



Compensation Policy

Introduction

Irwell Valley Homes (IVH) Complaints and Compensation Policies are aligned to the Housing Ombudsman Services (HOS) Complaint Handling Code. The purpose of this Compensation Policy is to outline the circumstances under which compensation may be awarded to residents based on the Housing Ombudsman's Compensation and Remedies Guidance. The Policy aims to ensure that compensation is fair, transparent, and consistent with the principles outlined by the HOS.

Policy

1.0 Purpose

- 1.1 This Policy applies to all IVH residents and covers compensation related to service failure, financial loss, distress, inconvenience, and other relevant issues as outlined by the HOS.
- 1.2 Sometimes things go wrong, and customers don't get the service they expect, or we fall short of the standards we have promised. Our Compensation Policy recognises the range of remedies available to put this right and resolve the matter for the customer.
- 1.3 In instances where financial compensation is awarded, the aim of compensation is to restore the complainant to the position they would have been in, had a service failure not occurred.
- 1.4 In line with the HOS Compensation Guidance and Policy, we offer three types of compensation:
 - Discretionary payments - for time, distress and inconvenience.
 - Mandatory payments - compensation required by law such as statutory home loss payments.
 - Quantifiable loss payments – measurable financial losses incurred by residents due to service failure.

2.0 Principles

- 2.1 Each case is considered with its own merits and circumstances, and our Complaints Officers and Investigating Managers use their discretion to decide the most fair and proportionate remedy for each individual case. When assessing compensation claims, the following factors are considered:
 - What the complainant wants to resolve their complaint.
 - The nature and extent of the service failure/maladministration.
 - The impact on the individual e.g., distress, inconvenience, time and trouble.
 - The duration of the issue and the impact of it.
 - Any known additional needs of the individual and the impact of the service failure in relation to this.
 - Any actual quantifiable financial loss i.e. the complainant incurred costs because of what happened or did not receive payments that they should have.
 - Did our actions or inactions result in the complainant reasonably believing that

something would, or would not, happen.

- Did the complainants' actions or inactions, or those of a third party contribute to service failure.
- Any previous compensation awarded for similar issues to ensure consistency.
- How we handled the complaint and resolved matters in line with our Complaints Policy.

2.2 To be open and honest with the complainant in how we have arrived at the compensation being offered, we will break down all elements of the payment and explain what each element relates to and how we have come to that amount.

2.3 When a claimant accepts compensation, we will pay this via BACS transfer directly into their chosen bank account within 10 working days of receiving the account details. We may also credit this to the individuals rent account at their request.

2.4 If the claimant does not have a bank account, we will offer to credit their rent account with the amount being offered or provide a gift voucher of their choice for the amount.

2.5 If a claimant is in significant rent arrears and has a live Notice to Seek possession in place because of their arrears, we will credit any amount of compensation owed to them to their rent account to help them avoid eviction and sustain their tenancy.

3.0 Types of Compensation

3.1 Discretionary Payments

Discretionary payments will be made for reasons occurring because of something within our control, including:

- Failure or delays in complaint handling.
- Failure or delays in providing a service (e.g., in undertaking a repair).
- Poor communication and failure to meet target response times.
- Failure or delays in providing a service that a person has been charged for.
- Temporary loss of amenities.
- Loss of use of the whole property or part of it.
- Failure to follow our policies and procedures.
- Unreasonable time taken to resolve an issue.
- Where the customer suffered distress or inconvenience.

The investigating officer will assess and agree an appropriate remedy, which may include financial compensation or an alternative goodwill gesture where this is more suitable. Any remedy offered will be proportionate to the service failure or maladministration and designed to put the complainant back into the position they would have been in had the issue not occurred.

We may offer practical actions such as offering to undertake work such as repairs, gardening, replacing flooring or redecoration, which would otherwise be a customer's responsibility.

At Stage One and Two of our complaints process, remedies are signed off by the Head of Customers and Communities, the Rents and Complaints Manager or the Customer Resolution and Complaints Team Leader.

3.2 Loss of amenities, use of the property or part of it, running costs of additional appliances

3.2.1 Customers may be entitled to compensation if any part of their home, or its major amenities, are unusable as a result of service failure on IVH's part. This may be due to delayed repairs, issues with major building works, or unmanaged hazards that have been reported.

3.2.2 Compensation for loss of amenity or a room highlighted in table 1 for each day or week the room/amenity is unavailable. Compensation is also awarded for the running of extra appliances needed due to the service failure, for example extra heaters or dehumidifiers.

Table 1 – Compensation guidance for the loss of an amenity, room or use of appliances

Amenity/Room/Appliance	Compensation Payable	Criteria
Complete loss of heating and hot water	£15 per day £8 per day for the loss of one service	After 24 hours IVH fails to supply temporary heating. Compensation for loss of heating is excluded between 1st June and 30 th September.
Complete loss of power	£10 per day for complete loss £10 per week for loss of lighting only	After first 24 hours.
Living area	20% of weekly rent*	After first 24 hours
Bedroom	20% of weekly rent*	After first 24 hours
Kitchen	30% of weekly rent*	After first 24 hours
Bathroom	30% of weekly rent*	After first 24 hours. Where there is no access to toilet facilities we will follow our decant procedure.
Bathroom where a separate WC is available	20% of weekly rent*	After first 24 hours
Parking	None	This will not be compensated
Access to Garden	None	This will not be compensated
Running a dehumidifier	£4 per day	Where the dehumidifier is running 24 hours a day.
Running a temporary heater	£3 per day	Where a temporary heater is running for up to 10 hours per day.

*Where reference is made above to weekly rent, this means basic rent only and does not include service charges.

*Set amounts of compensation will not apply for loss of heating, hot water and power where these services are paid through service charges (variable or fixed). These cases will be determined by the level of charge.

3.3 Compensation for complaint handling

3.3.1 The following factors will be considered in complaint handling remedy

- The length of delay at each stage
- Refusal/failure to log a complaint
- Failure to adequately address the points within the complaint
- Failure to recognise or explain all points raised by the customer and our response to them.
- Time and trouble caused to the customer
- Unprofessional or unsympathetic response
- Delays in resolution
- Failure to adhere to the HOS Complaint Handling Code

3.3.2 Compensation guidance for complaint handling is detailed in table 2.

Table 2 – Compensation guidance for complaint handling

IVH responsibility in complaint handling	Example	Redress
Minimal	Single incident, short in duration with minimal time. Complaint response 1-2 days late. Time, trouble and inconvenience did not affect the overall outcome.	An Apology
Low impact (service failure)	Response late by several days, the resident was required to chase the response due to the minor delay. Action/compensation is not proportionate to the failings identified.	£50
No permanent impact (maladministration)	Response late by more than several days. The complaint handling has adversely affected the resident. Failure to acknowledge sensitive circumstances within the response.	£100
Significant Impact (severe maladministration)	Response delayed weeks or months, significant impact on the customer, errors in the complaint response and misleading advice provided.	£250

3.3.3 Compensation for other service failings

Table 3 – Compensation guidance for other service failings

IVH responsibility in service failings	Example	Redress
Minimal (service failure)	Single incident, short in duration, no wider impact.	An Apology
Low impact (service failure)	Minor failure in the service provided. Minor delays in getting matters resolved.	Up to £100
No permanent impact (maladministration)	Failure to put things right for the resident and the detriment to the resident not considered	Up to £600
Significant Impact (maladministration/severe maladministration)	The failure had significant impact on the resident. The redress required to put things right is substantial.	£600 plus
Severe long-term impact (severe maladministration)	A single or series of severe failings that have had serious detrimental impact on the resident. The failures accumulated over a significant period.	£1,000 plus

3.4 Missed appointments and administrative errors

When an appointment is missed due to the below instances we will pay £15 compensation per incident:

- The appointment was missed without any notice given to the resident.
- We or our contractors attended the property but did not comply with pre-agreed reasonable adjustments so the appointment could not take place.
- We or our contractors were unreasonably late, by 2 hours or more, and the resident could not facilitate the later appointment time.

Compensation will not be awarded if we were unable to attend for good reason for example staff sickness or parts not being available for the appointment, however in such instances reasonable notice should be given at least 24 hours' notice. No compensation will be awarded if the appointment is missed or could not go ahead due to the resident's actions, whether intentional or otherwise.

Where we find we have made an administrative error, or we have found other customers have been impacted following a complaint investigation, we will issue each customer impacted £15 compensation.

3.5 Loss or damage to a customer's belongings or decoration

In some cases, it will be appropriate for us to direct a customer to our insurers rather than pursue all or part of their concerns as a complaint for damaged property/ belongings. If liability is accepted within our complaint response insurers may invalidate any potential claim. Therefore, consideration needs to be given as to whether legal liability issues are referred directly to our insurers before a complaint is logged.

Our insurers/courts will determine if there has been negligence, breach of duty and if there is liability. Where we are at fault our liability insurance protects our financial standing, paying compensation to the customer rather than it coming from our finances.

Customers are responsible for damage due to their own negligence. We will not consider compensation claims if damage has occurred because of disrepair where it has been proven that we have not been negligent or breached the terms of the tenancy agreement. In these instances, customers will need to claim through their home contents insurance where applicable. Such policies cover moveable items and semi-permanent fixtures in a property

(such as furniture, floor coverings like carpets or laminate and appliances) against loss or damage caused by fire, theft or water escape.

Where damage to a customer's belongings or internal decoration has occurred as a result of our failure to complete repairs within the timescales set out in our Repairs Policy, or as a direct result of actions carried out by us or our contractors, compensation will be considered. Any compensation offered will reflect the value of the items damaged and must be supported by photographic evidence and, where available, relevant receipts.

Where damage has been caused by another customer (for example, a leak from a neighbouring property), the affected customer will normally be expected to pursue a claim through their own contents insurance or directly with the responsible party, unless the damage resulted from a service failure by us.

3.6 Loss of earnings:

We will not compensate for loss of wages or holiday entitlement; however, we may consider and compensate for the associated distress and inconvenience caused. For example, where we fail to resolve the repair issue meaning the customer must take unnecessary time off work.

3.7 Mandatory Payments

Mandatory payments are compensation payments required by law and orders made by the HOS. In applying mandatory payments, IVH will always follow the most up to date legislation and award values.

3.8 Right to Repair

We aim to complete repair work in line with our repairs policy and with minimum disruption to customers. If we fail to complete a repair within the time scales given to the customer, we will rearrange the repair and agree timescales with the customer. If the repair is not completed within the revised time scale customers may be entitled to claim compensation if all the following conditions are met:

3.8.1 The repair affects the health, safety, or security of the customer.

- 3.8.2 We are responsible for the repair.
- 3.8.3 The value of the repair is less than £250.
- 3.8.4 We have failed to carry out a repair within the original agreed time scale and have failed to do so again after a further request is made by the customer.
- 3.8.5 Compensation will not be payable if any of the following conditions apply:
- The repair was needed because of damage caused by the customer.
 - The customer has not told us that the repair was needed.
 - We were not responsible for the repair.
 - The customer has told us that they no longer want the repair to be carried out.
 - The customer has failed to provide access for the repair to be carried out.

The amount of compensation payable under Right to Repair is a statutory right. Customers can claim a one-off payment of £10. They can also claim a further £2 per day for each day, the repair remains outstanding up to a maximum of £50.

3.9 Home Loss Payments

A resident may be entitled to a Home Loss Payment if they are permanently displaced from their home by us, because of redevelopment or improvement to cover distress and inconvenience of having to move when not choosing to. We will make Home Loss Payments to residents, where the law requires us to do so. Home Loss Payments may be made to residents or owner occupiers who have lived in their property for a minimum of 12 months ending on the date of displacement. Payments will be made in line with the Home Loss Payments (Prescribed Amounts) (England) Regulations.

3.10 Disturbance Payments:

Disturbance Payments are payable to residents who are permanently displaced from their home by us, because of redevelopment or improvement and the resident is lawfully in possession of the property. We may also pay a Disturbance Payment to residents who are required to move temporarily. This payment will cover reasonable moving costs. Details of the reasonable costs covered are outlined in our Decant Policy.

3.11 Quantifiable Loss Payments

There may be some circumstances where a resident can claim compensation, due to a quantifiable loss. This would occur where IVH has failed to fulfil an obligation, which we are legally obliged to, which has resulted in a quantifiable loss to a resident. Examples of this include:

- Increased heating bills, due to disrepair.
- Having to pay for alternative accommodation or take-away food, due to a failure of IVH to carry out a repair, in line with the prescribed repair timeframes.
- Paying for a service such as cleaning or carrying out repairs, when IVH has failed to meet its obligations.

Any costs incurred must be reasonable and there must be evidence that they were incurred because we have not fulfilled a required obligation. Claims must be made within 3 months of a quantifiable loss and evidence provided by the resident. Interest may be considered when there have been delays in making a quantifiable loss payment to a resident of over 6 months on amounts greater than £1,000.

IVH reserves the right to reject quantifiable loss claims if a resident cannot provide evidence that the loss has been because of our negligence of responsibilities.

4.0 Apology

4.1 In some circumstances an apology is all that is required. When IVH apologises for any failures, this will be made in writing or in person to the resident. The apology will come from an individual, on behalf of IVH. When an apology is given to a resident we will:

- Address them personally.
- Be empathic and accept responsibility.
- Acknowledge the service failure or any orders from the HOS.
- Explain clearly what happened.
- Acknowledge the impact on the complainant.
- Explain what is being done to put things right.
- Provide assurances that we have learnt from the complaint and what actions we are taking to ensure this does not happen again.

5.0 Exclusions

5.1 The specific situations where compensation will not be considered, include the following, which are aligned with the HOS' guidance:

- Claims for personal injury – these should be made via our Public Liability Insurers.
- Claims for damage caused by circumstances beyond a landlord's control, e.g., because of a storm or flooding – these should be made to the relevant company.
- Problems caused by a third party not working for the landlord.
- Short term nuisance caused by building works.
- Neighbour nuisance.
- Decants.
- Payments to customers who have made voluntary improvements to their homes.
- Disrepair claims.
- Where a customer starts legal action against IVH (as the compensation policy and procedure will no longer apply).
- Where we have taken satisfactory action within a reasonable time of receiving notice and within targets outlined in the relevant policies such as the Repairs Policy.
- Where we have not been given the opportunity to inspect issues and provide a plan of action from the first reporting of the condition. Responsibility for damage to furniture or household items will only be considered if these have been affected after the first report and work has not been carried out.
- Where we have had to gain access to a property to comply with regulations e.g., gas servicing and fixed wire testing.
- Where damage or personal impact has been caused by circumstances beyond our control
- Where planned improvement works took longer than expected, but delays were not excessive.

6.0 Making a claim for compensation

6.1 All Statutory claims for compensation must be received by us in writing within 28 calendar days of the event that caused the loss or damage. Failure to make a compensation request in this timescale may result in us not being able to consider the claim further without evidence of extenuating circumstances. Discretionary claims for compensation can be made and investigated via the customer complaints process.

6.2 Right to Appeal

Customers have the right to appeal if they disagree with the settlement offered in accordance with our Complaints Policy. Customers should set out their reasons for not accepting the offer and where this is not agreed by the investigating Manager, the claim will be escalated to the next stage in accordance with the Complaints Policy.

Performance Reporting

Compensation will be monitored regularly by the Head of Customer and Communities and Reported to Leadership and Board each quarter. The frequency and amount of compensation paid quarterly will be calculated and analysed by the Complaints Team and commentary provided to the Executive Team and Board.

Roles and Responsibilities

The following colleagues oversee the Compensation Policy:

Chief Operating Officer owns the Policy and is responsible for performance against it including reporting to the Board.

Head of Customers and Communities is the author of the Policy and Complaints Lead with overall responsibility for ensuring the Policy is adhered to by all colleagues and learnings reported to the Leadership Team.

Rents and Complaints Manager is responsible for the Policy being adhered to operationally and overall performance approving resolutions for Stage One and Stage Two complaints up the value of £30K.

Customer Resolution and Complaints Team Leader supervises the day-to-day running of the Complaints team approving resolutions for Stage One and Stage Two complaints up the value of £30K.

Complaints Officers raise compensation BACs requests. These requests must be sent to the Customer Resolution and Complaints Team Leader, the Rents and Complaints Manager or the Head of Customers and Communities before being sent to Accounts Payable for processing. Calculate compensation in line with this policy for our Stage One resolution letters.

Finance receives compensation BACs requests once approved and processes them sending payment or issuing rent credits where appropriate.

Associated Documents and Good Practice

This policy should be read in conjunction with the following policies and guides:

- [Complaints Policy](#)
- [Repairs Policy](#)
- [Housing Ombudsman Compensation Guidance](#)
- [Housing Ombudsman Complaint Handling Code](#)
- Equality Impact Assessment for Compensation policy
- Tenancy Policy
- Tenancy Agreements
- Tenant Involvement & Empowerment Standard
- Customer Strategy 2025-28
- Communities Strategy 2025-28
- HOS spotlight reports

This Policy should be applied in line with the following legislation:

- Land Compensation Act 1973
- Home Loss Payments (Prescribed Amounts) (England) Regulations (reviewed annually).

Version Control

Approval Date:	1 st May 2026
Approval Body	Leadership Team
Implementation Date:	Implemented the same day its approved
Policy Author:	Head of Customer and Communities
Policy Owner:	Chief Operating Officer
Frequency of Review	Reviewed every 3 years
Planned Review Date	May 2029
EIA (Equality Impact Assessment) Date and Link to EIA	June 2024
Safeguarding Impact	This does not apply to this policy
Lead Team	Communities Team

The latest version of this policy should be viewed online from The Hub area of the IVH intranet, and any printed version cannot be relied on as the most current version