Registered office: Bradmere House, Brook Way, Leatherhead, Surrey KT22 7NA
www.transformhousing.org.uk | info@transformhousing.org.uk
Registered charity: 264133 | **Company limited by guarantee registered in England and Wales:** 01057984
Registered provider of social housing: H2452 | **Registered with Ofsted**: 2791302

Policy

Compensation

Policy author (name and title)	Director of Client Services
Executive approval date	9 March 2026
Board / Committee approval date	
Review Frequency	3 years (or sooner, in response to legislative, regulatory or policy changes)
Next review date	March 2029
Version number	1.2
Has this policy been signed off by the Client Forum (if applicable)?	23 April 2026
Affected	All staff

Values

Respect	**Empowerment**
▪ Value diversity and fairness ▪ Act with honesty and integrity ▪ Treat people with care and compassion	▪ Support the needs of each individual ▪ Encourage personal development and independence ▪ Provide safety, stability and security
Responsibility	**Excellence**
▪ Work together, in partnership ▪ Take responsibility for our actions ▪ Continue learning and improving	▪ Provide a first-class service ▪ Deliver excellent value for money ▪ Explore innovative ways of working

Contents

1. Introduction 1
About this policy 1
2. Related Policies 1
Other policies that support this Compensation Policy 1
3. Legislation and Guidance 1
The laws and rules we have to follow 1
4. Definitions 1
How we define compensation 1
5. Exclusions 3
There are some things we will not pay compensation for 3
6. Other Remedies 3
Other ways we might put things right 3
7. Our approach to compensation 4
How we deal with compensation 4
8. Calculating Compensation 5
How we will work out the amount we offer you 5
9. Making your payment 7
How we will give you your payment 7
Appendix 1 – Compensation Policy Flowchart Summary 9

1. Introduction

About this policy

1.1. This policy aims to make sure that we put things right in a fair way and in line with your circumstances, where something has gone wrong. We will aim to fix something so that you can be in the position you would have been in if we had not made a mistake.

1.2. There are a range of different solutions and remedies we will offer to put things right. One of those ways is to offer financial compensation and this policy sets out how we will do that where it is the most appropriate remedy. You do not need to make a formal complaint to ask us for compensation for something.

2. Related Policies

Other policies that support this Compensation Policy

2.1. This policy deals specifically with compensation we may offer where we have not met our own service standards. This includes where contractors have not provided a service to the level we expect.

2.2. When we are dealing with compensation, we may also use these other policies and procedures to help resolve the issue:

a. Complaints
b. Unacceptable Behaviour
c. Reasonable Adjustments
d. Vulnerability

3. Legislation and Guidance

The laws and rules we have to follow

3.1. We have to follow the law as it is set out in the Equality Act 2010. We may need to adapt our normal policies, procedures, or processes to meet your needs.

3.2. We also follow the rules from the Housing Ombudsman Scheme in their Complaint Handling Code, and the Regulator for Social Housing, in their Economic and Consumer Standards.

3.3. For compensation related to homes supplied via heating networks we will also consider the recommendations and expectations of Ofgem and the Energy Ombudsman.

4. Definitions

How we define compensation

4.1. There are three different types of compensation:

a. Compensation we have to pay by law (“mandatory payments”)
b. Compensation we can choose to pay (“discretionary payments”)
c. Compensation where you have spent money already (“quantifiable loss payments”)

4.2. Compensation we have to pay by law:

a. **Home loss** – We will make this payment to you when you have lived in your home for 12 months or longer and we need you to move out permanently through compulsory

purchase or because we need to redevelop or demolish the building. The Government decides how much we have to pay. At the time of writing this policy the figure is a minimum of £7,800. You can find more information about this here.

b. **Disturbance** – We will make a Disturbance payment at two different times. Either:
   - We need you to move out permanently and you have lived in your home for less than 12 months, or
   - We need you to move to another home temporarily while we carry out some works, but you can move back home when we have finished them. This is for planned moves and will not be applied when we move you because something went wrong unexpectedly.

   We will offer you an amount to cover reasonable moving costs and we will agree this with you before you move.

4.3. Compensation we can choose to pay

When we have not done something in the way we should have, or we have not done something at all when we should have, we may offer you some money as part of our offer to put things right. Some examples of where we might do this are:

a) When we have not handled your complaint properly
b) When we have taken longer to do something than we should have, like fix a repair or contact you when we said we would
c) When we have charged you for something, but we have not delivered that service
d) When you have lost an amenity (like gas, electricity or water) for a period of time where we were responsible for fixing it
e) When you haven't been able to use part of your home
f) When we have not followed our policies or procedures properly
g) When we have taken an unreasonable amount of time to resolve a situation
h) When a colleague or a contractor has accidentally damaged something in your home and there is clear evidence where we all agree it was our mistake

4.4. Compensation where you have spent money already

If an issue that we are responsible for means you had to pay for extra items or services, we can pay you this money back. Some examples of this are:

a. When your heating bills have cost more because we haven't fixed something
b. When we agree you had to pay for somewhere else to stay, or for food and drink, and we didn't help with this
c. When you had to pay for cleaning after large scale repairs because we did not do it to a good standard
d. When you had to pay someone else to fix something because we did not repair it after you reported it to us
e. Where you have paid more rent than you should have
f. Where we agreed we would pay for some work, but did not.

In all of these situations the cost must have been reasonable, and you will need to show us receipts for the costs you had to pay.

4.4.1 We will not usually pay interest on these payments. We may consider this in cases where we didn't reimburse you for at least 6 months, or the actual money you lost was more than £1000. If we do pay interest, we will use the average Consumer Price Index (CPI) for the time frame the money relates to. CPI is a figure the Government sets.

4.4.2 We will always ask you to send us evidence of the costs you have paid, such as receipts or copies of bills. Where you do not have this evidence, we will calculate any compensation on a balance of probabilities where we may pay you an amount that it is reasonable to assume you had to spend.

5. Exclusions

There are some things we will not pay compensation for

5.1. We will not make a payment for:

a. **Claims for personal injury** – These types of claims will be considered by our insurers. If you think we are responsible for a personal injury to you including a negative impact to your mental health, you can make an insurance claim against us

b. **Damage to property or belongings** – Where something has been damaged and there is no evidence it was caused by us or our contractors, we will not pay compensation for the damage. You can make an insurance claim for this against your own contents insurance policy.

c. **Removal of Belongings** - We may agree extra time for you to remove some items from your home after you move out. We will not offer compensation for those items if you do not move them in the time we agree and we have to clear them for you.

d. **Claims for damage caused by something beyond our control** – for example if there is a storm or a flood which impacts you, we will not offer compensation because we cannot control those types of things.

e. **Problems caused by a person or company that were not working for us** – We will only consider compensation where our own colleagues or our contractors are responsible for any issue.

f. **Record Keeping Errors** – If we have made a mistake in our record keeping we will not compensate you for that specific mistake. Instead, we will consider the overall impact any record keeping errors had in terms of any distress or inconvenience this mistake may have made, or the time and trouble it may have caused you.

g. **Making a Complaint or Service Request** – We will not compensate you for the time and trouble it takes you to raise a service request or a complaint.

h. **Loss of wages or holiday entitlement from work** – We will not pay compensation for time you take from work for a repair appointment, for example. We will also not compensate for time you may take off from work because of the impact of things like noise nuisance from a neighbour. We may, however, consider compensation more broadly, such as the distress and inconvenience of repeat failed appointments that were our fault.

i. **Loss of opportunity** – Where a client feels they have lost out on an opportunity of something because of actions we have or have not taken, we will not compensate for this.

j. **Prior Notice** – We will not reimburse costs you have incurred for works in your home, where you have not given us notice they need to be completed or given us reasonable time to complete them.

6. Other Remedies

Other ways we might put things right

6.1. We might put things right for you in different ways instead of offering you compensation, depending on the situation. These include:

a. Making a sincere apology

b. Redecorating part of your home when we would usually ask you to do this
c. Offering you vouchers or a goodwill gesture
d. Paying for some support for you for a period of time
e. Supporting you to move home if a situation is serious enough and we cannot fix it another way.

7. Our approach to compensation

How we deal with compensation

7.1. Where something has gone wrong, we will recognise that and take responsibility for any errors we have caused.

7.2. Where we offer compensation, we will make sure it is fair and proportionate. Any offers we make will consider your circumstances and the impact it has had on you.

7.3. We will consider each case based on what has happened and the impact it has had on you. This will include:

- how serious the situation is,
- how long it has been going on, and
- relevant disabilities or vulnerabilities you have that might have made it worse for you, that we should have considered sooner.
- any other relevant factors

7.4. We will make a decision on your compensation within 10 working days. This will form part of your complaint case where you have logged a formal complaint with us. If you have not logged a formal complaint, we will start the 10-working day timeframe from the day you send us all the information we need to be able to make a decision.

7.5. We will tell you clearly what we are offering you and exactly what it is for. We will tell you what you need to do to accept or decline the offer. If you accept it, we will tell you how and when we will pay you. If you decline it, we will tell you what your next options are, if there are any.

7.6. If something has gone wrong that affects more than one household, we will offer compensation to everyone that is affected. For example, if you have no hot water for longer than is reasonable where it is our responsibility to fix it, and more than one person in your area is affected, we will offer compensation to everyone, not just the person that reported it.

7.7. If you are not happy with the amount of compensation we offer, you can appeal this in the following ways:

a. If you have asked us for compensation outside of a formal complaint case and you are not happy with our offer, you can make a formal complaint, and this will be reviewed as part of that process.
b. If you have a formal complaint at stage one and you are not happy with any offer, you can escalate your complaint to stage two.
c. If you have a formal complaint at stage two and you are not happy with any offer, you can escalate your complaint to the Housing Ombudsman.

For b and c above, please see our complaints policy for more detail.

8. Calculating Compensation

How we will work out the amount we offer you

8.1. Where there are a number of things for us to consider, we will follow the Housing Ombudsman's guidance as below. This approach may be used instead of or as well as specific compensation values detailed further down in this policy.

a. Service Failure (Minimal Impact)
Where the issue happened over a short time, caused minimal inconvenience, time and trouble, and did not affect the overall outcome for you we will apologise and learn from our mistakes. We will not offer financial compensation in these cases.

b. Service Failure (Low Impact)
Where the impact of the issue lasted for a short time and we have fixed it quickly without a significant impact on you, we will use the Housing Ombudsman's guide of up to £100 compensation. This is likely to include distress, inconvenience, the time and trouble you have taken to make a complaint, disappointment, loss of confidence in us, unfair treatment or delays in fixing the issue. It is likely to be for a minor service failure where we did not acknowledge or fix something when you first told us about it.

c. Maladministration (Moderate Impact)
Where the issue negatively affected you; we did not acknowledge our mistake and try to put it right, or we did try to put it right but didn't acknowledge the impact it had on you we will use the Housing Ombudsman's guide of up to £600 compensation.

d. Maladministration (Significant Impact) Where an issue has caused you a significant physical or emotional impact or has (or will have) a long-term impact on you, we will use the Housing Ombudsman's guide of more than £600 compensation. This is likely to include things like substantial work to put things right. The issue might have been going on for a long time, or it could be an issue that keeps repeating and we have not fixed it fully yet.

e. **Severe Maladministration (Severe Long-Term Impact)**
Where we are responsible for serious failings, there was one significant issue or a series of significant issues that had a seriously negative impact on you; our attempts to fix things made the situation worse for you; we repeatedly failed to provide a service, put things right for you or learn from our mistakes; or our failures built up over a long time period, we will use the Housing Ombudsman's guide of more than £1000.

8.2 **Loss of use of the home**
Where something has happened that means you are not able to use a part of your home, we may consider compensating you as a percentage of your weekly rent. This is not a rent rebate, and it does not matter how your rent is paid. We will only do this where we have not provided alternative accommodation. This will be relevant only to a bedroom, kitchen, living room, bathroom and toilet. It will not include outside areas, communal areas, or spaces which connect the rooms listed such as hallways or landings. We will calculate this level of compensation as below:

Room	Percentage of weekly rent
Living Room	20%
Bedroom (per used bedroom)	20%
Kitchen	30%
Bathroom	30%
Bathroom where a spare toilet is available	20%
Whole home (where alternative accommodation not offered)	100%

8.3 **Specific Compensation Amounts**

In some circumstances we will offer a set amount of compensation where we are at fault. We will aim to provide you with an alternative heating supply for the duration of any issues and consider compensation of any additional costs this might incur. Where we cannot do this, we will compensate as below.

8.3.1 Loss of heating and hot water.

For homes with their own heating supply we will follow the Housing Ombudsman's guidance: Where your heating and/or hot water fail because of something we are responsible for, and we have not restored them within our service standards we will apologise and pay £15 per day outside of our service standard for complete loss of both services. We will compensate £8 per day if you have only lost one service completely.

Where the loss means you cannot use a certain room, we will use the rent percentage calculation in 8.2, above. If you pay for your heating and hot water through a service charge, we will calculate your compensation by the level of your service charge and not by the £15 or £8 figure.

For homes supplied via a heat network:

For homes that are supplied via shared communal boiler; or a heat network we will follow Ofgem and Energy Ombudsman's guidance:

We will apply Ofgem's Guaranteed Standards and compensate at a rate of £45 per day for prolonged interruptions in line with the Heat Trust's recommended levels. This will be capped at £720.

Where there are repeated or serious failures we will create a Performance Improvement Plan to fix ongoing issues, giving you clear actions and timeframes for improvement.

8.3.2 Loss of power

Where you do not have power to your home because of a fault we are responsible for, and we have not restored it within our service standards we will apologise and pay £10 per day outside the service standard for a complete loss of power. Where the failure relates only to your lighting, we will pay £10 per week.

Where the loss means you cannot use a certain room, we will use the rent percentage calculation in 8.2, above. If you pay for your power through a service charge, we will calculate your compensation by the level of your service charge and not by the £10 figure.

8.3.3 Missed Appointments

Where we have agreed an appointment time with you (either in your home, at our office or elsewhere), but we do not attend, we will apologise and pay £15 per missed appointment when:

a) We did not give you reasonable notice that we would not be able to attend
b) We arrived but the appointment could not go ahead because we did not make any agreed adjustments with you (such as two people visiting or arranging a translator or interpreter).
c) We were late by 2 hours or more and you were not able to meet us.

If there is a valid reason we could not attend, such as staff sickness, we will not compensate for the missed appointment.

8.4 **Compensation for Complaint Handling**

Sometimes we might make a mistake when we receive or handle your complaint. This might include taking longer to respond than our Complaints Policy says we will, improper refusal to open a complaint case, not responding to all points in your complaint definition, time you might spend chasing our response, unprofessional or unsympathetic complaint responses, delays to fixing the original issue because of our complaint handling, or not following the Housing Ombudsman's Complaint Handling Code. Where this is the case we will consider compensating you for this as below:

a) Service Failure (Minimal Impact)
Where the failing was short term and caused minimal impact and inconvenience, or where we acknowledged an error but did not say sorry, we will apologise and learn from the outcomes.

b) Service Failure (Low Impact)
Where we made a minor error in handling your complaint but did not acknowledge, apologise or put it right fully, or where we made an offer of compensation that did not reflect the situation, we will use the Housing Ombudsman's guide of up to £50

c) Maladministration (No Permanent Impact)
Where we failed to handle your complaint properly and this had a negative impact on you; where we did not acknowledge a complaint handling failure, did not try to put something right, or tried to put it right but did not acknowledge the impact on you we will follow the Housing Ombudsman's guide of up to £100

d) Severe Maladministration (Significant Impact)
Where we failed to handle your complaint in a way that had a significant negative impact on you and what we need to do to put it right is substantial, we will follow the Housing Ombudsman's guide of up to £250.

9. Making your payment

How we will give you your payment

9.1. If we are offering you compensation that we have to pay by law (mandatory payments) or giving you money back that you have already paid out (quantifiable loss payments), we will pay this into your bank account if you have one. We will make this payment within 20 working

days once we have your bank details. If you do not have a bank account, we can credit your rent account or we can offer you vouchers instead of money at your request.

9.2. If we are offering you compensation as part of putting something right (discretionary payments) we will pay this direct into your bank account if you have one. We will make this payment within 20 working days once we have your bank details. If you have a debt on your rent account or you owe us money for anything else, you can ask us to credit your compensation against your debt.

Appendix 1 – Compensation Policy Flowchart Summary

Compensation we must pay by law

Where we owe you compensation that we must pay by law, we will confirm this with you and pay it in to your bank account within 20 working days of you giving us your details.

Compensation for money you already spent

Where you ask us for compensation for money you have already spent, we will decide if we made a mistake within 10 working days.

If we are paying you back, we will pay this into your bank account within 20 working days of you giving us your details.

Compensation for things that went wrong

We will consider remedies as part of every complaint case, this includes considering compensation. We will also consider compensation outside of a formal complaint case where you have asked us to. We will decide both cases in 10 working days.

We will confirm if the issue is something we pay compensation for, or if you need to make an insurance claim.

→

Where we consider the issue under the compensation policy, we will check all the information to confirm if we have made a mistake.

↓

Where something has gone wrong, we will consider:

- how serious the situation is,
- how long it has been going on
- any disabilities or vulnerabilities you have that might have made it worse
-

→

We will tell you what we will do to put things right. This might not be by paying you money.

If we are paying you, we will tell you how much we're offering and exactly what it is for.

↓

We will ask you to send us your bank details so we can pay the money direct into your bank account.

We will process the payment within 20 working days of receiving your details.

→

If you're not happy with an offer you can create a complaint case if you haven't already, or escalate an existing complaint.