

COMPENSATION POLICY	
Approved by Board	Issue number 13 (new version)
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	Executive Sponsor Executive Director of Corporate Services
Previous Version Issue number 12	Responsible Officer Head of Governance, Risk & Compliance

1. Aim

The purpose of this policy is to clearly outline the circumstances under which Hightown Housing Association (Hightown) will make compensation payments. Hightown will follow any compensation recommended by the Housing Ombudsman Service.

Hightown aims to ensure that compensation is considered fairly, consistently, and transparently when service provision failures occur, recognising the impact on our customers, supporting effective complaint resolution, and driving service improvement. It recognises the responsibility of any damage/ detriment caused by not only us, but also contractors working on our behalf.

Our objectives are as follows:

- To ensure our customers can easily understand when compensation may be considered and how it is applied.
- Where service failure has occurred to restore the person to the position they would have been in had the service failure not occurred. In doing so, to ensure compensation is considered promptly alongside other remedies when service provision failures are identified.
- To improve consistency and fairness in compensation decisions across Hightown.
- To use insight from compensation cases to identify service improvements and reduce repeat failures.

2. Policy Statement

Sometimes things go wrong, and customers don't get the service they expect, or we fall short of the standards we promised. Our aim is to restore customers to the position they would have been in had the service failure not occurred.

Our compensation policy recognises that there are other remedies available to put a situation right and customers are not automatically entitled to compensation, but in some instances, financial compensation may be the only and appropriate form of redress.

In the interests of fairness and transparency, we will consider each case on its own merits. When considering a case, we will take the customer's personal circumstances into accounts, as these may have impacted the severity of our service failure.

Where a case for compensation is clearly established, it should not need to be processed as a full complaint (unless the compensatee wants this) but dealt with within the delegated financial authority limits set out at s12 below. A record of any decision made in this way should be given to the Customer Resolution Team for their records.

3. Types of compensation

Compensation can be financial or non-financial.

We will always apologise when we have failed to meet our service standards. By offering non-financial compensation, we recognise that customers want us to put things right. We may also offer financial compensation at the same time if we consider our actions have had a significant impact on the customers.

Compensation should be claimed within six months of the failure, fault, or event, unless there are exceptional circumstances that prevent this. In such cases, we will work with customers to ensure fair and equitable outcomes.

There are three types of financial compensation:

1. Mandatory compensation – such as statutory home loss payments that we must make by law
2. Quantifiable loss payments – where a customer can demonstrate actual loss – this type of payment applies to all customers who are personally impacted by our service.
3. Discretionary payments – for time, trouble, distress, and inconvenience.

4. Compensation

A. Mandatory Compensation

- Home loss and disturbance

If customers are decanted (moved) from their home, they may be entitled to compensation. There are two types of payments that may be made:

- Statutory home loss payments – where an assured tenant or leaseholder has to move permanently from their home to make way for demolition and/or development. This is a flat rate, set by government, and will only be paid where the customer has been residing in the home for a minimum of 12 months.
- Disturbance payments – may be paid to compensate tenants and leaseholders to cover reasonable costs involved in moving to another property temporarily or permanently due to major repairs or demolition. This is paid in addition to a home loss payment for a permanent move.

These payments are covered under legislation, which sets out clear criteria under which they can be paid and the amounts that are payable.

- Right to Compensation for improvements

Where an existing secure or assured tenancy customer have a contractual right within their tenancy agreement to be able to make improvements to their home, subject to Hightown's

consent, they may also have the right to be compensated for designated improvements at the end of their tenancy.

- Hightown follows the principles set out in the Housing Corporation circular 33/94 (revised 2002), which provided the Right to Repair and Right to Compensation for improvement schemes and states the notional life of the improvement.
- When seeking to end a tenancy, the customer must advise Hightown of any improvements made and we will then investigate to determine if they qualify for compensation.

B. Quantifiable loss payments

In some cases, there is evidence that our service failure has resulted in the customer suffering a loss that is clear and measurable. When we assess these cases, we make a judgement if any costs are reasonable incurred, and we require evidence to support any claim. These could include:

- Increased heating bills due to disrepair
- Having to pay for alternative accommodation or take-away food
- Paying for cleaning
- Carrying our repairs where Hightown has failed to meet its obligations

C. Discretionary Payments

Discretionary compensation can be paid where our actions have resulted in:

- Poor complaint handling
- Delays in providing a service
- Failure to provide a service that has been charged for
- Temporary loss of an amenity
- Failure to meet target response times
- Loss of the use of part of the property
- Failure to follow policy and procedure
- Unreasonable time taken to resolve a situation
- The customer suffering distress and inconvenience

When calculating the amount of compensation to be paid, we will look at the severity of any service failure and the associated impact on the customer.

We will treat customers fairly and ensure that we recognise both our failings and the impact on our customer. We will take the customer's personal circumstances into consideration when doing this and each case will be considered on its merits.

With the exception of additional payments ordered by the Housing Ombudsman, when we make a compensation payment, any outstanding debts will be deducted before the payment is made.

We reserve the right to use discretion and flexibility when applying this policy and may deal with a complaint differently depending on the individual circumstances of the household. It may be appropriate to remedy a complaint with actions separately from, or in conjunction with, an offer of compensation. These can include the following:

- Practical actions – such as offering to undertake repairs or redecoration, which would otherwise be the customer's responsibility
- Gestures of goodwill e.g. vouchers. In such cases, any discretion will be applied appropriately

- If there has been actual, evidenced financial loss incurred as a direct result of our service failure, we will consider the specific circumstances when considering a payment of compensation.

5. When compensation may not be considered under this policy

Compensation may not be considered under this policy in certain circumstances, including:

- Matters involving our liability insurance such as negligence or personal injury
- Customer's own improvements that are unauthorised
- Legal or tribunal cases
- If the service provided met our standards or wasn't requested/reported
- Problems caused by customers, their family, visitors or neighbours for example, damage to property
- Issues caused by third parties such as utility companies
- Short-term construction noise or disruption
- Loss of earnings or annual leave, for example if under the terms of the tenancy agreement customers must allow access to their homes for repairs or inspections to be carried out, which may result in having to take time off work
- Car parking fines or associated penalties
- Matters not related to Hightown and outside of anyone's control, such as severe weather

Customers should make a claim under their home contents insurance, for instance to cover damage from a fire, leak or flood, if the cause of the issue was not due to Hightown, or is not within our responsibility.

6. How to claim compensation

If you think you are owed compensation, you should make a complaint in line with our Complaints Policy. We will review your complaint in line with our policy and keep you updated.

Where a case for compensation is clearly established, it may not need to be processed as a full complaint (unless the compensatee wants this). If, for example, damage is clearly caused by a contractor acting in our behalf and is not disputed, we may consider reimbursing you without the need for you to make a further claim,

7. Responsibilities

Hightown Board	Responsible for approving and supporting this policy, ensuring aligned to regulatory requirements
Executive Leadership Team	Responsible for overseeing and monitoring the implementation and appropriate application of this policy
Customer engagement groups	Responsible for providing feedback on Hightown's approach to compensation
Head of Governance, Risk & Assurance	Responsibility and ownership of the Compensation Policy and related process
Colleagues and contractors	All colleagues should be aware of this policy. Colleagues dealing with complaints and/or compensation must read and comply with this policy.
Customers	Customers should read this policy carefully, along with our Complaints Policy. Customers are also expected to maintain home contents insurance and to use this insurance when appropriate. This policy is not intended to replace or serve as a substitute for such insurance coverage.

8. Equality, Diversity & Inclusion

We will apply this policy consistently and fairly and will not discriminate against anyone.

We aim to provide information that is clear, accessible, and in an appropriate format, such as translated into another language or in large print.

Where appropriate we will assist customers in making a claim for compensation. Our Complaints & Resolution Team will discuss the compensation process with customers who are experiencing difficulties and guide them through the process, for example, clarifying the policy or helping to complete paperwork.

9. Review & Monitoring

This policy will be reviewed on a 3-yearly basis or more frequently in response to changes in legislation, regulatory guidance, good practice or change relevant to other Hightown policies.

Performance in relation to the delivery of this policy will be monitored through established mechanisms to the Executive Leadership Team, Board and associated committees.

10. Related Documents

This policy should be read in conjunction with the code, policies and guidance listed below:

- Complaints Policy
- Equality & Diversity Policy
- Data Protection Policy
- Repairs Handbook [repairs-handbook-2023.pdf](#)
- Decant Process
- Home Ownership Guide

11. Legislation & Regulation

Legalisation and guidance relating to the payment of compensation, includes:

- Housing Ombudsman Service – Complaint Handling code and Compensation Guidance Framework
- Regulator of Social Housing Consumer Standards
- Housing Act 1996
- Home Loss Payments (Prescribed Amounts) (England) Regulations 2007, 2020, 2022
- Right to compensation for Tenants Improvements scheme 2001
- Compensation Guidance Framework
- Land Compensation Act 1973 (as amended)
- Sections 153A, 153B, and 138C from Part V of the Housing Act 1985
- Section 124 of the Housing Act 1988 st
- Statutory Instrument 1944 No.133 Right to Repair Regulations 1994 in force from 1 April 1994
- Equality Act 2010
- The Data Protection Act 2018/General Data Protection Regulations (GDPR)