



# Compensation & Remedies

## 1. Background

Abbeyfield The Dales Ltd (ATD) is committed to being a fair and responsible landlord and housing provider. We want residents, families, and staff to have confidence that when things go wrong, we will put them right.

This policy sets out how ATD will approach compensation and other remedies where a resident has experienced loss, inconvenience, or poor service. Its purpose is to:

- Provide clear guidance on when and how ATD will consider compensation or remedies.
- Ensure residents are treated fairly, consistently and proportionately.
- Distinguish between mandatory, quantifiable, and discretionary payments.
- Offer remedies beyond financial payments.
- Demonstrate compliance with Housing Ombudsman expectations and, where relevant, the Regulator of Social Housing.
- Provide clarity for residents, staff, trustees, and volunteers

## 2. Objectives

ATD is committed to providing services that enhance the quality of life for older people and developing services that will meet the needs of future generations. This commitment is based on the Mission and Values of ATD. ATD will also comply with all relevant and current legislation.

The aim of this policy is to:

- to set out the circumstances in which compensation and goodwill payments may be made
- to increase resident satisfaction by reasonably compensating for losses suffered where the circumstances merit it to focus resources on preventing an occurrence of the event leading to compensation.

## 3. Scope

This policy applies to all residents, tenants, licensees, and service users of ATD. It also applies to staff, trustees, and volunteers involved in decision-making.

## 4. Policy

ATD does not have fixed compensation or goodwill payment amounts. Accordingly, each case will be considered on its merits.

On identification of a case which may give rise to a compensation or goodwill payment, the Chief Executive will agree an appropriate level of payment having regard to all the circumstances.

### 4.1. Circumstances in Which Compensation Will Be Issued

Compensation may be considered where ATD has:

- Failed to meet its statutory or contractual obligations.
- Failed to deliver services to the expected standard.
- Taken decisions that result in loss or inconvenience to residents.
- Demonstrated poor complaint handling or excessive delays.

Examples include (but are not limited to):

- Failure to carry out repairs within agreed timescales.
- Loss of essential services within ATD's control.
- Unreasonable delays in restoring services.
- Time and trouble spent pursuing a justified complaint.
- Closure of a house or home where residents are required to move.

## **4.2. Categories for Compensation**

### **4.2.1. Mandatory Payments**

Where required by law or regulation (e.g. Home Loss payments, Disturbance payments, Right to Repair scheme for Registered Providers).

### **4.2.2. Quantifiable Loss Payments**

Where residents incur financial loss that can be evidenced (e.g. out-of-pocket expenses, additional heating or electricity costs, damage caused by ATD or its contractors).

### **4.2.3. Discretionary Payments**

goodwill payments for distress, inconvenience, poor service, or time and trouble in pursuing a complaint.

### **4.2.4. Other Remedies**

Such as apologies, practical support, or service improvements.

## **4.3. How Compensation Will Be Calculated**

Compensation will be assessed on a case-by-case basis, considering:

- The type of payment (mandatory, quantifiable, discretionary).
- The scale of impact on the resident (financial, practical, emotional).
- The duration of the failure or disruption.
- Evidence provided by the resident (receipts, bills, photographs, etc.).
- Any vulnerabilities (e.g. disability, frailty, young children).

Benchmarks:

- Fixed sums may apply for some situations (e.g. missed appointments, loss of heating or hot water).
- The Housing Ombudsman's Remedies Guidance and financial remedy tables will be used as a benchmark.

Awards may be categorised as:

- Minor – short-term inconvenience or low-level impact.
- Moderate – more significant service failure or sustained impact.
- Severe – major impact on health, wellbeing, or security.

Where damage has clearly been caused by ATD or its contractors, reimbursement will be made without unnecessary burden on the resident.

## **4.4. Situations Where Compensation Will Not Be Considered**

Compensation will not normally be offered for:

- Personal injury claims – these should be pursued through the courts or appropriate legal channels.
- Damage caused by events beyond ATD's control (e.g. storms, flooding, national power outages). In such cases, ATD will rely on its building insurance to cover repairs to the property. Residents are expected to hold their own contents insurance for personal belongings. ATD will support residents in making claims where appropriate, but direct compensation will not normally be paid.
- Damage caused by third parties not acting on ATD's behalf.

- Where the residents' own negligence or breach of tenancy/licence has caused the problem.
- Where loss is already covered under an existing ATD service or insurance arrangement (to avoid double payment).
- No payment for material damage will be made if the loss is covered by contents insurance provided by ATD.
- No payment will be made where the fault is caused by a third party or is something ATD has no control over or where the incident was caused by the negligence of the resident or the failure to comply with the terms of their tenancy or licence agreement.

#### **4.5. Remedies Other Than Compensation**

Financial compensation is one option, but ATD may also offer:

- A full or partial refund of rent, service charges, or fees.
- Practical assistance (e.g. help with alternative accommodation, replacement of lost items).
- Apologies or written acknowledgements.
- Service improvements to prevent recurrence.

#### **4.6. Payment For Compensation**

- Compensation will normally be paid directly to the resident.
- In limited circumstances, and only with the resident's consent, ATD may agree to offset a payment against rent arrears or other debts.
- Any such offsetting will only be considered where it is in the resident's best interests and does not undermine the purpose of the compensation award.
- All payments made under this policy will be in full and final settlement of the issue, and without prejudice.
- Right to repair compensation will be paid in accordance with HCA guidance.
- Goodwill payments may be issued to tenants and licensees on the closure of a house or home on grounds of non-viability. The amount of such payment is subject to review by the Board and will follow HCA guidance / good practice as appropriate.
- ATD will pay compensation where ordered by the Independent Housing Ombudsman (Note: following the consideration of a complaint). ATD will consider paying compensation where recommended to do so by the Local Government Ombudsman.
- A compensation or goodwill payment is deemed appropriate in a service where care is provided, and the resident has sustained an injury due to the care delivered; that any compensation or goodwill gesture does not absolve us from our Duty of Candour obligation.

### **5. Finance, Value for Money & Social Value**

Wherever a claim for compensation or goodwill payments is approved, ATD will aim to expedite the payment or other action as soon as is possible. This will ensure the claimant feels satisfied with their treatment by the organisation.

It is important that the organisation is seen as a good landlord and payments should be made in a manner which reflects this. Payments should be prompt and in full. This saves additional administrative and financial costs and is good practice.

### **6. Supported Appendices**

Appendix 1: Compensation & Remedies (Staff/Trustee Reference)

Appendix 2: Compensation & Remedies Checklist

## **7. Linked Policies**

Comments, Compliments & Complaints (LG006P)

Gifts, Wills & Legal Matters (LG021P)

Major Works & Decant (R006P)

Home Loss & Disturbance (R009P)

Tenancy Management (R017P)

Duty of Candour (C031P)

Delegation of Authority (LG014P) - The DOA policy sets the approval limits.

Note: policy is relevant where compensation or a goodwill payment is deemed to be an appropriate means of resolving a complaint.

## **8. Legislation/Regulation**

[National Housing Federation, Code of Conduct \(2012\)](#)

## **9. Review**

Every 3 years, subject to any regulatory or legislative updates.

## **10. Procedure/Guidance**

N/A

## Compensation and Remedies (Staff/Trustee Reference)

### 1. Using the Ombudsman's Remedies Guidance

- Always start with the **impact on the resident**, not just the service failure.
- Consider severity, duration, and resident vulnerability.
- Awards should be proportionate: small failures = low payments; severe failings = higher payments.
- The Housing Ombudsman allows a **range of remedies**, including apologies and service improvements, not just cash.

### 2. Example Financial Ranges (Based on Ombudsman Benchmarks)

Category	Typical Range	Example Situations
Minor impact	£50 – £250	Short delays in repairs; poor communication; time & trouble in making repeated contacts; missed appointment without significant impact.
Moderate impact	£250 – £700	Repeated failure to meet service standards; avoidable inconvenience lasting weeks; temporary loss of heating/hot water; complaint handling failures causing stress.
Severe impact	£700 – £2,900	Serious and prolonged failures; major disruption to daily life; health/wellbeing risks; closure/move of home; repeated failure to act despite evidence.
Exceptional impact	£3,000+	Rare – usually linked to long-term harm, vulnerability, or multiple serious failings. Should only be considered where Ombudsman precedent supports it.

### 3. Fixed-Sum Examples (Statutory or Policy-Based)

- Right to Repair (Registered Providers only): £10 per day (capped at £50) for certain urgent repairs not completed within statutory timescales.
- Missed appointment by contractor: typically, £25 – £30 (can be set locally, but must be consistent).
- Home Loss payment (statutory, where applicable): Currently £8,100 (set nationally, updated annually).
- Disturbance payment (statutory, where applicable): Actual reasonable costs of moving, reconnection fees, etc.

### 4. Fixed-Sum Examples (Statutory or Policy-Based)

When deciding whether to award compensation, consider:

- Severity & duration of failure.
- Resident vulnerabilities (frailty, disability, young children).
- Evidence available (receipts, bills, photos).
- Efforts to resolve – did ATD act promptly once aware?
- Learning & prevention – can a service improvement be offered instead of, or in addition to, financial payment?

## 5. Illustrative Case Examples (from Ombudsman decisions)

- Heating loss for 2 days in winter → *Minor* (£75–£150).
- Heating loss for 3 weeks, no temporary heaters provided → *Moderate to Severe* (£500–£1,200).
- Complaint delayed by 1 month → *Minor* (£50–£100).
- Complaint unresolved for 6 months with repeated poor communication → *Moderate to Severe* (£400–£900).
- Resident required to move due to closure of house → *Severe* (often £1,000+).
- Multiple serious failures leading to long-term distress and health impact → *Exceptional* (£3,000+).

## 6. Illustrative Case Examples (from Ombudsman decisions)

- Keep a written record of all compensation decisions (amount, reason, category).
- Show how Ombudsman guidance was applied.
- Report compensation awards to trustees/board at least annually for oversight.

## Compensation & Remedies Checklist

### Step 1: Identify the Issue

- What service failure, loss, or inconvenience has occurred?
- Has Abbeyfield The Dales Ltd (ATD) acknowledged responsibility?

### Step 2 – Categorise the Payment

- Mandatory – required by law/regulation (e.g. Home Loss, Disturbance, Right to Repair).
- Quantifiable loss – financial costs directly incurred and evidenced (e.g. receipts, bills, damages).
- Discretionary – goodwill payments for distress, inconvenience, or complaint handling failures.
- Other remedies – apology, service improvement, practical support.

### Step 3 – Assess the Impact

- How severe was the impact?
- How long did it last?
- Were vulnerable residents particularly affected (e.g. frailty, disability, financial hardship)?

### Step 4 – Gather Evidence

- Has the resident provided evidence (e.g. receipts, bills, photos)?
- Has ATD gathered internal records (repair logs, correspondence, complaint files)?

### Step 5 – Calculate the Remedy

- Apply fixed sums where relevant (e.g. missed appointment payments, loss of heating/hot water).
- Use the Housing Ombudsman’s Remedies Guidance and financial remedy tables as benchmarks.
- Categorise outcome as:
  - Minor – short-term, low impact.
  - Moderate – sustained inconvenience or service failure.
  - Severe – major impact on health, wellbeing, or security.

### Step 6 – Offsetting & Fairness

When considering whether compensation can be offset against arrears or other debts:

- Check arrears/debt – Does the resident owe rent or other sums to ATD?
- Purpose of remedy – Would offsetting reduce or cancel out the intended benefit of the remedy?
  - (e.g. if the award was for distress/inconvenience, offsetting may undermine its purpose).
- Hardship risk – Would offsetting cause financial hardship or leave the resident worse off?
  - If yes → payment must be made directly.
- Split approach – Is a fair balance possible? (e.g. part offset, part direct payment).
- Transparency – Has the decision and reasoning been explained clearly to the resident?

Ombudsman expectation: Compensation must achieve its purpose as a meaningful remedy. Offsetting against arrears is only appropriate if it does not cause hardship and does not undermine the award’s intent.

### Step 7 – Record & Communicate

- Has the decision (including rationale) been recorded in writing?
- Has the resident been notified clearly, with an explanation of how the amount was calculated?
- Have they been signposted to the complaints process or Housing Ombudsman if dissatisfied?

## Step 8 – Decision Record

- Remedy agreed: \_\_\_\_\_
- Category: Mandatory / Quantifiable / Discretionary / Other.
- Amount (if financial): £ \_\_\_\_\_
- Reasoning (link to Ombudsman guidance): \_\_\_\_\_
- Decision reviewed/approved by: \_\_\_\_\_
- Date: \_\_\_\_\_

Compensation and remedies must be fair, proportionate, and restore confidence in Abbeyfield The Dales Ltd as a responsible landlord. Where in doubt, apply the Ombudsman’s Remedies Guidance and err on the side of fairness.