

# Broadacres Housing Association Compensation Policy

Document Title	Compensation Policy
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Version	Date	Comments
V1	Nov 2016	New Policy
V2	April 2024	Updated compensation amounts. Removed 'money owed' requirement
V3	April 2026	New Guidance released by the Housing Ombudsman April 2026

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## 1. Introduction

This policy sets out Broadacres' approach to compensation and ensures that the organisation meets its legal and regulatory obligations, also using the Housing Ombudsman Guidance April 2026 to inform our approach. It defines compensation as a payment or gift made when we agree that we have not delivered a service to an acceptable standard, and practical solutions have failed to fully redress the situation.

The aim of this policy is to ensure we provide redress to restore the position our customer would have been in had the service failure not occurred.

It sets out compensation payments into categories and explains in what circumstances payments will be made and reflects that there are three types of compensation payment:

- discretionary payments (for time and trouble/distress and inconvenience)
- mandatory (such as statutory home loss payments)
- quantifiable loss payments (where people can demonstrate actual unavoidable financial loss)

It does not cover events which are covered by Broadacres' public liability, personal injury, or building insurance.

The policy should be read in conjunction with Broadacres' complaints policy and procedures.

## 2. Aims

Providing a good quality service in response to the needs of our customers is a priority at Broadacres. However, we accept that things can go wrong and as a result it may be appropriate to pay compensation.

The policy is set out to ensure that compensation payments are fair and proportionate. We recognise that each case should be considered on its individual merits and that discretion and common sense will be applied, while promoting consistency.

We do not see compensation as a 'quick fix', and we will address the causes of actions and processes that continue to give rise to potential compensation.

To achieve our aims, we will adopt the following guiding principles.

- Each case will be considered on its individual merits, while promoting consistency.
- Compensation should never be offered in place of providing a practical solution.

- Compensation for loss or damage should be quantified and supported by evidence and each claim will be considered on its own merits.
- Compensation will be financial unless another, more appropriate remedy is available.
- Compensation for non-financial losses, such as inconvenience, should be a proportionate reflection of the impact of our actions (or inaction).
- Compensation for non-financial loss should only be considered where there has been an adverse impact on the customer and not just for minor inconvenience or upset when a simple apology would be more appropriate. These can include practical actions (such as offering to undertake repairs or redecoration which would otherwise be a tenant's responsibility) and gestures of goodwill (e.g. vouchers, chocolates, flowers).
- Guidance is provided for colleagues when calculating compensation payments to ensure consistency, fairness and accountability.
- Compensation will not normally be paid in respect of an event that happened more than six months previously unless there are exceptional circumstances.
- A compensation request need not be made as part of a formal complaint.

### **3. Compensation Payments**

Circumstances when compensation may be appropriate: The following circumstances may lead to compensation: (This list is not exhaustive).

#### **Discretionary**

- Delays in providing a service e.g. in undertaking repairs.
- Failure to provide a service that has been charged for.
- Failure to meet target response times.
- Failure to follow policy and procedure.
- Unreasonable time taken to resolve a situation.
- Damage to tenants' fittings or fixtures during repair or improvement work.
- Temporary loss of amenity.
- Poor complaint handling.
- Loss of facilities where a tenant is unable to use part(s) of their home where that loss is the direct result of Broadacres' actions or inaction.

Not delivering a service for which a specific charge is made is covered by our **Service Charge Policy**.

## **Mandatory**

In addition, compensation may be paid for (mainly covered by separate policies):

- Failing to complete certain repairs within set timescales known as 'qualifying repairs' and which is included in our 'Right to Repair' policy.
- Under the 'Right to Compensation for Improvement' scheme (compensation on the termination of tenancy for certain improvements carried out by the tenant) which is included in a separate policy.
- If we ask tenants to move out of their home to carry out major work, we will pay the costs related to moving. If tenants must move permanently, they will also be entitled to a home loss payment, if they have been a tenant for a minimum period of 12 months.

## **Quantifiable loss payments**

Quantifiable loss could include 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. This should come with a caveat that any such costs must have been reasonably incurred, and evidence of such loss has been provided. For example, receipts, bank statements, photos, and written quotes.

### **4. Situations not covered by this policy**

This policy does not cover:

- Claims for damage or personal injury arising out of the alleged negligence of ourselves or our contractors or agents. These will be dealt with through our insurers.
- Claims arising from incidents that would normally be covered by contents insurance, e.g. a burst pipe. Tenants are advised to take out their own insurance; the National Housing Federation works in partnership with Thistle Insurance Ltd to provide the My Home Contents Scheme.
- Claims for damage caused by circumstances beyond a landlord's control (e.g. through storm or flooding).
- Problems caused by a third party not working for the landlord.

### **5. Claiming for compensation**

Claims should normally be made within six months of the incident. Claims can be made by:

- o phoning our Contact Centre on 01609 767900
- o e-mailing us at [info@broadacres.org.uk](mailto:info@broadacres.org.uk)
- o writing to us

Customers can ask someone else to contact us on their behalf, but we would need to confirm in writing that the customer has given their permission before we can give information to anyone else.

**We will reply to claims within 10 working days.**

**6. Compensation for service failure.**

We will consider compensating a tenant where the length of time taken to resolve the problem has been unreasonable or where we have failed to act in accordance with our policies.

When determining the level of compensation to be offered the following aspects will be taken into consideration:

- o the problems caused by Broadacres getting it wrong
- o the length of time it took us to resolve the problem
- o whether those affected have particular needs that were made worse by the situation
- o the difficulties the tenant experienced when making us aware of the issue
- o how quickly and easily the issue was then resolved
- o poor complaint handling

The circumstances of each case will determine whether compensation will be awarded as well as the level of any award. As these circumstances will vary significantly, then any guidelines on the likely range of an award must be broad although the overriding principle is that the amount of compensation awarded must be reasonable and proportionate.

For example, the loss of heating could be compounded by the season or if the customer is elderly, has children or a disability. In addition, the spirit of the policy is that where a customer’s goods or possessions are damaged then the level of compensation should not disadvantage them from the position, they were in prior to the damage or loss.

The following matrix provides guidance on the likely maximum values which could be awarded and the level of impact on the tenant affected by the service failure.

Degree of Impact on customer	Minimal	Low	Moderate	Significant
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Redress	Apology Learning	Apology Learning Up to £60	Apology Learning Up to £240	Apology Learning Up to £600
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In all cases there must be an acceptance that a mistake has been made or that the tenant has just cause to raise the issue by virtue of the treatment received or other circumstances of the case.

Any payment made under this policy will be in full and final settlement of the issue and will be made 'without prejudice' and is not an acceptance of any liability.

The following guidelines will be followed by determining the degree of impact on the tenant, but it is a matter for the Complaints Team or Head of Service to interpret them according to the specifics of each case.

For example, when deciding upon the appropriate award of compensation, we will include the duration of the problem and extent or severity of the service failure. We will account for vulnerabilities and identify if the impact is worsened through disability, old age, or the presence of young children.

**Minor Impact:** Inconvenience or upset where a simple apology would be more appropriate.

**Low impact:** where the tenant has just cause but has not suffered any significant inconvenience as a result of the service failure. The circumstances are such that whilst the required standards were not met, the impact was no greater than a reasonably tolerant person could be expected to accept, and the award constitutes a token in acknowledgement of our failure. Might include distress and inconvenience, time and trouble, disappointment, loss of confidence, and minor delays in getting matters resolved.

**Moderate impact:** where the failure is clearly an injustice to the tenant, and the service has markedly failed to meet the required standards. A repeated failure of Broadacres to address the shortcoming, even of a low impact event, could give rise to consideration of a moderate impact level of award. The failure could have adversely affected the tenant.

**Significant impact:** these relate to a serious failure in service standards. It could either be the severity of the event or a persistent failure over a protracted time or an unacceptable number of attempts to resolve the issue. A significant impact could also apply where, by virtue of the actions or inaction of Broadacres, the tenant has reasonably incurred expenses that are directly related to the issue. Such expenses shall only be considered at the level that is commensurate with the actual issue and will not cover loss of earnings for example.

Some tenants will set impact within the context of their mental and/or physical health and explain that the failure has affected them or exacerbated existing health conditions. We're not qualified to assess

how something has affected a tenant's physical and/or mental health, so we cannot directly quantify this.

However, we may recognise the overall distress and inconvenience caused to the tenant through the severity of the situation, the length of time involved, relevant disabilities or vulnerabilities of the tenant and any other relevant factors.

## **7. Compensation for damage to tenants' fittings or fixtures during repair work**

Whilst carrying out repairs there may be unavoidable damage to tenants' decorations or other fittings or fixtures.

In the case of decorations, we will carry out reasonable redecoration or provide a decoration pack for the tenants to carry out the work themselves.

In the case of other fittings or fixtures, such as floor coverings, we will consider the circumstances of the case and may provide compensation, which could involve repair or replacement by us, our contractors or suppliers. We will not consider compensation if the damage occurs:

- as a result of the original fitting or fixture being incorrectly installed or fitted by the tenant
- to a fitting or fixture that the tenant has installed without obtaining the required permission

We will normally only pay compensation for the area or item affected, for example, if a carpet is laid in more than one room, we will only consider replacing it in the room where the damage has occurred.

If the damage occurs because of the negligence of ourselves or our contractors, then this will normally be referred to our insurance companies. This includes damage to tenants' personal possessions.

However, consideration will be given to reimbursement without the need for the tenant to make a claim at further inconvenience and cost to themselves, and where the facts are not in dispute.

## **8. Damage to tenants' fittings or fixtures during major planned work**

If we carry out major planned work, such as central heating replacement, which is likely to cause damage to tenants' fittings or fixtures, we will try to identify this in advance and discuss with the tenant the options available to minimise the damage. If damage is unavoidable, then compensation may be paid, or a decoration pack issued. If a tenant chooses an option that creates additional damage, they will not receive additional compensation e.g. if a tenant asks for a fireplace to be removed when it could be left in position.

If we are installing new kitchens and bathrooms, we will paint the area affected and offer a replacement floor covering.

## 9. Compensation for loss of facilities

Where a tenant has lost the use of a room within their home as a result of repairs or improvements which are the responsibility of Broadacres, compensation may be payable.

If a room has not been habitable and cannot be used, then Broadacres will pay compensation after a period of 1-week continued loss. The amount of compensation payable will be the equivalent to a percentage reduction on the gross rent charged for each full week the room is unusable. The maximum reduction for rooms will be 40% of the gross rent regardless of how many rooms are unavailable to use. Clearly the limit does not apply where the home is no longer available due to the event.

The table below shows which facilities we may compensate for if lost and does not extend to loss of gas supply, electricity or water to the property as Broadacres is not responsible for the supply of these utilities.

Compensation of Facilities	
Room	% reduction
Total loss of heating	30%
Total loss of hot water	30%
Kitchen	30%
Bathroom	30%
Bathroom (when additional WC available)	20%
Living Room	20%
Bedroom(s)	20% each

Where the loss is due to planned works agreed with the tenant, compensation will not be considered unless the work has taken unreasonably longer than originally promised.

## 10. Payment of compensation

Compensation may be provided by:

- decoration packs, or
- repairing the damage or replacing an item, or
- credit to rent or other accounts, or
- BACS payment

11. **Appeals** - Any dissatisfaction with the operation of this policy will be dealt with through Broadacres Complaints Policy.