

Compensation Policy

Policy name	Compensation Policy
Effective from	May 2026
Effective to	May 2028
Approved by	Customer Connect Panel – 7th April 2026 Risk and Compliance Group – 21 April 2026 Customer Services Committee – 14 May 2026
Date approved	May 2026
Policy owner/department	Director of Housing & Customer
Policy author	Director of Housing and Customer
Version number	V2

Version Control

Version	Date	Changes	Reason for the changes	Approver
V2	March 26	Compensation Policy and Compensation Amounts (remedies guidance) updated in line with scheduled review.	New Housing Ombudsman Compensation and Remedies Guidance issued in February 2026	Customer Services Committee

The YHG Plan	
<i>Please indicate where the policy aligns with the YHG Plan</i>	
Passionate people <input checked="" type="checkbox"/>	Efficient business <input checked="" type="checkbox"/>
Safe buildings <input checked="" type="checkbox"/>	Viability <input checked="" type="checkbox"/>
Safe environment <input checked="" type="checkbox"/>	Advocating <input checked="" type="checkbox"/>
Secure and connected <input checked="" type="checkbox"/>	Working in Partnership <input checked="" type="checkbox"/>
	Growth <input type="checkbox"/>

Relevant National Standards or Regulation	Value for Money Standard Rent Standard Decent Homes Standard Transparency, Influence and Accountability Standard Safety and Quality Homes Standard Neighbourhood and Community Standard Tenancy Standard Housing Ombudsman Complaint Handling Code 2024 Housing Ombudsman Compensation and Remedies Guidance
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Relevant Legislation	Social Housing (Regulation) Act 2023 Secure Tenants of Local Housing Authorities (Right to Repair) Regulations 1994 Equality Act 2010 Landlord and Tenant Act 1985 The Defective Premises Act 1972 The Homes (Fitness for Human Habitation) Act 2018 Data Protection Act 2018/General Data Protection Regulations 2016
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Partner Responsibilities	Partners delivering services on our behalf must meet agreed service standards, report issues promptly, cooperate fully with complaint investigations, and provide accurate information to support fair compensation decisions. Where service failures occur due to partner actions, they may be required to contribute to or cover compensation costs. Partners must act professionally, treat residents respectfully, and support service improvement.
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1. Purpose of the Policy

Your Housing Group (YHG) is committed to consistently provide the best possible service to our customers, ensuring that we resolve customer complaints in a timely, fair and transparent way. We recognise that there will be occasions where we do not get things right and the purpose of this policy is to outline the approach, we will take to provide reasonable redress including when considering paying compensation, either as part of a service request or complaints.

This policy outlines how we will provide a fair and proportionate response to managing remedies and compensation to ensure YHG complies with all statutory and regulatory compensation obligations and provides an accountable and fair approach. Each case will be considered on its individual merits and discretion will be applied, while promoting consistency.

2. Scope of the Policy

This Policy applies to all customers of YHG, including tenants, leaseholders, shared owner or service users. It does not apply to members of the public that we do not have a contractual relationship with, claims for personal injury or sub-tenants of a leaseholder.

Customers are responsible for arranging their own household contents insurance under the terms of their occupation agreement e.g., Tenancy or Lease Agreement.

Compensation can be obligatory or discretionary, and paid in recognition of loss or detriment to a complainant. Some compensation is set in a legal framework or through a contractual agreement such as a tenancy or lease agreement.

The aim of providing redress is to restore a person to the position they would have been in, had a service failure not occurred. YHG will consider each case on its merit and other remedies besides compensation payments are available to put things right.

For some cases, YHG will consider other forms of redress, either separately from or in conjunction with an award of compensation, such as an apology as a means of remedying a service failure or complaint and if appropriate practical actions, such as offering to undertake repairs / redecoration which would otherwise be a customer's responsibility and thoughtful compensatory items e.g. chocolates or flowers.

In certain circumstances we recognise that paying compensation is a fair and proportionate redress. The amount will be informed by the duration of a problem, extent or severity of any service failure. There are several remedies available to put a situation right and YHG will consider offering a non-financial or financial remedy when a customer has been adversely impacted due to an action or omission on our part, including:

- inconvenience, distress, or detriment.
- unnecessary time and trouble.
- loss of amenities.
- loss of use of part of a property.
- financial loss.

The right remedy depends on what has gone wrong in an individual case and may include one or more of the following:

- an acknowledgement and apology that things have gone wrong, and the customer and/or household members have been impacted together with an explanation of any shortfalls in service and what we have done/are doing to rectify and learn from this.

- reconsidering or changing a decision.
- repair work or other remedial actions.
- changing a policy, procedure, or practice.

This policy applies to all YHG colleagues responsible for handling and responding to complaints.

3. Definitions

There are different types of compensation which YHG will consider: -

- **MANDATORY** – which YHG has to pay by law or regulation such as statutory home loss and disturbance payments and payments under the Right to Repair Scheme.
- **QUANTIFIABLE** – which YHG can choose to pay to remedy a direct, measurable financial expense incurred by a customer due to a YHG service failure such as increased utility bills, having to pay for alternative accommodation or take away food, paying for cleaning etc.
- **DISCRETIONARY** – which YHG can choose to pay, this will be determined and assessed on each individual case taking all aspects of the issues into account such as time, trouble, distress and inconvenience, ensuring fairness, proportionality and consistency. If we fail to meet our published service standards (where available), our staff are empowered to put things right. Non-financial remedies may be appropriate in the first instance, and we will not offer compensation in every case. Offers made will be in accordance with the amounts detailed in the Compensation Amounts Remedies Guidance.

Time: The duration spent by the complainant in attempting to resolve the issue, including communication with YHG or our contractors and any time taken away from regular activities.

Trouble: The additional effort, stress or difficulty experienced by the complainant.

Inconvenience: The disruption to the complainant’s life or routine caused by the issue, including any associated costs or impact on wellbeing.

Home Loss: Home Loss is a one-off payment made to customers who are required to move permanently out of their principal home. A person is entitled to a home loss payment when they are displaced from their home by compulsory purchase or in the other circumstances specified in section 29 of the Land Compensation Act.

The Home Loss Payment (Prescribed Amounts) (England) Regulations: Instructs on the amount of home loss payments payable in England under section 30 of the Land Compensation Act 1973. The amount of the payment is set by legislation currently by The Home Loss Payments (Prescribed Amounts) (England) Regulations 2017 which is normally reviewed annually.

Right to Repair – Some YHG customers may have the right to claim compensation under a contractual right to repair. This is a term in some tenancy agreements. The Right to Repair covers specific repairs, known as ‘qualifying repairs’, which cost less than £250 and should be completed within a set time limit. The Government sets compensation rates, currently it’s a flat, one-off payment of £10, plus £2 per day (for each day the repair is outstanding) up to a maximum of £50.

4. Consultation

Consultation has taken place with customers, YHG Equality Impact Assessors, Customers and Customer Connect Panel.

5. Background and Context

Your Housing Group (YHG) is committed to consistently provide an excellent service to all our customers. However, we recognise that there are times when our service fails to meet the high standards we have set. If we fail to meet our own service standards or provide a poor service, we aim to put things right. At times this may involve paying compensation.

6. Policy Detail

YHG will ensure that an offer of compensation will be assessed and paid in a manner which is fair, transparent and proportionate. We aim to do this by: -

- Always treating customers with respect and empathy, apologising when we have not met our service standards or got things wrong and take ownership to resolve the issue.
- Working to resolving customer complaints in a consistent, fair and transparent way. When we get things wrong, we will strive to put things right as quickly as we can and this may involve compensation.
- On a case-by-case basis completing an assessment of the details and complexities of the complaint in order to determine the most appropriate level of redress. YHG will consider the level of stress, anxiety, frustration, uncertainty and inconvenience caused. This will include the severity and impact of the service failure, length of time, number of people affected and their individual circumstances.
- Ensuring we are compliant with the Housing Ombudsman Service (HOS) Complaint Handling Code 2024 and aligned to their Guidance on Remedies.

- Fully complying with any HOS order to pay compensation for a service failure or maladministration.

There are three different types of compensation which YHG will consider: -

1) Mandatory Compensation Payments.

These include those made for:

- Home Loss / Disturbance managed under YHG's Customer Relocation Policy.
- Right to Repair.
- YHG will make mandatory compensation payments in accordance with legislation or orders made by the Housing Ombudsman service.

2) Quantifiable Loss Compensation Payments

Where a customer has incurred a quantifiable loss, and where YHG or their contractors are at fault, compensation will be considered for that loss. Examples of quantifiable loss include:

- Increased heating bills due to our failure to complete a repair within our agreed repair timescales.
- Having to pay for alternative accommodation or take away food (only in cases when it has been agreed, with the customer, that YHG aren't able to facilitate a temporary move).
- Paying for cleaning or carrying out repairs where YHG has failed to meet its obligations.
- Damage to customers' personal property (customers will be advised to claim on their contents insurance). We may offer to support the customer, pay a policy excess or consider paying compensation if the damage has been caused directly because of the actions or omissions of YHG or a contractor working on its behalf.
- Damage to internal decorations after repairs where 'make good' works have not been adequately completed.
- Reimbursement of costs incurred because of damage caused by YHG colleagues or contractors.

For compensation to be paid, YHG must agree any such costs have been reasonably incurred and evidence of such loss must be provided such as receipts, photographs or other retained items. Any claim relating to quantifiable loss must be raised within 12 months of the loss being incurred.

Where appropriate, any award will take into account wear and tear, and compensation will not be paid on a new for old basis.

3) Discretionary Compensation Payments

Where there has been a service failure which has caused delay, distress, or inconvenience YHG will consider making a discretionary compensation payment. A discretionary payment may be offered for:

- poor complaint handling
- delays in providing a service e.g. in undertaking a repair
- failure to provide a service that has been charged for
- temporary loss of amenity (like gas, electricity and water) for a period where we have a responsibility for fixing it.
- loss of use of part of the property
- failure to follow policy and procedure
- unreasonable time taken to resolve a situation

YHG recognise that each case needs to be considered on its individual merits. As such we may deal with a compensation request differently where individual circumstances apply. When assessing discretionary compensation, the complaint handler will identify factors to consider in deciding upon the appropriate award of compensation. This could include the duration of the problem and extent or severity of the service failure and its impact on the customer e.g.: -

- **Minor disruption:** A service failure with minimal impact and short in duration with minimal or no financial detriment to the customer.
- **Moderate disruption:** The customer has experienced moderate or financial loss, or there have been repeated low impact service failures
- **Severe disruption:** A serious service failure leading to significant financial, physical and/or emotional impact.

7. Factors YHG may consider when deciding the overall amount of discretionary compensation based on the level of disruption and impact include:

- Has the customer been adversely affected by YHG or their contractor's actions or omissions?
- If a customer has been adversely affected, how and over what period of time?
- What other impact has there been on the customer e.g. distress or inconvenience, time and trouble?
- Does the customer or their family have any known disabilities or vulnerabilities which meant that they were more adversely affected by YHG or our contractor's failings?
- Is it possible to restore the customer to the position they would have been in but for the service failure?

- What does the customer want YHG to do to resolve their complaint?
- Is there an actual quantifiable financial loss – for example, has the customer incurred costs as a result of what happened, or not received payments that they should have?
- Did the customer’s actions or inactions, or those of a third party (for example a resident’s advocate), contribute to what happened in the case?
- Actions by the customer which either mitigated or contributed to financial loss, distress, inconvenience or unfair impact.
- What remedy would be proportionate, appropriate and reasonable in the circumstances of the case?

Other actions may be taken to remedy a complaint either separately from or in conjunction with an offer of compensation. These can include practical actions e.g. offering to undertake repairs or redecoration which would otherwise be a customer’s responsibility and gestures of goodwill.

8. Calculating Compensation

Where we have to consider a number of factors, we’ll follow the Housing Ombudsman Guidance for Landlords [Compensation guidance](#):-

- **Minor / Mild Impact**
 - A minor service failure where we didn’t acknowledge or fix something when the customer first told us about it.
 - The impact of the mistake lasted for a short time, and we’ve fixed the issue quickly without a significant impact on the customer.
 - YHG will use the Housing Ombudsman’s guide of £50 to £100 compensation. This will consider: -
 - Distress, inconvenience, the time and trouble the customer has taken to make a complaint.
 - Disappointment or loss of confidence in YHG.
 - Delays in fixing the issue. Its likely to be a minor service failure where YHG didn’t acknowledge or fix something when the customer first told us about it.
- **Moderate Impact**
 - This may include the things listed above, as well as a service failure where the customer has been negatively impacted and we have failed to put it right.
 - The impact of the mistake is bigger but not permanent, and where the issue lasted longer than should’ve have been expected.
 - YHG will use the Housing Ombudsman’s guide of £100 to £600 compensation.

- **Severe Impact**
 - Where the impact of a mistake has caused the customer a significant physical or emotional impact or has (or will have) a severe long term on the customer e.g. a long time passed before we fixed the issue, an issue that keeps repeating and we've never fully fixed it.
 - YHG will use the Housing Ombudsman's guide of £600 to £1,000 compensation.

- **Severe Long-Term Impact**
 - There was a single significant failure in service or a series of significant failures which have had a seriously detrimental impact on the customer.
 - YHG's response, or lack thereof, made the customers situation worse and further undermined our relationship with the customer.
 - YHG will use the Housing Ombudsman's guide of £1,000+ compensation.

- **Complaint Handling**
 - If it is determined that the complaint was not effectively managed due to shortcomings in regular communication, proactive management, or investigation, we will use the Housing Ombudsman's guide for compensation in relation to complaint handling: -
 - **Minor Failure up to £50** – e.g. the complaint response was delayed by several days, causing minor delay in resolution of the substantive issue or the customer was compelled to chase a complaint response due to a minor delay and lack of update.
 - **Moderate Failure up to £100** – e.g. complaint handling failure which adversely affected the resident and or the complaint response was delayed by more than several days or there were repeated minor delays.
 - **Significant Failure up to £250** – there was a complaint handling failure which had a significant impact on the resident e.g. complaint response actively disregarded sensitive circumstances resulting in a disproportionate response and / or the complaint response was delayed by weeks or months, affecting timely resolution of the dispute.

There were significant errors in the complaint response, resulting in misleading advice, unaddressed complaint, or confusion on the part of the resident.

- In all cases where there has been a service failure by us and a detriment caused, YHG complaint handlers have the discretion to offer compensation as outlined in this policy.
- All financial offers of compensation will be made in accordance with this policy. Any compensation above these limits must be approved by either the Service Manager – Customer Care, Head of Service or Director in accordance with YHG’s Operational Standing Orders.
- 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 claimant.
- Offers of compensation will be evidence led and made solely on belief or probability.

9. There are circumstances when compensation will not normally be considered. These are when it is/relates to:

- The fault of a third party (e.g. utility supplier not working for YHG).
- Where a claim should be made on home contents or building insurance.
- A situation which has been caused by the complainant (e.g. neglect/lack of action or wilful damage).
- Subject to tribunal or legal proceedings, (for example, where there is a Possession Order, or Suspended Possession Order against the complainant).
- Due to circumstances beyond our control e.g. severe weather.
- Requests for repair or replacement of fixtures/fittings which are not our responsibility.
- When contractors cannot access a complainant’s home, despite having made and kept to an agreed appointment.
- When a complainant has been advised of extra works required and has been kept informed.
- Due to advanced warnings about loss of service or fault, where we complete the work within specified timescales.
- Where a customer has unreasonably prevented or delayed resolution of the issue.
- Planned improvement works unless the works took unreasonably longer than expected.
- Damaged items were removed or replaced before YHG could view them or there is no photographic evidence to support the claim.
- Claims for personal injury, these types of claims will be considered by our insurers.
- Loss of earnings or Rental Income.

10. Paying Compensation

- If YHG are offering compensation, we'll pay this into your bank account within 15 working days of receiving your bank details.
- If customers do not have a bank account YHG can credit a customers rent / service charge account or provide vouchers for the compensation value instead of money at the customer's request.
- YHG will normally offset any compensation relating to Discretionary Compensation made against any arrears or debts owed to YHG by the customer. Only compensation in relation to mandatory or quantifiable compensation will be paid directly should arrears be present on the rent account.

11. Responsibilities under this Policy

The Director of Housing and Customer is the responsible Policy Author. The Policy Owner is the Director of Housing and Customer. Complaint handlers are responsible for managing compensation within their complaint and any member of staff can apply this policy in line with the agreed limits as detailed in the Compensation Amounts Procedure - Staff Guidance.

12. Risk Management

There is a risk of compensation payments not being made in a consistent manner. This policy seeks to manage that risk by providing a consistent framework to assess compensation amounts. There are reputational risks to the business in relation to managing complaints effectively

13. Data Protection, Record Storage and Retention

Any claims made under this policy will be managed via our housing management systems, Orchard and CRM. These systems are GDPR compliant. This policy considers any issues of data protection in relation to the processing of personal data under GDPR and is compliant with the Data Protection policy

14. Equality and Diversity

YHG operates an Equality, Diversity and Inclusion policy, and this applies to all aspects of its services. We will ensure that no customer, resident or service user is treated less favourably on the grounds of age, ethnicity, religion or belief, disability, gender, gender reassignment, sexual orientation, pregnancy or maternity, marriage or civil partnership status. This policy, and all related information, can be made available in different formats and languages on request. This policy complies with the requirements of the Equality Act 2010 and has been Equality Impact Assessed.

15. Communication

This policy is published on our website for customers and intranet 'Youzzle' for internal staff.

This policy is a mandatory read for all staff who manage complaints.

16. Learning and Development

This policy will form part of the induction process for any new staff who manage complaints and compensation claims. They are also briefed on any changes made following the bi-annual review.

17. Performance Management of this Policy

Compensation payments will be monitored on a monthly basis through Your Housing Group's Customer Resolution Team and management accounts reported through various governance groups, committees and Board.

18. Review of this Policy

This policy will be reviewed Bi-Annually by the Director of Housing and Customer.

Related Documents

Document Type	Name
Connected Policies and Procedures	Customer Feedback Policy Vulnerability Support for Customers and Reasonable Adjustments Policy Repairs and Maintenance Policy Customer Relocation Policy Data Protection policy Equality, Diversity and Inclusion Policy All other YHG customer facing policies
Forms and Letters	N/A
Leaflets/Publicity Material	N/A
Training Materials Available	Complaints Handling Training
Intranet/ Website Page	

Appendix 1 - Compensation Amounts (Remedies Guidance)

When considering a complaint and associated compensation, YHG will investigate and consider someone’s time, trouble and inconvenience. YHG will look at this by considering the impact of the service failure on the customer as detailed in Section 8 of the Compensation Policy (Calculating Compensation). In addition, the other categories / amounts summarised below will also be taken into consideration.

Category / Topic	Stage 1	Stage 2
Failure to log and acknowledge a complaint on time	£50.00	£50.00
Failure to respond to a complaint in the required timeframe	£100.00	£100.00
Missed Appointments where YHG colleagues or contractors fail to attend an agreed appointment or the appointment is cancelled by us giving the customer less than 24 hours’ notice (per appointment).	£15.00	£15.00
Where there are multiple missed appointments in relation to the same repair, the flat payment will be increased to £20 with respect to the 2 nd and subsequent missed appointment. As an example, if there are three missed appointments in relation to the same repair, the total compensation payable will be £15 plus £20 plus £20 equalling £55.	£20.00	£20.00
Service Failure		
<p>If we have failed to comply with our own Service Standards compensation will be awarded per failure. Should the failure be due to a delay, an amount is awarded per day, up to a maximum award.</p> <ul style="list-style-type: none"> • Repairs: - £5 per day up to a maximum £50 per repair. • Other Service Failures: - up to a maximum of £100. 		
Water Supply – Your Housing Group Fault		
Where YHG fails to provide adequate notice, restore the water supply within our repair’s timeframe and / or fails to deliver bottled water to vulnerable customers, compensation will be paid at £10 a day until the supply is re-instated.		

Loss of use of whole home

If the whole home is rendered uninhabitable, we always aim to offer customers temporary accommodation. If we are unable to do this, we will refund their rent for each day they are unable to live there, while repairs are being completed.

Consideration will be given to an allowance to contribute towards the cost of meals and drinking water. This amount will be determined based on individual cases as per no access to cooking facilities below.

Loss of kitchen / access to cooking facilities

Where the tenant/s lose complete use of their kitchen, YHG will also consider paying an allowance to contribute towards the cost of meals and drinking water.

- **Loss of Kitchen** = 30% of the weekly rent after 24 hrs
- **No access to cooking facilities** = £15 per day per person

Loss of use of any bedroom or living room

Where a room cannot be used, the total rent will be divided by the total number of rooms. Compensation will then be paid as a percentage of habitable rooms. The resulting figure is the amount of compensation for each complete week the room is unavailable.

- **Main Room** - 20% of the weekly rent after 48 hours
- **Subsequent Rooms** - 10% of the weekly rent after 48 hours

Total loss of washing/bathing facilities e.g. baths, showers and sinks

Where customers experience a loss of washing or bathing facilities, we may consider offering a contribution towards the cost of accessing alternative facilities, such as public showers, gyms, or other suitable amenities.

- **Loss of Bathroom – no other WC** - 30% of the weekly rent after 48 hours
- **Loss of Bathroom – separate WC available** - 20% of the weekly rent after 48 hours

Loss of amenities e.g. electricity, heating and/or hot water between 1st October - 30 March. Outside of these dates, we will only consider vulnerable customers for compensation. Examples of 'vulnerable' are those with a disability, elderly, or households with children up to the age of 5.

Where a failure to complete a repair, that is YHG's responsibility, within the agreed timescale, has resulted in the resident not having full use of the utilities for an unreasonable period.

- **Winter Months (Oct-Mar)**
Full loss- £15 per day (after agreed SLA for repair)
Partial loss- £8 per day (after agreed SLA for repair)
- **Summer Months (Apr-Sep)**
£5 per day (Hot Water ONLY after agreed SLA for repair)

Increased utility costs

Failure to complete a repair that is YHG's responsibility: YHG is unable to complete a repair without the use of specialist equipment such as dehumidifiers, or: A customer is advised to use equipment such as a dehumidifier to resolve or remedy a repair.

YHG will compensate for proven additional electricity used.

- **Temporary heater - £7.50 per day per heater.**
- **Dehumidifier - £7.50 a day per unit**

Loss of Food

Loss of perishable items during periods when there is a loss of electrical supply (food in fridges and freezers) will be considered on a case-by-case basis. This payment is only considered when it is the fault of Your Housing Group.

Failure to provide a service which is subject to a service charge

We would not award a payment if reasonable alternative arrangements to cover the service have been successfully implemented, or if only part of the service has not been delivered. e.g. if only one out of three washing machines in a

sheltered scheme fails to be repaired, or if one light in a scheme is not repaired but others remain working, then no compensation would be considered.

If we fail to provide a service which a tenant has told us about, for which they pay a service charge, they may be entitled to receive compensation.

- **Compensation will be the amount equivalent to the cost charged for the service they did not receive. The amount will be deducted from the next years charges and this will be provided to all those affected and not just the complainant.**

Making good decorations or belongings e.g. if they have been damaged or disturbed due to a repair (this is subject to investigation once the repair has been completed)

Where this is the fault of YHG contractors and if it can be proven to be negligence or poor-quality workmanship, compensation will be determined following inspection by YHG. We will also consider depreciation.

- **Between £50 - £100 per room**
- **Evidence of costs incurred may be required**

Incorrect handling of shared owner staircasing

Staircasing is a sale by negotiation and, therefore, a sale by private treaty. This means compensation does not apply in accordance with the law (England/Wales).

However, if the shared owner can demonstrate, on production of receipts and other evidence, they have incurred additional expense due to our non-action, then these costs will also be considered, up to a maximum of £500.

Wrong advice given

Provision of inaccurate or misleading information by Your Housing Group or its representatives, leading to a negative impact for the customer.

- Low Impact £50.
- Significant Impact £100.