Property services officer or equivalent
	Offers for any reason over £75 and up to £200	Housing Manager, Area Manager, Technical Manager
	Offer for any reasons over £200	Area Manager
Payments arising from a stage 2 complaint.	Decision based on a reasonable assessment of circumstances.	Area Manager

Whilst the majority of payments made to tenants in this policy are offset against arrears, in the above circumstances where the payment is due to negligent or service failure, consideration should be given to the payment of compensation directly to the individual, as to not intentionally worsen their circumstances, where the circumstances have been caused by a fault for which we are liable. Payments made under these categories, where there is an outstanding debt, must be discussed and agreed with the appropriate line manager.

*When considering compensation, the following should be taken into account:

- The level of inconvenience and distress caused to the customer (no compensation is given towards loss of income)
- How seriously or consistently has our service failed
- The amount of unreasonable time and effort has the customers spent in pursuing the complaint
- The length of time it has taken Link to resolve the complaint

Acceptance of Link's payment

I/WE (**insert tenant(s) name**) of (**insert address**), accept Link's offer of (**£xx**) as a good will payment for (**insert issue the payment relates to**)

I confirm that in accepting this offer, I forfeit my right to claim further from Link regarding the matter.

I/WE further accept that should my/our rent account be in arrears at the date of acceptance of this offer, Link retains the right to offset part or all of this goodwill payments against the arrears.

If not being offset against arrears, payment can be made by either cheque or if you prefer, it can be paid directly into your rent account. Please select below how you would like to receive your payment and complete with the correct details.

Bank:

Name of account holder	
Account number	
Sort Code	
Name of bank	
Reference to be quoted (if any)	

Cheque:

Name to be printed on cheque	
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Signed (both tenants if appropriate).....

Date.....

Choose an item.

Privacy Impact Assessment Screening Questions

Carrying out a Privacy Impact Assessment [PIA] will be useful to any project – large or small – that:

- Involves personal or sensitive data about individuals
- May affect our customers' reasonable expectations relating to privacy
- Involves information that may be used to identify or target individuals

Please tick the applicable statement(s) below. Will your project involve:

1. A substantial change to an existing policy, process or system that involves personal information Yes No
2. A new collection of personal information Yes No
3. A new way of collecting personal information (for example collecting it online) Yes No
4. A change in the way personal information is stored or secured Yes No
5. A change to how sensitive information is managed Yes No
6. Transferring personal information outside the EEA or using a third-party contractor Yes No
7. A decision to keep personal information for longer than you have previously Yes No
8. A new use or disclosure of personal information you already hold Yes No
9. A change of policy that results in people having less access to information you hold about them Yes No
10. Surveillance, tracking or monitoring of movements, behaviour or communications Yes No
11. Changes to your premises involving private spaces where clients or customers may disclose their personal information (reception areas, for example) Yes No

If you have answered 'Yes' to any of these points, please complete a full Privacy Impact Assessment. If you have answered 'No', you need take no further action in completing a Privacy Impact Assessment.

Equality Impact Assessment Screening Questions

Will the implementation of this policy have an impact on any of the following protected characteristics?

- | | | |
|-----------------------------------|------------------------------|--|
| 1. Age | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| 2. Disability | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| 3. Gender reassignment | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| 4. Marriage and Civil Partnership | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| 5. Pregnancy and Maternity | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| 6. Race | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| 7. Religion or belief | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| 8. Sex | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| 9. Sexual orientation | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

If you have answered 'Yes' to any of these points, please complete a full Equality Impact Assessment. If you have answered 'No', you need take no further action in completing an Equality Impact Assessment.