



# Compensation Policy

## Compensation Policy due to a Failure in Service Delivery

The Policy covers circumstances when MGHA may provide residents with financial compensation because of a failure in service delivery. It should be read in conjunction with our Complaints Procedure.

It is our policy to be fair to residents who incur any financial loss through a temporary failure in service, whilst seeking to keep our overall costs at reasonable levels by avoiding excessive compensation payments.

Financial compensation will normally be paid only in the event of residents suffering actual financial losses. The following list, which is not exhaustive, provides examples of when compensation might be paid:

- Loss of use of facilities within the home because of repairs which are the responsibility of MGHA
- Damage caused to personal possessions by MGHA staff or contractors
- Loss of earnings if an appointment is broken and time off work has been taken - proof of loss or leave taken to be evidenced
- Travel costs if an appointment is broken

### **Compensation will be assessed in the following ways:**

#### **Loss of use of facilities in the home**

Compensation may be payable in the event of repairs which are the responsibility of MGHA preventing a resident from using all the facilities in the property. A reduction in the net rent payable by residents will be made pro rata according to the number of rooms unavailable for use as a percentage of the total number of habitable rooms (excluding the bathroom). For example, loss of use of one bedroom in a two bedroom flat with kitchen and living room would give rise to a 25% rent reduction. The reduction would only apply from the date the item of repair was overdue for completion, until its satisfactory completion. The minimum period for which compensation would be payable is one week. No retrospective compensation would be payable.

#### **Failure of services subject to a service charge**

In the event of a failure or non-provision of a specific service for which a service charge is payable, the respective proportion of the service charge will be refunded. The service charge reduction would only apply from the date of the service failure was first reported to its satisfactory repair or remedy. The minimum period for which compensation would be payable is one week. No retrospective compensation would be payable.

**Damage caused to personal possessions**

The costs of replacing or replacing or repairing personal possessions damaged as a result of repairs required at the property are normally expected to be met from the resident's contents insurance policy. MGHA will not compensate residents for damage caused to personal possessions that are not covered by the resident's contents insurance policy. MGHA will only compensate residents for the replacement value of any personal possessions damaged inadvertently by its staff or contractors. Residents should provide reasonable proof of the damage caused and the replacement value of the items.

**Costs in event of an appointment being broken**

Compensation for loss of earnings will be paid if a resident can reasonably demonstrate that time was taken from work for an appointment. Similarly, any travel costs relating specifically to a broken appointment will be reimbursed.

**Claims for Compensation**

Claims for compensation should be made within 21 days of the date to which the claim relates. MGHA will not normally consider claims which date back earlier than 21 days. Wherever possible, documentation or receipts should be provided in support of the financial sums claimed. An acknowledgement of a claim should be made within 2 working days and a letter confirming the assessment within 21 working days. Details of how the final figure was calculated should be included. All compensation offers must be authorised by The Director of Operations. If a resident is in arrears with rent or service charge, compensation may be used to offset all or part of the arrears. This should be discussed with the residents. If residents are dissatisfied with the settlement, they have the right to appeal using our Complaints Procedure.