

Compensation Policy

Document Owner	Head of Governance, Risk & Assurance
Prepared by	Data Quality and Performance Manager Policy Officer
Approved by	Directors Group Customer Services Committee
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Lines of Defence/how is the document audited?	1. Approval by Directors Group and Customer Services Committee 2. Regular case review by management 3. Regular reporting to governing body

1. Scope and Aims

- 1.1. Hexagon Housing Association (Hexagon) is committed to delivering excellent services to residents. When things go wrong, and we fail to meet our service standards, we aim to put things right. At times, this may include offering monetary compensation.
- 1.2. Hexagon will ensure a fair, efficient, consistent, and proportionate approach to providing compensation to residents.
- 1.3. This policy applies to all Hexagon residents, including tenants, leaseholders, and shared-owners.
- 1.4. This policy applies to Hexagon staff, contractors, managing agents, and those acting on Hexagon's behalf.
- 1.5. In this policy, 'Hexagon' will refer to Hexagon and those acting on Hexagon's behalf.

2. Equality and Diversity

- 2.1. An equality and diversity impact assessment screening has been carried out and is attached as an appendix to this Policy.

3. Consultation

- 3.1. Hexagon's Resident Advisory Group, Disability Inclusion Group, and Performance Review Group were consulted on this policy in April to June of 2023 and their feedback has been incorporated into this policy.

4. Policy Statement

- 4.1. If we have set out any rights to compensation in your tenancy agreement, we will abide by these terms.
- 4.2. You can make a request for compensation to any Hexagon staff member. The request can be made by:
 - Telephone: 02087786699 or freephone on 0800393338.
 - Email: Customer_desk@hexagon.org.uk
 - Letter: Customer Services, Hexagon Housing Association, 130-136 Sydenham Road, Sydenham, London, SE26 5JY

- verbally in person or
- through the form on the Hexagon website

4.3. Where your request for compensation is part of a complaint, this will be handled in line with our Complaints Policy.

4.4. This policy covers circumstances where there are statutory obligations to provide compensation, and circumstances where Hexagon may consider providing discretionary compensation.

5. Discretionary Compensation and Reimbursements

5.1. Discretionary compensation will be considered in two circumstances:

5.1.1. Improvements: You may be offered discretionary compensation when you leave your home if you have carried out certain types of improvements to your home. This is intended to offer a comparable level of compensation to those secure tenants of local authorities are eligible for under The Secure Tenants of Local Authorities (Compensation for Improvements) Regulations 1994. See Appendix 1 for the details of this.

5.1.2. Service failure: Where we have failed to meet our service standards.

5.2. Hexagon will consider issuing compensation when our level of service has fallen below our service standards. In certain circumstances, this may include:

5.2.1. Missed appointments

5.2.2. Repairs not completed within our published timeframes

5.2.3. We have not provided a service that you have been charged for

5.3. Hexagon will consider remedies to put a situation right which may include:

5.3.1. Acknowledging where things have gone wrong.

5.3.2. Providing an explanation, assistance, or reasons.

5.3.3. Apologising.

5.3.4. Taking action if there has been a delay.

5.3.5. Reconsidering or changing a decision.

5.3.6. Amending a record.

5.3.7. Providing a financial remedy.

5.3.8. Changing policies, procedures or practices.

5.4. In determining whether or not to offer compensation, Hexagon will investigate the circumstances leading up to the request in a fair and evidence-based manner to identify whether our level of service has fallen below our service standards

5.5. For certain service failures, Hexagon may choose to establish a fixed compensation rate. These will be determined by the Directors Group and published on our website, and may be revised from time to time. Such fixed rates are intended to provide transparency to our residents and to our staff but are not binding; we may choose to apply discretion to compensation payments a case-by-case basis.

5.6. When determining appropriate levels of compensation, Hexagon will give careful consideration to the individual circumstances of your particular case. Hexagon will consider the severity of the service failure, the level of detrimental impact on you, and the duration of the problem. Hexagon will consider the time and trouble you have been put to, as well as any distress or inconvenience caused. Hexagon will take into account whether you have any vulnerabilities and identify if any impact was worsened through disability, old age, or the presence of young children.

5.7. Hexagon will also consider reimbursement of reasonable costs or actual financial loss you have incurred as a direct result of our service failure, on receipt of evidence.

5.8. Where applicable, Hexagon may offset any payment of discretionary compensation against any money you owe to Hexagon, such as rent or service charge arrears, excepting where we are offering compensation to cover your out of pocket expenses, or where our service failure has directly resulted in your rent or service charge arrears. Where we are offsetting, Hexagon will write to you to inform you of this.

6. Statutory Payments

6.1. Under certain circumstances, you may have a statutory right to compensation payments. Where these circumstances apply, Hexagon will make any payments that are required of us under the relevant statute.

6.2. If you are decanted from your home, you may be eligible for statutory Homeloss payments or reimbursements of certain expenses, under the Land Compensation Act 1973. Please see Hexagon's Decant Policy for details.

7. Legal Framework

7.1. The Secure Tenants of Local Authorities (Compensation for Improvements) Regulations 1994

7.2. The Land Compensation Act 1973

7.3. Housing Act 1985

7.4. Home Loss Payments (Prescribed Amounts) (England) Regulations 2022

7.5. Equality Act 2010

7.6. Housing Ombudsman's Service

7.7. Regulator of Social Housing Tenant Involvement and Empowerment Standard

8. Related Hexagon policies, strategies and procedures

8.1. Complaints Policy and Procedure

8.2. Decant Policy

Appendix 1: Compensation for Improvements

You may be entitled to compensation when you leave your home if you have carried out certain types of improvements to your home. Several conditions must be met, and this list is not exhaustive:

- The improvements must qualify; qualifying improvement are listed in the table below.
- You must have had Hexagon's written consent for the improvements before work started.
- You must have obtained three estimates from appropriate companies for the work, and can provide evidence of this.
- The improvement must be of a standard similar to, or higher than, works completed by Hexagon. This will be determined by Hexagon when the property is vacated.

The compensation offered will be based on the initial evidenced cost of the work, depreciated over the assumed life of the improvement. For example, if you have spent £3,000 on a new kitchen and leave after 5 years (half of the expected 10 year life), then compensation of 50% of the cost (£1,500) will be paid. See the table below for relative lifespans that the depreciation may be based on.

The minimum amount of compensation payable is £50, and the maximum is £3,000.

Qualifying improvement	Notional life in years
Bath or shower	12
Wash-hand basin	12
Toilet	12
Kitchen sink	10
Storage cupboards in bathroom or kitchen	10
Work surfaces for food preparation	10
Space or water heating	12
Thermostatic radiator valves	7
Insulation of pipes, water tank or cylinder	10
Loft insulation	20
Cavity wall insulation	20
Draught proofing of external doors or windows	8
Double glazing or other external window replacement or secondary glazing	20
Rewiring or the provision of power and lighting or other electrical fittings including smoke detectors	15
Any object which improves the security of the house, excluding burglar alarms	10

Appendix 2: Equality Impact Assessment

Part one: Initial Screening

Name of policy, service or function	Compensation Policy
Current or Proposed	Proposed
Persons completing Initial screening	Policy Officer
The Compensation Policy is relevant to Hexagon services and will benefit all Hexagon residents who have a right to compensation. This policy aims to ensure a fair, efficient, consistent, and proportionate approach to providing compensation to residents.	

Analysis of relevant data

Summary of Data	Analysis
Organisational Statistics	Due to the nature of compensation being specific to an individual circumstance, trend analysis of the average compensation offered across different demographic groups would not provide an accurate equality impact insight.
National / Regional Statistics	I am not aware of any national or regional statistics on compensation claims disaggregated by demographic groups.
Qualitative data from colleagues managing/delivering the service area	Colleagues have not raised any concerns that the compensation policy has any disproportionate or negative impact on any of the protected characteristic groups. Feedback from colleagues is that the compensation policy is implemented fairly and consistently.

Resident Involvement

Method	Data
Resident Involvement Groups	Hexagon's resident involvement groups were consulted on this policy in April to June of 2023. Their general feedback was incorporated into the policy and nobody raised any concerns relating to equality and diversity.

Screening

Protected Characteristic	Is impact is positive, negative, or none			Reason
	Positive	Negative	No Impact	
Age	X			Hexagon will take into account the resident's vulnerabilities and identify if any impact was worsened through old age, or the presence of young children.

Disability	X			Hexagon will take into account the resident's vulnerabilities and identify if any impact was worsened through disability.
Gender			X	
Gender reassignment			X	
Race			X	
Religion or belief			X	
Sexual orientation			X	
Socio-economic status			X	
Literacy			X	Information about compensation will be communicated to residents by their preferred method to ensure no one is excluded and there are no barriers to access.

What are the arrangements for monitoring the policy and its impact on customers?

Hexagon will provide our governing body with regular reports on the implementation of the compensation policy, including lessons learned and trend analysis.