

Compensation Policy

Policy Owner	Head of Housing
Version	V1
Frequency of Review	Every 3 years
Date Document Last Reviewed	March 2024
Date of Next Review	March 2027
Equality Impact Assessment Required / Completed	N/A
Data Impact Assessment Required / Completed	Not required as it does not change the way in which we process data
Reviewed By	Customer Services / Head of Housing
Approved By	Deputy CEO 31/03/2026

1. Policy Statement

The policy aims to make clear the circumstances under which compensation will be paid to customers. We will ensure fairness and consistency when considering compensation and provide guidance on how and when compensation can be claim

2. Definitions

- 2.1 **Decants or decanting** is the term used to explain the process when customers are required to move from their homes due to works being carried out that cannot be carried out whilst they are in residence. This includes when a customer must move because their home is due to be demolished or disposed of, and when extensive structural or intrusive works are required

3. Policy Scope and Objectives

- 3.1. Compensation may be provided where a complainant has experienced loss, inconvenience, or detriment as a result of the Cottsway's actions, omissions, or service failures. Eligibility will be considered on a case-by-case basis, considering the nature and impact of the issue raised.
- 3.2. It covers both discretionary compensation, which relates to loss, damage, distress and inconvenience or time and trouble due to a failure in service, as well as statutory (obligatory) compensation as a result of home loss due to permanent moves (decants) and disturbance allowance (see decant policy).

4. Regulatory and Legal Considerations

The Regulator of Social Housing (RSH) Tenant Involvement and Empowerment Standard, as set out in the Regulatory Framework, states that registered providers shall:

have an approach to complaints that is clear, simple, and accessible that makes sure complaints are resolved promptly, politely, and fairly. This policy supports that approach.

- Housing Ombudsman Service – Complaint Handling code and Compensation Guidance Framework
- Housing Act 1996
- Home Loss Payments (Prescribed Amounts) (England) Regulations 2023
- Right to compensation for Tenants Improvements scheme 2001
- Compensation Guidance Framework
- Land Compensation Act 1973 (as amended)

5. Stakeholder Consultation

The next review cycle shall include feedback from customers.

6. Policy Details

- 6.1 Cottsway is committed to providing an excellent service to all our customers. However, we recognise that there may be times when our service fails to meet the high standards our customers expect.

If we fail to meet our own service standards or provide a poor service, we will always aim to put things right. We consider all forms of remedy including an apology, demonstration of learning, service in kind (decorating or paint pack etc.) and/or an offer of compensation.

We will aim to take a fair and proportionate approach to compensation awards to ensure we put the customer back in the position they would have been before the service failure occurred. In doing so each case will be assessed on its own merits.

Our approach to compensation will aim to:

- Apologise
- Rectify our mistakes.
- Where appropriate offer an additional service in kind, this is a service above our normal service offer to support the customer, i.e. decorate a room, offer to fit customers cooker, clean carpets, send flowers or gift card etc.
- Where appropriate make a financial offer of compensation in accordance with our policies and procedures, by rent credit or BACs payment.

6.2 Compensation for improvements

We may consider awarding compensation for home improvements to customers whose tenancy has ended, provided the customer has:

- received written permission from Cottsway before starting the work
- allowed a Cottsway surveyor to inspect the works
- the work is in line with Cottsway's approved standards

Cottsway will calculate whether the Tenant may be due compensation in accordance with statutory requirements (see Home Alterations policy).

6.3 Loss of use of the property

Where a failing has led to the loss of use of part or all of the property (meaning they cannot be used for their intended purpose) we'll consider the level of rent charged as a benchmark for the loss of use.

We have adopted the Housing Ombudsman's approach which sets out the percentage we will apply per room for a calculation of compensation based on rent charged.

Room	Percentage of weekly rent
Living room	20%
Bedroom	20%
Kitchen	30%
Bathroom	30%
Bathroom where an additional WC is available	20%

The start date for compensation is the date the customer reported the issue minus the reasonable repair period. The end date is when repairs were completed.

We do not order compensation based on rent for parts of the property such as hallways, landings, gardens, and balconies. Where customers cannot use their garden for prolonged periods of time due to structural issues or build design, we may consider compensation for any distress and inconvenience caused. This will be reviewed on a case-by-case basis.

6.4 Specific Compensation Awards

Compensation will be offered to recognise the non-provision of specific services such as loss of heating and/or hot water, loss of power (within the home) and missed appointments.

Service	Remedy and specific compensation amount	Guidance
Loss of heating and/or hot water	Apology £15 per day for complete loss £8 per day for loss of one service (heating or hot water)	Compensation for loss of heating should not be offered where suitable/alternative heating is supplied. Compensation should be offered after the end of the applicable repair timeframe.

Service	Remedy and specific compensation amount	Guidance
Loss of power	Apology £10 per day for complete loss £10 per week for loss of lighting only	Where a loss of power also affects heating and/or hot water provision, compensation will be offered for both loss of power and heating and/or hot water Compensation should be offered after the end of the applicable repair timeframe
Missed appointments	Apology £40 for two missed appointments as per our chargeable works policy.	Discretion can be used to award £20 per missed appointment if appropriate

We will offer the following compensation amounts for the use of temporary heaters and dehumidifiers to cover additional electricity costs:

Use of dehumidifier/s	£2.50 per unit per day
Use of 2 temporary heaters	£5 per day

6.5 Discretionary Payments

If we fail to meet our published service standards our staff are empowered to put things right. Non-financial remedies can be appropriate and therefore we will *not* offer compensation in every instance.

Compensation may be appropriate to cover distress and inconvenience or time and trouble to demonstrate Cottsway's apologies.

Distress and inconvenience

Examples may include emotional distress, raised expectations due to incorrect information, feeling unfairly treated, delays or poor complaint handling, avoidable delays in repairs, failures to follow procedures, and a lack of responses to calls or correspondence.

Time and trouble

Examples may include failure to properly log or progress complaints, not addressing all concerns raised, and not responding to reasonable contact about important matters. It could also involve repeated missed appointments or incomplete agreed actions, customers reporting the same problem multiple times, generally poor communication or complaint handling, and ignoring reasonable adjustment requests.

6.6 Claiming Compensation

The circumstances of the complaint will be investigated in line with our Customer Feedback and Complaint Policy and, where appropriate, an offer of compensation may be made.

Any offer and/or payment of compensation, which is made solely under the terms of our Compensation Policy and Procedure, in no way constitutes an admission of any liability for any losses incurred by the customers.

Offers of compensation will be evidence led, and we will normally offset any compensation made against any debts owed to Cottsway by the customer.

In addition, where damage has been caused directly as a result of the actions or omissions of Cottsway or contractor working on our behalf, consideration will be given to reimbursement without the need for the customer to make a claim at further inconvenience, and, where the facts are not in dispute.

6.7 Circumstances when compensation will not be considered

There are some instances when compensation may not be awarded which include:

- The fault of a third party i.e. someone not working on behalf of Cottsway. Examples may include a utility supplier for electricity/gas or water.
- Covered by customers' own home contents insurance (as outlined in the tenancy agreement). In addition, we will not pay compensation for customers failure to arrange their own contents insurance, where damage has been caused to personal property.
- A situation which has been caused by the customer (e.g. neglect/lack of action or wilful damage).
- Due to circumstances beyond our control e.g. severe weather event causing flooding or power outages as a result of storms.
- Requests for repair or replacement of fixtures/fittings which are not our responsibility.
- When Cottsway Repairs or our Contractors cannot get into a customer's home, despite having made and kept to an agreed appointment.
- Claims for personal injury. (This policy does not cover claims under our public liability insurance).
- Claims for loss of earnings or holiday entitlement.
- Due to advanced warnings about loss of service or fault, where we complete the work within specified timescales.
- Where a complaint has been previously investigated and closed.

6.8 Payments

Where an offer of compensation is made as part of a response to a complaint for example, payment will be made once the matter of the complaint is concluded.

Compensation will be calculated based on the following guide however we will always consider the individual circumstances in which the incident has taken place. We will take a common-sense approach to payments and ensure awards are fair and proportionate relative to each case:

Minor (up to £100)	Moderate (£100 - £600)	Severe (£600+)
<p>Complaint has been upheld and there has been minor inconvenience or distress caused. Impact has been no more than a reasonable person could be expected to accept, and the compensation is a token in acknowledgement of our responsibility.</p>	<p>Inconvenience and/or distress has clearly been caused as a result of a failure in service. Failure to follow the Complaints Policy, to investigate the complaint or poor handling of the complaint. A repeated failure of a low impact event could result in the impact being increased to a medium impact for example delays to repairs.</p>	<p>A serious failure in service has taken place. This could either be due to the severity of the event or a persistent failure has occurred over a prolonged period of time or an unacceptable number of attempts to resolve the complaint. Payments should consider the level of stress, anxiety, frustration, uncertainty, and inconvenience caused. This will include the severity, length of time, number of people affected and their individual circumstances.</p>

We will not consider discretionary claims made after 6 months of the date of the claim incident.

Authority to approve compensation is provided for in our Financial Regulations.

Offers of compensation will remain valid for 3 months, after which it will be classed as being rejected. If a customer is unhappy with an offer of compensation made as part of a complaint the amount will be reviewed as part of the complaints process.

Compensation payments proposed by the Customers Service Manager will be authorised by another service manager or Head of Service.

6.9 Housing Ombudsman Compensation Awards

The Housing Ombudsman Complaint Handling Code makes provision for awards of compensation where through their enquiries there are:

- actual, proven financial loss sustained as a direct result of maladministration or service failure
- avoidable inconvenience, distress, detriment or other unfair impact of the maladministration or service failure

Factors the Ombudsman may consider when deciding the overall amount include:

- the duration of any avoidable distress or inconvenience
- the seriousness of any other unfair impact
- actions by the complainant or the landlord which either mitigated or contributed to actual financial loss, distress, inconvenience or unfair impact
- the level of rent or service charges
- the landlord's own compensation policies
- the levels of compensation for similar cases paid by other UK Ombudsmen

This policy will therefore take account of any financial awards made by the Housing Ombudsman in regard to complaint handling.

6.10 Statutory Payments

Statutory Home Loss Payment and Disturbance Allowance. Where a customer is required to move permanently by Cottsway, compensation will be paid in accordance with the statutory Home Loss Regulation. This amount is set annually by Government (see Decant Policy for further information).

7. Monitoring and Reporting

7.1 Compensation will be monitored via learning from feedback and Complaints. Regular reports will be provided to the Operational Customer Insight Group (OCIG) and Customer Committee. This will include compensation by:

- Amount of discretionary compensation paid
- Amount of compensation paid for missed appointments
- Number of awards made

8. Equality, Diversity and Inclusion

8.1 In applying this policy, we will ensure that no person or group of persons will be treated less favourably than another person or group of persons on account of any diversity strand.

8.2 We are committed to ensuring equality of access to services across the diverse communities in which we work. We will ensure our customers have fair access to our tenancy services and have clear published policies to support them.

9. Review

- 9.1 This policy will be reviewed every three years or sooner if the need arises either as a result of learning from service requests and complaints or changes in guidance and legislation or recommendations by the Audit and Risk Committee and the business.

10. Associated Documents Policies and Procedures

- Decant Policy/Decant Procedure
- Feedback and Complaints Policy
- Home Loss Payments – Gov.Uk
<https://www.legislation.gov.uk/uksi/2023/803/regulation/2/made>
- Cottsway's Financial Regulations
- Housing Ombudsman guidance for landlords - <https://www.housing-ombudsman.org.uk/landlords-info/guidance-notes/compensation-policy/> <https://www.housing-ombudsman.org.uk/landlords-info/guidance-notes/compensation-guidance/>
- Home Alterations Policy
- Chargeable Works Policy

List of changes

Date	Change
26/03/2026	Interim policy review following new guidance released by Housing Ombudsman Service for awarding compensation effective 1 st April 2026