

Compensation Policy and Guidance

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Version number	3
Issue date	June 2025
Review date	June 2028
Board approval required?	No
If yes, date approved by Board	NA
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Policy Steering Group approval date	July 2025

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1. Summary

Housing 21 aims to provide excellent services to residents. However, on occasions, residents may suffer some disadvantages, inconvenience, or loss because of our actions or mistakes and in some instances compensation will be appropriate.

This policy covers both discretionary compensation which relates to loss, damage, or inconvenience due to a failure in service and statutory (obligatory) compensation. This policy applies to residents in both Extra Care and Retirement Living.

The aim of compensation is to provide redress to restore a person to the position they would have been in had the service failure not occurred.

Many remedies are available to put a situation right, and we may take actions either separately from, or in conjunction with, an offer of compensation. These may include practical actions, such as offering complete repairs or redecoration, which would otherwise be a resident's responsibility, or gestures of goodwill, for example vouchers or flowers.

In some instances, financial compensation may be the only appropriate form of resolution.

This is not automatic and won't apply where the service failure or mistake has not caused any inconvenience and has been easily and quickly remedied.

We will work with residents to achieve an agreed resolution whilst ensuring a transparent, consistent and fair approach is taken when considering compensation as required by the Housing Ombudsman Complaints Handling Code and with reference to their Remedies Guidance.

We will refer to their Code of Guidance for appropriate remedies and may offer discretion in following their guidance.

Where possible we look to add value by looking beyond the circumstances of the individual complaint and consider how we can improve our processes and systems because of any failures.

In operating this policy, we will comply with all legal and regulatory requirements including, but not exclusive to, the following:

- Requirements of the Equalities Act 2010
- Right to Repair (as introduced as part of the Citizens Charter Scheme 1st April 1994)
- Right to Compensation for Improvements (introduced as above)
- Home Loss and Disturbance Payments (under the terms of the Land Compensation Scheme Section 30 Act 1973 as amended)
- The Housing Act 1985 and 1988 as amended
- Leasehold Reform, Housing and Urban Development Act 1993
- Localism Act 2011
- Housing Act 1996 (schedule 2)
- General Data Protection Act 2018
- Housing Ombudsman Scheme
- Housing Health and Safety Ratings System (England) Regulations 2005
- The Regulator of Social Housing's Consumer Standards

2. Aims of the policy

The aims of this policy are to:

- Set out the circumstances under which compensation can be paid and/or a goodwill gesture may be made
- Ensure payments are properly assessed and controlled
- Ensure consistency whilst considering the individual circumstances of residents

This policy sets out when discretionary compensation can be considered by Housing 21.

Responsibility will also be taken for any detriment or damage caused to an individual or their property and belongings by a third party (contractor) working on our behalf.

This policy also references mandatory compensation payments where we have a legal duty to do so. This can include home loss, improvements, and payments under the Right to Repair scheme.

3. Definitions

Financial redress:

Repayment of costs incurred by residents due to the lack or failure of service within the control of Housing 21. Payments made under this term will need to be evidenced by receipts/proof of purchase or proof of costs incurred. Without this evidence Housing 21 will not pay financial redress.

Goodwill gestures:

A discretionary goodwill gesture to acknowledge when we get it wrong or when the service received by a resident was not to the expected standard. The goodwill gesture can be a cash amount or goods such as flowers or vouchers.

Compensation may be appropriate where we have failed to provide a service or where a lack of service or loss has resulted in a resident suffering a quantifiable loss because of our action or inaction, or feelings of distress, loss and inconvenience. The aim of providing redress is to restore a resident to the position they would have been had our failure not occurred in the first place.

The payment of compensation, or a gesture of goodwill, can sometimes be the best way of resolving a protracted and expensive (in terms of management time) dispute. A small payment or gesture can mend a fractured relationship and restore trust and confidence in our ability to deliver a quality service.

Whilst we recognise that redress won't always be achieved through financial compensation, in some instances this will be the only appropriate form of redress.

4. Categories of compensation

There are three types of compensation categories:

- Mandatory (such as statutory home loss payments)
- Quantifiable loss payments (such as where residents can demonstrate actual loss)
- Discretionary payments (for time, distress and inconvenience)

Mandatory Compensation

Mandatory payments are made where we have a legal duty to do so. This can include home loss, disturbance, improvements, and payments under the Right to Repair scheme (only for those on a secure tenancy).

Quantifiable loss payments

Compensation for quantifiable loss could be considered because of 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 meet our obligations. Any such costs must have been reasonably incurred, and evidence of such loss must be provided.

Discretionary payments

- Poor complaint handling
- Delays in providing a service e.g., in undertaking a repair
- Failure to provide a service that has been charged for
- Failure to meet target response times
- Failure to follow policy and procedure

We may offer a goodwill gesture if appropriate in some circumstances to accompany any apology

5. Circumstances when compensation will be considered:

Some examples when compensation may be considered:

- Taking an unreasonable time to either repair or restore something that is our responsibility, and has resulted in a resident being unable to use part of their home

- By failing (at the second time of asking) to carry out a repair, we have put at risk, the health, safety or security of the resident; the repair has, or is likely to cost, less than £250
- Failure to reinstate a service for which we are responsible
- Failure to deal with an issue that has resulted in distress, discomfort or additional expense
- Where residents have suffered financial loss because of service failure

6. When we will not pay compensation

Compensation would not generally be paid in the following circumstances:

- Where the fault is caused by a third party (not working for Housing 21) or something we are not responsible for
- Where the incident was caused by the negligence of the resident or their failure to comply with terms of their tenancy such as not providing access
- Circumstances beyond our control such as damage caused to decoration or personal effects due to storm/floods
- Personal injury claims which will be referred to our insurers
- Lack of service or loss due to circumstances beyond our control

7. Who will approve compensation

A Retirement Living or Extra Care Head of Service has the authority to approve compensation payments where it is considered that there has been a failure to meet an agreed standard of service; as well as mandatory payments.

Unless the subject of a formal complaint, compensation claims should be made within 28 working days following the failure in service. Where approved we will pay the compensation within 10 working days of receipt of the fully authorised documentation.

Whether or not a resident's account is in arrears, the compensation will be paid directly to them and will not be used to offset any arrears owed to us.

Where judged appropriate, the Operational Manager (OM) or Regional Extra Care Manager (RECM) dealing with a request or claim for compensation will ensure that our insurers know, via our Insurance Administrator, if there is a risk of a future insurance claim.

Guidance should be obtained from the Director of Legal Services, where in the opinion of a Manager and/or Head of Retirement Living or Extra Care dealing with a request or claim for compensation, a 'without prejudice' statement should be included in any correspondence.

7.1 Levels of Compensation Payments

See Appendix One for the process of compensation payments.

8. Other remedies

Aside from financial compensation, other actions can be taken to remedy a complaint either separately or together with a financial offer of compensation.

These can include practical actions (such as offering to undertake repairs or redecoration which would otherwise be a resident's responsibility) and gestures of goodwill (e.g. vouchers (gardening, shopping or book for example), chocolates, flowers). Again, common sense, knowledge of the resident, and discretion should be applied, treating each case individually.

Additionally, there should be consideration of the resident's health and wellbeing and the impact of the service failure on this. An example; if it has taken an extended amount of time for lift repairs and a resident's mobility issues meant the person couldn't leave their flat, or if there is a loss of heating and there is a known risk around age, vulnerability and an impact on other health conditions.

9. How to make a claim

All claim forms should be sent to the Income Administration Team where they will be checked and authorised. Compensation for Oldham residents should be sent to Cash and Banking Team.

All compensation claims will be checked and authorised by the Income Administration Team every Tuesday and Friday.

There are two forms to complete, [Compensation Claim Payment Form](#) and [BACs details for Residents Form](#).

All compensation claims must be authorised by a line manager holding the appropriate spend limit/delegated authority.

Payments can be made within 10 working days of receipt of the fully authorised documentation.

10. Monitoring and Assurance

The payment of compensation is requested by local managers and the Income Administration Team will monitor the 10-day payment commitment.

The Complaints Team will seek assurance from local managers and the ERICA incident recording system, where complaints are logged that compensation has been paid in all stages of complaints.

The Complaints Team will collate and maintain a record of upheld complaints where compensation has been paid and the amounts and will provide guidance where required.

12. Equality, Diversity and Inclusion

Housing 21 aspires to make fair and equitable decisions in its application of this policy, treating residents with respect and taking into account the individual needs of each resident and case. Where appropriate, discretion will be applied to how this policy is implemented.

Appendix One Levels of Compensation

Incident	Compensation event	Compensation guidance	Authorisation
Service failures including: ASB	A failure to meet our agreed service standards causes distress or	£50 to £250 Low impact with some but not significant impact such as repeated failure	Scheme Manager to support early resolution or

<p>Complaint handling</p> <p>Service charge management</p> <p>Failure to remedy a defect we know about or an unreasonable delay in taking remedial action which affects the health of a resident or use of their property.</p> <p>Associated goodwill gestures</p>	<p>inconvenience that may have resulted from our service failures. The level of compensation will be commensurate with the inconvenience, stress, disturbance or annoyance suffered by the resident and the level to which we have been directly responsible.</p> <p>When deciding on the level of payment, consideration must be given to any damage to a resident's property.</p>	<p>to respond to letters or return calls or following agreed contact requirements or incorrectly addressed correspondence causing offence or upset.</p> <p>£250 - £700</p> <p>Medium impact with considerable service failure but no permanent impact on the resident such as delays in resolving a service issue, not escalating a complaint, significant delays or not addressing all the issues.</p> <p>£700+</p> <p>High impact: Serious or prolonged service failure or loss of facilities resulting in significant or long terms impact such as severe distress, disruption, inconvenience or loss of income such as a long stay in temporary accommodation as a result of a service failure around managing repairs.</p>	<p>OM/RECM based on financial delegation limits.</p> <p>ROM/RECM</p> <p>Head of Service</p>
<p>Severe maladministration</p>	<p>Severe long-term impact.</p>	<p>£1,000+</p>	<p>Head of Service</p>

	A single or series of significant failures in service(s) which has had a detrimental effect on the resident. The landlord's response to the failures exacerbated the situation		
Heating Loss	Failure or lack of service reported whether that be an isolated incident or a series of connected incidents e.g. on-going heating problem.	Supply additional portable heaters and pay the additional running costs for the period either £3 per day, per heater or the demonstrable extra electricity cost to use the temporary heating provided, whichever is higher. You may also want to consider separate compensation if this is a service failure.	Scheme Manager
Repairs – our version of the 'Right to Repair' scheme	By failing (at second time of asking) to carry out a repair described on the works order within our service standards, and we have put at risk, the health, safety or security of the resident; and the repair has, or is likely to cost, less	Compensation payable is £10, plus £2 for every day the repair remains outstanding following the completion date as stated in the second repair notice. The maximum payable is £50. Compensation will not be paid; if the repair has not been reported to Housing 21; the works required	ROM/RECM

	than £250 and are considered within emergency or urgent (Priority) category.	are so extensive that further inspections and estimates will be needed before the work can be carried out; the resident has been uncooperative with the contractor in providing access for the work to be carried out and this is shown as such after investigation; the repair is not the responsibility of Housing 21, or is as a result of damage, neglect or waste by the occupant.	
Destroyed or damaged items section "or replacement items may be provided".	Where items have been destroyed or damaged because of our actions or inaction	Cost of replacement. Receipts or proof of purchase may be asked for.	ROM/RECM
STATUTORY			
Home Loss	Permanent move due to decommissioning or redevelopment in accordance with H21 Decant Policy	Set at a prescribed level of £8100 (Since October 2023)	Head of Service
Discretionary Disturbance Payments	This may occur during major refurbishment works and may be payable dependent upon the severity of the disturbance to the resident.	Limit for payments is £500 per household	Head of Service
Right to compensation for qualifying	Where a qualifying improvement to a resident's home	Any compensation paid will consider the value of the work, how old it is	Head of RL/EC and National

<p>improvement works carried out by resident (secure tenants only)</p>	<p>has been carried out after 1 April 1994.</p>	<p>and how much life is left in the improvement.</p> <p>Claims for any compensation for improvement works should be made no more than 28 calendar days before or 14 calendar days after the tenancy is terminated.</p> <p>Compensation is only paid at the end of the tenancy, when the period of how long the improvement has been in place is determined.</p> <p>The maximum compensation currently payable under this scheme is £3,000 and there is a provision for us to deduct from any sum payable any debts owing: e.g. dilapidation, rechargeable repairs, rent arrears and court costs.</p>	<p>Property Development Manager Payments up to £1,000. Payments of £1,000 - £3,000 will be approved by the Executive Director.</p>
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