



BURY COUNCIL – HOUSING SERVICES COMPENSATION POLICY

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1.0 PURPOSE

This policy outlines Bury Housing Services' approach to compensation and remedies when service standards are not met. It supports our commitment to delivering high-quality services and fulfilling our legal and regulatory responsibilities.

In making decisions, compensation is one of a range of remedies and may be offered at the earliest appropriate point to put things right. We will seek to identify and offer appropriate remedies during the complaints process wherever possible, rather than delaying redress until later stages.

Our approach is restorative, placing tenants, as far as possible, in the position they would have been if the failure had not occurred.

Compensation is not automatic and will be considered alongside other remedies to put things right.

We will take responsibility for service failures caused by contractors or third parties acting on our behalf.

2.0 SCOPE

This policy applies to tenants and leaseholders of Bury Housing Services. It may also apply, where appropriate, to homeowners, neighbouring occupiers or other individuals who are directly affected by the delivery of our housing services, works, or activities.

It applies to all housing services including repairs, maintenance, tenancy management, estate services, and complaint handling. It also applies to services delivered by contractors or third parties acting on our behalf.

This policy applies to compensation arising both within and outside of the formal complaints process, including where service failures are identified through routine service delivery.

In exceptional circumstances, compensation or other remedies may also be considered where the actions or omissions of Bury Housing Services have caused loss, inconvenience, distress, or avoidable detriment to individuals who are not tenants or leaseholders but are directly affected by our services or activities.

Types of compensation:

- Mandatory
- Quantifiable loss
- Discretionary

Compensation is not a substitute for home contents insurance. Tenants are responsible for insuring their belongings.

Claims relating to damage or personal injury caused by negligence will be handled through our insurers. However, where responsibility is clear, we will seek to resolve claims directly without requiring tenants to pursue an insurance claim unnecessarily.

We will apply this policy consistently and fairly, ensuring no unnecessary barriers to accessing compensation, including making reasonable adjustments where required.

3.0 Our approach to putting things right

When a service failure occurs, Bury Housing Services will consider a range of remedies including apologies, corrective actions, practical assistance, service improvements, compensation and other actions designed to put matters right and restore the tenant to the position they would have been in had the failure not occurred.

When assessing remedies and compensation, we will have regard to any known vulnerabilities, disabilities, health conditions, safeguarding concerns, caring responsibilities, age-related needs, or other personal circumstances that may have increased the impact of the service failure.

Compensation may comprise several elements including quantifiable loss, distress, inconvenience, time and trouble, complaint handling failure, and loss of use. These elements may be considered cumulatively where appropriate.

4.0 MANDATORY COMPENSATION

Mandatory compensation is payable where there is a legal, legislative, or statutory requirement for Bury Housing Services to make a payment. It differs from discretionary compensation and goodwill gestures, which are considered on a case-by-case basis.

Mandatory compensation includes payments made under statutory schemes such as the Right to Repair Scheme, the Right to Compensation for Improvements Scheme, Home Loss Payments, and Disturbance Payments where applicable.

We will ensure mandatory compensation schemes are applied correctly, consistently, and that tenants are informed of their rights.

Where mandatory compensation is due, it will be paid promptly once eligibility has been confirmed.

Where mandatory compensation does not fully reflect the inconvenience, distress, or impact experienced, we will consider whether additional discretionary compensation or other remedies are appropriate.

5.0 MANDATORY COMPENSATION SCHEMES

The following sections provide further information on the mandatory compensation schemes available to eligible tenants.

5.1 Right to Repair

The Right to Repair scheme ensures that small, urgent repairs costing less than £250 are completed within statutory timescales. These repairs relate to health, safety and security and may affect individual homes or communal areas.

Where a qualifying repair is not completed within the required time, tenants may be entitled to:

- **£10 compensation.**
- **An additional £2 for each extra day of delay.**
- **Compensation up to a maximum of £50.**

5.2 Right to Compensation for Improvements

Secure and Assured tenants who are ending their tenancy may be entitled to compensation for certain qualifying improvements they have made to their home during their tenancy. This scheme does not apply to leaseholders.

Compensation is calculated using a formula set by the Government and considers the original cost of the improvement and its expected lifespan. Only improvements completed on or after 1 April 1994 will be considered.

5.3 Home Loss Payments

Home Loss Payments may be payable where a tenant is permanently displaced from their home as a result of redevelopment, demolition or other qualifying circumstances set out in legislation. Eligibility and payment amounts will be determined in accordance with the relevant statutory provisions.

5.4 Disturbance Payments

Disturbance Payments may be payable where a tenant is required to move temporarily or permanently from their home and incurs reasonable costs as a result. Payments will be assessed in accordance with legislative requirements and may include reasonable removal and associated expenses.

6.0 QUANTIFIABLE LOSS COMPENSATION

Claims for reimbursement or compensation must, wherever possible, be supported by appropriate evidence, be reasonable in value, and relate directly to the service failure experienced.

Claims should normally be submitted within 12 months of the incident. We may consider claims submitted outside this period where there is a good reason for the delay, including vulnerability, health issues, or other exceptional circumstances.

Examples of costs that may be considered include expenses for temporary accommodation, additional food or utility costs incurred because of the service failure, or replacement of damaged items.

Where appropriate, compensation may be awarded using standard or fixed payments for specific service failures, including missed appointments or loss of essential services, having regard to relevant guidance and the circumstances of the case.

Where claims are significant, tenants may be referred to our insurers, although direct resolution will be considered where liability is clear.

7.0 UNQUANTIFIABLE LOSS

Where a tenant has experienced a financial loss but is unable to provide full evidence to support their claim, we will consider reasonable compensation based on the information available. In these circumstances, we may consider factors such as increased utility costs, travel expenses, or a partial loss of earnings, and will assess the likely costs incurred, the nature of the service failure, and the overall impact on the tenant.

We will clearly explain how compensation has been estimated and why it is considered fair.

8.0 DISCRETIONARY COMPENSATION

Compensation may be considered where there has been a delay, distress, service failure, or a complaint handling failure. This can include situations where a tenant has lost the use of part of their home or has been without essential services such as heating, hot water, lighting, or power. In addition to financial compensation, we may offer practical remedies, service improvements, or goodwill gestures where appropriate.

Where a tenant loses the use of part or all their home due to a service failure, we may consider additional compensation based on the extent and duration of the loss of use, the proportion of the home affected, the availability of alternative facilities and the impact on the household.

Each case will be assessed on its own merits, and any award will be determined in line with the principles set out in this policy. We will consider the impact on the tenant, the duration of the issue, any complaint handling failures, any relevant vulnerabilities or personal circumstances, and the time, trouble and effort incurred in pursuing a resolution.

When considering an appropriate remedy, we will take account of the outcome sought by the tenant, although this may not always be the outcome provided.

To help ensure compensation is awarded fairly and consistently, Appendix A provides guidance on compensation amounts. Appendix B contains examples of situations where compensation may be appropriate, giving a better understanding of how decisions are made under this policy.

Compensation may be awarded for the tenant's time and trouble where they have had to repeatedly contact the landlord, chase responses, provide information on multiple occasions or expend unreasonable effort pursuing resolution.

9.0 EXCLUSIONS

Compensation will not normally be awarded where we were unable to gain access to carry out necessary work, where the issue resulted from external events such as severe weather, or where we have met our legal and contractual obligations.

We may also reduce or decline compensation where a tenant has contributed to the issue or where there is insufficient information available to assess the claim. In addition, compensation will not normally be offered for loss of earnings relating to routine repair appointments or for the general inconvenience associated with planned works that have been communicated in advance.

10.0 COMPENSATION CONDITIONS

All compensation awards will be proportionate to the impact experienced by the tenant. The offer of compensation does not imply that we accept legal liability unless this is explicitly stated.

Tenants will be informed of the outcome of their claim, the reasons for the decision, and any actions we have taken or will take to resolve the issue.

Tenants may request that their complaint is escalated in line with our Complaints Policy and may refer their complaint to the Housing Ombudsman Service.

11.0 COMPENSATION PAYMENT PROCESS

Where a tenant has outstanding debts owed to Bury Housing Services, including rent arrears, recharges or service charge debts, compensation will normally be offset against those debts before any payment is made. Any remaining balance will be paid directly to the tenant.

Acceptance of a compensation offer will normally be taken as confirmation that the tenant accepts the compensation and any associated actions proposed to put matters right. Acceptance of compensation does not affect the tenant's right to continue pursuing any remaining concerns through the complaints process or through the Housing Ombudsman Service.

We will also comply with any determinations made by the Housing Ombudsman, including making compensation payments within the timescales specified. Where Bury Housing Services does not comply with a Housing Ombudsman order, recommendation, or agreed action within the required timescale, we will consider whether any additional adverse impact has been caused to the tenant. Where appropriate, further compensation or other remedies may be offered to put matters right

Compensation payments will normally be processed within 28 days of the award being accepted, unless otherwise agreed.

Compensation Authorisation Levels

- Up to £250: Team Manager
- £251 to £1,000: Head of Service
- Over £1,000: Director

12.0 GESTURES OF GOODWILL

Goodwill payments may be offered to recognise inconvenience and help maintain positive relationships with tenants, including circumstances where a formal service failure has not been identified.

Goodwill payments are separate from compensation awards and may be offered on their own or alongside other remedies where this is considered appropriate.

Examples of situations where goodwill payments may be appropriate are provided in Appendix B.

13.0 REVIEW OF COMPENSATION

If a tenant is dissatisfied with the level of compensation offered, they will be asked to specify what they consider to be an acceptable amount of compensation and their reasons for this. Following this, the offer will be reviewed by the case manager who made the offer, although it does not necessarily mean that any changes will be made to the initial offer where the policy was applied correctly.

If agreement on a compensatory amount is not reached, the case will escalate and be considered under the Complaints Policy.

14.0 DOCUMENTING DECISIONS

All compensation decisions will clearly record the service failure or issue identified, the impact on the tenant, the duration of the issue, any relevant personal circumstances, how the compensation amount was calculated and any remedy, action or compensation offered to put things right.

We will maintain clear and detailed records to support fair, consistent, and transparent decision-making. Decisions will be communicated in plain language so that tenants can understand how the outcome has been reached. The appendices to this policy provide guidance to support consistent and evidence-based decision-making.

Compensation awards will be authorised in accordance with the Council's Scheme of Delegation, Financial Regulations, and any relevant internal approval arrangements. Officers making compensation awards must ensure appropriate authorisation is obtained before payment is processed.

15.0 LEARNING AND IMPROVEMENT

We will monitor compensation outcomes to identify trends, share learning, and improve our services. Information gathered from compensation cases will be used to help prevent similar issues from occurring, inform staff training, support policy reviews, and drive continuous improvement across our services. Where systemic issues are identified, managers will ensure learning is recorded, monitored, and reported through governance arrangements.

16.0 RELATED POLICIES AND DOCUMENTS

This policy should be read in conjunction with:

- Complaints Policy
- Repairs Policy
- Equality, Diversity, and Inclusion Policy
- Tenancy Policy
- Decant Procedure
- Alterations Policy

17.0 REVIEW

This policy will be reviewed every year or sooner if required by changes to Ombudsman guidance or legislation.

APPROVAL AND REVIEW

Document owner	Head of Performance, Assurance, and Improvement
Leadership Team Meeting – Director of Housing	Date approved 15/9/26
Review frequency	Annually

APPENDICES

Appendices Introduction

These appendices form part of this policy and provide guidance on how compensation may be assessed and applied.

They support consistent, proportionate, and transparent decision-making in line with Housing Ombudsman expectations.

Appendix A – Discretionary Compensation Framework

Compensation may be considered where:

- Complaint responses are significantly delayed.
- Complaint stages are not completed.
- Agreed complaint remedies are not delivered.
- Poor complaint handling resulted in additional time, trouble, distress, or inconvenience.

Impact Level	Description	Range
Low	Minor inconvenience or short-term service failure with limited impact	£50-£100
Moderate	Noticeable distress, inconvenience, or repeated service failures	£100-£600
High	Significant impact, prolonged disruption, or repeated failures over an extended period	£600-£1,000
Severe	Major long-term impact, serious maladministration, or exceptional circumstances	£1,000+

Guidance:

- Consider severity, duration, and impact
- Consider vulnerability
- Reflect time and effort
- Consider any complaint handling failures
- Apply flexibility where justified

Appendix B – Discretionary Compensation Guidance Table

Description	Detail
Failure to provide a paid for service	If a paid for service is not provided (or a reasonable alternative) for more than 14 days, compensation will equal the amount paid for the service during the failure period, plus a single payment of £10.
Uninhabitable room due to delayed works	Where a room is unusable due to our service failure, compensation may be calculated as a percentage of the net rent based on the room or rooms affected, the extent of the loss of use, the duration of the issue and the impact on the household. We will apply guidance to ensure consistency and proportionality.
Complete loss of heating	If heating is not restored within prescribed timescales and there are no access or utility issues, £15 per day will be awarded until resolved.
Complete loss of power	£10 per day until restored.
Loss of hot water only	£8 per day until restored.
Missed repairs appointments	If an agreed appointment is missed without notification or rearrangement, a fixed £15 may be awarded. Not payable where reasonable notice (usually ≥ 24 hours) was given or where tenant actions prevented access. Claims must be registered within 2 working days.
Temporary relocation due to extensive repairs	When temporary rehousing is required, Bury Housing Services will manage arrangements. If relocated to a hotel or equivalent, meal expenses may be paid as a goodwill payment per person.
Additional electricity costs	If dehumidifiers or fan heaters are provided due to repairs not caused by tenant damage, up to £5 per day may be paid for electricity costs, provided usage instructions are followed, and cost increases are demonstrated.
Loss of communal facilities	If communal facilities (for example lifts, door entry systems, communal lighting or similar essential services) are out of service for more than 28 days due to a service failure, compensation may be considered having regard to the duration

	of the outage, the number of households affected and the impact on residents. Where the loss of communal facilities significantly affects a tenant's ability to safely access or use their home, particularly where vulnerabilities, disabilities, health conditions, or mobility issues are present, additional compensation or other remedies may be considered.
Decoration allowance	Where decoration is damaged as a result of repairs carried out by Bury Housing Services or its contractors, we will normally complete appropriate make-good works where required. Where this is not practical, decoration vouchers or a decoration allowance may be offered as an alternative remedy. The amount awarded will reflect the extent of the damage and the areas affected and will normally be capped at £500 per property.
Personal injury	Any incidents involving personal injury are recorded and referred to the Health and Safety team and Insurance Team for investigation. Payments relating to personal injury are considered by the Insurance Team only.
Gesture of goodwill payment	Goodwill payments may be offered to recognise time, trouble, or inconvenience caused by Bury Housing Services' actions or inactions. These payments are not intended to cover lost earnings.

Appendix C - Qualifying Improvements and Notional Life

Improvement	Notional Life (Years)
Bath or shower	12
Wash basin	12
Toilet	12
Kitchen sink	10
Storage cupboards in the bathroom or kitchen	10
Work surfaces for preparing food	10
Space or water heating	10
Thermostatic radiator valves	7
Insulating pipes, water tanks, and cylinders	10
Loft insulation	20
Cavity wall insulation	20
Draught-proofing outside doors and windows	8
Double glazing or other window replacement or secondary glazing	20
Rewiring or providing power and lighting or other electrical fittings, including smoke detectors	15
Security measures	10
Erection of a wireless or television aerial	10
External decoration	5

