St Arthur Homes
Compensation and Good-Will Payment Policy

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1 Introduction

1.1 St Arthur Homes (STAH) is a Registered Provider for profit, providing affordable homes. We are a subsidiary of St Arthur Topco Limited which is also the majority shareholder. We are regulated by the Regulator of Social Housing, a member of the Housing Ombudsman Scheme and a registered company limited by shares, and we have adopted the Quoted Companies Code of Governance.

1.2 It is important that as a regulated provider of social housing we maintain the principles of openness, fairness and impartiality whilst promoting a corporate culture that is based on ethical values and behaviours.

1.3 Our values are to be Supportive, Trustworthy, Adaptable and Honest and we expect all our staff, and everyone associated with us to embrace and live these values whilst conducting our work and presenting us.

1.4 We are required to adhere to all regulatory requirements and standards such as those under the Companies Act 2006, Employment Rights Act 1996 (as amended by the Public Interest Disclosure Act 1998) and the Housing and Regeneration Action 2008. We have also adopted best practice measures and standards to ensure that it maintains its credibility as a regulated entity.

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2 Scope

2.1 This procedure is to assist St Arthur Homes in good management of good will and compensation (together referred to hereafter as “compensation”).

2.2 This applies to customers only and not suppliers, staff, or STAH appointees.

2.3 There may be some circumstances when our offering to our residents falls short of what we would like it to be and, in some cases, they may be financially disadvantaged. In such cases we will consider compensating the resident and this policy details such circumstances in conjunction with the complaints policy. We will:

- Apply an empathetic, fair and consistent approach when offering compensation to our customers.
- Be clear about the circumstances in which we will and will not pay statutory and discretionary compensation.
- Be clear about the compensation and how it has been calculated.
- Record and pay compensation promptly.
- Monitor compensation payment and spend.

2.4 Not set unrealistically high expectations for the receipt of compensation to customers.

3 Responsibility and oversight

3.1 The Chief Executive Officer is responsible for the day-to-day operation of this policy, ensuring that sufficient training and development is provided (where applicable) to deliver the requirements herein and establishing and managing the framework for ensuring the success of the measures within the policy.

3.2 The Audit & Risk Committee has been delegated by the Board of Directors to keep under review the effectiveness and application of the controls of this policy.

3.3 The policy will be reviewed biennially or when the government policy changes.

4 Aims and objectives

4.1 Promote understanding of the different types of compensation

4.2 To apply a consistent approach to compensation or payments of good will to STAH's customers.

4.3 To provide staff with a guide to how compensation is offered, and on which terms it is accepted by customers.

5 Types of Compensation

5.1 There are three broad categories of compensation that St. Arthur Holmes STAH may make.

5.2 Obligatory. This could be contractual compensation as dictated in the lease. For example, if a property becomes uninhabitable through fire, then the lease requires the landlord to suspend demands for rent until the property is fit for habitation again.

5.3 Regulatory. STAH is a member of the Housing Ombudsman Scheme, (HOS). The Housing Ombudsman can require a landlord to pay compensation if it feels appropriate as a consequence of a complaint being investigated by them.

5.4 Discretionary. This is where there is no obligation on STAH to pay compensation but feel it appropriate to account for some financial loss that the resident has suffered. An example of this might be in the case of a car parking facility that is not ready for use when a customer legally completes (buys) their home. It might be that the resident needs to purchase a temporary parking license to park locally. In such circumstances, although STAH is under no obligation to, but may choose to pay for the cost of the parking license. Compensation will not be payable if the failure is outside STAH's area of responsibility, (for example a prolonged power cut in the area).

5.5 Sometimes, in the case of a service failure, we may pay compensation simply as a gesture of apology to the resident. Instead of money, we might feel it appropriate to give flowers, gifts, vouchers or make an improvement to their property for example.

6 Compensating for Shared Owners

6.1 St Arthur Homes may refund an insurance excess as discretionary compensation if we have been negligent in the handling of a repair or defect that we are responsible for.

6.2 We may consider compensation for shared owners where our failure has caused them to be unable to use a part of their home experienced by a loss of amenity i.e. Loss of heating or hot water that we are responsible for.

6.3 Where a shared owner lets the property out, we will not compensate for loss of rental income or rent increase due to repair issue or loss of service. You cannot sublet (rent out) your entire home unless you either:

- Own 100% share
- Have your landlord's permission which we will only give in exceptional circumstances i.e. member of armed forces, and
- Have your mortgages lenders permission if you have a mortgage.

6.4 Any compensation paid will be discussed with and credited to the shared owner directly and not any tenant of the shared owner.

6.5 It may be that there is a service failure by a third party contracted by STAH. This might be for services to communal areas such as cleaning or gardening. Our compensation policy will remain unchanged as the resident is contracting directly with us. We may seek to recover compensation paid from the third party. If there are circumstances where the lease requires the resident to contract directly with a third-party, for example, a resident-owned management company or residents' association, in such cases STAH will not pay compensation due to service failure by that third party.

7 Arrears off-set

7.1 Where a resident is in arrears with their rent and/or service charge then any financial compensation paid will be credited to their account first to offset the money owed to STAH.

8 New Homes

8.1 If the customer has purchased a new-build home from us, there is a defects liability period which qualifying defects can be reported to our customer services agent and they will instruct the housebuilder to complete the repair. If the repair has failed to be completed within reasonable time, we will consider paying discretionary compensation or instruct a new contractor to carry out the work. Compensation will only be offered where we have caused unreasonable delays and /or distress, not for the defect itself.

9 Fixed compensation payments for service failure

9.1 Ordinarily, each requested payment of compensation will be considered on its own merits. However, there are some payments for service failures that we have predetermined as follows:

Compensation Reason	Amount
Service Failure – • Failure to respond to query within 10 working days. • Failure to respond to a formal complaint within timescales published on our complaints policy.	£10
Minor Disruption	£10 - £50

• A failure to follow the complaints policy or procedure with low level impact. • Missed appointments by our contractors for each missed appointment when there has been a repair service failure.	
Moderate Disruption • A failure to follow the complaints policy or procedure, or to correctly investigate a complaint, resulting in inconvenience and effort to progress.	£51- £150
Severe Disruption • An extensive failure to follow the complaints policy or procedure, or to investigate a complaint correctly, causing a significant impact on the complainant.	£151- £250

10 Settlement agreement

10.1 When a compensation amount is agreed between STAH and a customer, a settlement statement should be agreed to by the customer prior to issuing the monies.

10.2 The key points that should be contained in any statement are:

- The agreement amount t is a *full and final settlement* of the complaint
- The complainant (indeed if it is a complaint) agrees that accepting the compensation will close the complaint and no further investigation will be made.
- They waive all rights to further compensation claims for the same complaint in the future.
- The agree to keep the payment of compensation (including the amount, and specific circumstances) confidential.

10.3 A customer wishing to receive compensation should reply positively to the above points in a suitable written format (such as email, letter, or contract) and a record of this must be saved on file by STAH staff.

10.4 The format of the settlement agreement will be agreed beforehand by the Head of Operations.

11 How to Claim

11.1 Ordinarily, a resident should not have to claim compensation because its principle is enshrined in this policy and our Complaints Policy. However, if a resident contacts STAH with an issue which they want to address in an informal manner to come to a quick mutually agreeable solution, STAH might agree on some compensation with them at that point. For example, if they phoned to say that they had to clear up a mess that had been left in a communal bin store, we may wish to offer them some compensation as a gesture of thanks.

11.2 There may be a situation where the resident proactively asks for compensation and again, we might give it some consideration to resolve the matter. However, if we feel that their request was unreasonable, we will politely decline the request and offer them the opportunity to access our Complaints Procedure.

11.3 STAH staff should positively identify the leaseholder before issuing a bank transfer of funds.

12 Related documents and references

12.1 The following documents are key documents that can be read in conjunction with this policy or to support your understanding:

- Complaint Handling Policy
- Managing Unacceptable Behaviour Policy