

# **Compensation Policy and Procedure**

## **Policy Statement**

### **Purpose**

The aim of this policy is to provide a fair, transparent and consistent framework for the consideration and award of compensation. It covers compensation arising from complaints and service failures, statutory compensation and reimbursements, discretionary payments, and financial support provided to customers during periods of disruption or to sustain their occupation of their home.

Decisions will be made on the individual merits of each case, applying appropriate discretion and common sense to ensure outcomes are proportionate and equitable. We will put the customer experience first, focusing on putting things right and delivering fair outcomes for customers.

### **Legal Obligations**

Orwell is governed by legislation which is used to decide when and how much mandatory compensation will be paid. Compensation payable under legislation includes:

- Right to Repair – Common hold and Leasehold Reform Act 2002.
- Right to Compensation for Improvements – The Housing Act 1985 and the Secure Tenants of Local Authority Regulations 1994.
- Home Loss and Disturbance payments – Land Compensation Act 1973 as amended by the Planning Act 1991.

In addition to these legal obligations, Orwell will have due regard to the Housing Ombudsman's Complaint Handling Code and associated remedies guidance when assessing discretionary compensation, particularly where there has been a service failure.

When assessing remedies and discretionary compensation relating to Care and Support services, Orwell will have regard to the principles set out in the Local Government and Social Care Ombudsman's Guidance on Remedies. Orwell will also have regard to the Health and Social Care Act 2008, Care Quality Commission (CQC) Fundamental Standards, and other relevant health and social care guidance where the circumstances relate to the provision of Care and Support services.

### **Orwell's Commitment**

- We will put things right when things go wrong, using compensation as one of a range of remedies to achieve fair outcomes for our customers.

- We will consider each case on its individual circumstances, recognising the impact that the issues leading to a compensation claim may have on our customers' mental health, wellbeing and wider household, and acknowledging that the effects of service failures may be experienced differently depending on an individual's circumstances, vulnerabilities or protected characteristics, while applying this policy fairly, consistently and transparently.
- Where compensation relates to a service failure, we will normally consider it through our Complaints Policy and Procedure to ensure that the issue is fully investigated and appropriately resolved. We will have regard to the Housing Ombudsman's guidance on remedies and the Complaint Handling Code, ensuring our approach reflects good practice and current sector expectations.
- Orwell will make reasonable adjustments when considering compensation claims from customers with disabilities or communication needs.
- Orwell reserves the right to refuse or recover compensation where false, misleading or fraudulent information has been provided.

## **Types of compensation**

There are three different types of compensation:

1. **Quantifiable loss payments:** compensation for actual financial loss or expense that a customer can evidence and demonstrate has been incurred.
2. **Discretionary payments:** compensation awarded at Orwell's discretion to recognise the impact of service failure, a customer's time and trouble, distress, inconvenience, or loss of enjoyment of their home. Any award will reflect the severity and duration of the impact experienced.
3. **Mandatory payments:** compensation that Orwell is required to make in accordance with legislation, regulation, or other statutory obligations.

## **Care and Support Services**

In Supported Housing and Extra Care settings compensation requests may arise from service failures, disruption to support arrangements, or loss or damage to personal belongings. Each case will be assessed on its individual merits, considering the available evidence, the impact on the customer, and whether Orwell acted in accordance with relevant policies, procedures and professional standards.

Claims involving safeguarding concerns, financial abuse, medication errors, personal injury, negligence, or other serious incidents will be managed through the appropriate safeguarding, insurance, legal, or incident management processes. Where compensation is considered, Orwell will take account of the customer's vulnerability, support needs, and reliance on the service when assessing the impact of any service failure.

## **Governance and Monitoring**

Compensation payments will be authorised in accordance with the Orwell Standing Orders. The total value of compensation payments will be reported to the Board and Customer Insight Committee in regular performance reports, and shared with customers in the annual complaints performance and service improvement report.

# Procedure

## 1. Introduction

- 1.1 This procedure provides a framework for assessing and calculating compensation in accordance with legislative requirements, Housing Ombudsman guidance, and recognised good practice.
- 1.2 Compensation may be appropriate in a range of circumstances. It may arise from a request made by a customer, be offered proactively by Orwell to put things right, or be required by law.
- 1.3 Acceptance of a compensation payment does not affect a customer's right to request a review of their complaint through Orwell's complaints procedure or to refer the complaint to the Housing Ombudsman, once the complaints process has been exhausted.
- 1.4 In most cases, where a customer has experienced a service failure, financial loss, inconvenience, distress, loss of amenity, or time and trouble, compensation should be considered through Orwell's complaints process. This ensures that the circumstances are properly investigated, the impact on the customer is understood, and any compensation forms part of a wider resolution that seeks to put things right and improve services where necessary.
- 1.5 However, compensation may also be considered outside of the formal complaints process where this enables Orwell to resolve an issue quickly, provide appropriate redress, meet a statutory obligation, or support a customer without requiring them to pursue a complaint.
- 1.6 Whilst financial compensation is the focus of this procedure document, there may be circumstances whereby to resolve a complaint we will offer other solutions. These can include practical actions such as offering to undertake repairs or redecoration (which would otherwise be a customer's responsibility) and gestures of goodwill (e.g. vouchers, chocolates, flowers). We are flexible in approach to considering different remedy solutions and will consider what is best for the customer given the circumstances and reach a mutual agreement.
- 1.7 The purpose of this procedure is to support fair, proportionate and consistent decision-making by setting out the different types of compensation available and how awards should be assessed.
- 1.8 This procedure should be used when:
  - Responding to formal complaints and determining appropriate remedies.
  - Resolving service failures and providing redress, including where a formal complaint has not been raised.
  - Considering requests for reimbursement of financial loss or expenses incurred by a customer.
  - Assessing compensation for inconvenience, distress, loss of amenity, time and trouble, or other impacts arising from service failure.

- Arranging temporary or permanent decants and considering any associated disturbance payments.
- Calculating statutory compensation payments, including Home Loss Payments and compensation for tenant improvements.
- Considering any other circumstances where compensation, reimbursement, redress, or financial assistance may be appropriate.

These procedures are structured in three sections:

**Quantifiable loss payments:** compensation for actual financial loss or expense that a customer can evidence and demonstrate has been incurred.

**Discretionary payments:** compensation awarded at Orwell's discretion to recognise the impact of service failure, including a customer's time and trouble, distress, inconvenience, or loss of enjoyment of their home. Any award will reflect the severity and duration of the impact experienced and will be calculated using the Housing Ombudsman guidance.

**Mandatory payments:** compensation that Orwell is required to make in accordance with legislation, regulation, or other statutory obligations.

- 1.9 Once all relevant elements have been considered, staff should review the proposed award as a whole and apply professional judgement to ensure the overall compensation is fair, proportionate and appropriate to the circumstances. Where compensation relates to a complaint, the cumulative impact of all service failures should be considered rather than assessing each issue in isolation.
- 1.10 Compensation should not be determined solely by applying tariffs or adding together individual payments. Staff should consider the overall impact on the customer, the purpose of the payment, any action taken by Orwell to put matters right, and whether the proposed award appropriately reflects the circumstances of the case. Care should be taken to avoid duplicating compensation for the same loss, impact or inconvenience under multiple headings.
- 1.11 A clear record must be kept of the factors considered, any evidence reviewed, how the award was calculated, and the reasons for the final decision. This will support consistency, provide a clear audit trail, and help identify learning and service improvement opportunities.

## **2. Offer of Payment**

- 2.1 To make a payment for compensation we will require the customers' bank details. We will then submit a request to Finance for a BACS payment or cheque. We will endeavour to for this will be paid into a customer's bank within 10 calendar days of the compensation being accepted. Prior to any offer of payments being made, Standing Orders must be reviewed to ensure that the right level of authority is given.
- 2.2 Where a customer lacks capacity or has an authorised representative acting on their behalf, Orwell will work with the representative in accordance with the relevant legal authority, including Lasting Power of Attorney, Deputyship, Appointeeship, or other recognised arrangements.

### **3. Quantifiable loss payments**

- 3.1 Quantifiable loss payments may be considered where a customer has incurred a financial loss as a direct result of Orwell's actions, omissions, negligence or failure to meet its obligations. Any costs claimed must be reasonable, directly related to the issue, and supported by appropriate evidence.
- 3.2 Quantifiable loss payments may also arise where a customer is required to move temporarily or permanently from their home. In these circumstances, Orwell may provide financial assistance through disturbance payments and other forms of compensation.
- 3.3 Customers are expected to work with Orwell to help prevent or reduce any losses where possible. In many cases, Orwell may be able to put things right by carrying out repairs, providing temporary facilities, arranging alternative accommodation, or taking other appropriate action.
- 3.4 Orwell will not normally reimburse costs that a customer chooses to incur without first giving Orwell a reasonable opportunity to resolve the issue or provide appropriate support. Any reimbursement will be limited to costs that are reasonable, necessary, and proportionate to the circumstances. Customers are also expected to take reasonable steps to minimise any loss incurred.
- 3.5 A quantifiable loss may include:
- Increased utility costs resulting from disrepair or delay in service provision
  - The reasonable cost of alternative accommodation where this has been agreed with Orwell in advance, or where exceptional circumstances meant prior agreement could not reasonably be obtained.
  - Additional food costs where cooking facilities are unavailable due to a service failure for which Orwell is responsible, up to a maximum of £40 per person per day.
  - Costs incurred for cleaning, repairs or replacements where Orwell has failed to meet its obligations or has caused damage.
  - Damage to personal belongings where Orwell has accepted responsibility or liability.
  - Other reasonable out-of-pocket expenses that have arisen directly as a result of Orwell's actions or omissions.
  - Disturbance payments are intended to reimburse reasonable and necessary costs incurred as a direct result of the move, such as removal and storage costs, utility disconnection and reconnection charges, mail redirection, and other agreed expenses.
- 3.6 Where there is no direct liability on the part of Orwell, such as losses arising from a flood, fire, severe weather event, or other circumstances beyond Orwell's control, customers should, in the first instance, make a claim through their home contents insurance provider.

- 3.7 Compensation will not normally be considered in the following cases:
- Claims for personal injury.
  - Claims for damage arising from circumstances beyond Orwell's reasonable control, including severe weather, flooding or other unforeseen events.
  - Formal housing disrepair claims where legal proceedings have commenced or a solicitor has been instructed.
  - Problems caused by a third party not acting on behalf of Orwell.
  - Losses that are covered, or could reasonably be covered, by the customer's own insurance.
  - Claims for distress, inconvenience, time and trouble, loss of enjoyment of the home, or poor complaint handling, which will be considered under the discretionary compensation provisions of this policy.
  - Claims for loss of earnings, annual leave, business income, or loss of opportunity, unless Orwell has a clear legal liability and the claim can be fully evidenced.
  - Losses which cannot be evidenced or where the customer has failed to take reasonable steps to minimise the loss incurred.
  - Other matters that are more appropriately dealt with through an insurance or legal process.

**How we assess quantifiable loss payments:**

- 3.8 We review all evidence provided, including photographs and supporting documentation, to assess the extent of any damage or loss. Evidence may include photographs of damaged items, receipts, invoices, quotations, utility bills, bank statements, or any other documentation relevant to the claim.
- 3.9 The table overleaf shows common causes of quantifiable loss and how the claim will be considered.

| Loss Type                                                                            | Typical Evidence                                     | Compensation Approach                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------------------------------------------------------------------|------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Increased energy costs resulting from loss of heating, hot water or other disrepair  | Utility bills, statements, meter readings            | <p>Reimbursement of additional costs reasonably attributable to the service failure, calculated using evidenced increased utility consumption, or the operating costs (based on the appliance rating, duration of use and applicable electricity tariff).</p> <p>Online tools such as the Immersion Heater Energy Calculator may be useful</p> <ul style="list-style-type: none"> <li>• <a href="https://www.sust-it.net/immersion-heater-energy-calculator.php">https://www.sust-it.net/immersion-heater-energy-calculator.php</a></li> </ul>                                                     |
| Alternative accommodation costs                                                      | Receipts, invoices                                   | Reimbursement only where agreed in advance by Orwell, or where exceptional circumstances prevented prior agreement.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Additional food costs where cooking facilities are unavailable                       | Receipts                                             | Reasonable additional food costs, up to £40 per person per day.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Laundrette or laundry costs                                                          | Receipts                                             | Reasonable additional costs incurred where washing facilities are unavailable, or where disrepair or service failure have resulted in stored clothes becoming dirty or mouldy.                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Cleaning costs following leaks, repair works or contractor damage                    | Receipts, invoices                                   | Reasonable costs directly attributable to the incident.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Damage to personal belongings                                                        | Photos, receipts, proof of ownership where available | Repair or replacement value taking account of age, condition and fair wear and tear.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Replacement of spoiled food due to loss of power caused by Orwell or its contractors | Receipts, photographs where available                | Reasonable evidenced loss.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Additional travel costs caused by a service failure or temporary decant              | Tickets, receipts, mileage records                   | <p>Reasonable additional costs incurred. Where customers are required to travel as a direct result of a service failure, decant, or temporary accommodation arrangement, reasonable travel costs may be reimbursed. For journeys undertaken using a private vehicle, costs should be calculated using the following calculator:</p> <p>Petrol and Diesel Journey Cost Calculator</p> <ul style="list-style-type: none"> <li>• <a href="https://www.sust-it.net/petrol-diesel-car-journey-cost-calculator.php">https://www.sust-it.net/petrol-diesel-car-journey-cost-calculator.php</a></li> </ul> |
| Charges, fees or costs incorrectly applied by Orwell                                 | Statements, invoices, account records                | Full reimbursement of the incorrect charge.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

## **Unquantifiable loss (discretionary)**

- 3.10 There may be occasions where Orwell is satisfied that a customer has incurred a financial loss as a result of a service failure, but the customer is unable to provide sufficient evidence to fully quantify the loss.
- 3.11 In these circumstances, Orwell may make a reasonable discretionary payment to recognise the likely financial impact and help resolve the matter fairly. Any award will take account of the available evidence, the nature of the loss, and the circumstances of the individual case.
- 3.12 Examples may include:
- Household items damaged where their value cannot be evidenced.
  - Additional expenses likely to have been incurred but for which receipts are no longer available.
  - Minor financial losses that can reasonably be assumed to have arisen from the service failure but cannot be precisely calculated.
- 3.13 Awards will normally be modest and proportionate to the circumstances and will not duplicate compensation awarded under other sections of this procedure.

## **4. Discretionary payments**

- 4.1 Discretionary payments may be awarded where a customer has experienced inconvenience, distress, loss of amenity, time and trouble, or another adverse impact as a result of a service failure by Orwell. Unlike quantifiable loss payments, these awards are not intended to reimburse a specific financial loss, but to recognise the impact of the failure on the customer and put matters right.
- 4.2 Discretionary compensation may be considered either within or outside of the formal complaints process. Where appropriate, Orwell may offer compensation at an early stage to resolve issues promptly, avoid unnecessary escalation, and improve the customer experience.
- 4.3 Examples of circumstances where discretionary compensation may be considered include:
- Failure to follow policy, procedure, or agreed actions.
  - Unreasonable delays in resolving an issue.
  - Missed appointments.
  - Poor communication or failure to keep customers informed.
  - Poor complaint handling.
  - Delays in providing a service, such as completing repairs.
  - Failure to provide a service that has been paid for or agreed.
  - Temporary loss of amenity.
  - Avoidable failures to deliver agreed care, support, or support plan outcomes resulting in distress, inconvenience, or disruption to the customer.
  - Failure to meet published service standards or response times.
  - Loss of use of part of the property.

## How we assess Discretionary Payments

- 4.4 When determining whether a discretionary compensation payment should be made, and the amount to be awarded, staff must consider:
- 4.4.1 The nature, extent and impact of the service failure, including the severity and duration of the failure, whether Orwell met its obligations and service standards, the impact on the customer and their household, and any factors that may have increased or affected that impact, including disabilities, health conditions, mobility restrictions, caring responsibilities, household circumstances, or any protected characteristics. In Care and Support services, consideration should also be given to the customer's support needs, reliance on the service, and any resulting impact on their wellbeing, independence, or daily living activities.
  - 4.4.2 **Any loss of amenity**, including the temporary loss of essential services, facilities, rooms, or areas of the home. Where applicable, staff should consider the standard awards set out in the Loss of Amenity table below. (see 0, 4.9 & 4.10)
  - 4.4.3 **Any missed appointments**, including the number of appointments missed and the level of inconvenience caused. Where applicable, staff should apply the missed appointment payments set out in this procedure. (see 4.12 & 4.13)
  - 4.4.4 **Any actions taken by Orwell to put things right**, including the timeliness of the response, the quality of communication with the customer, the steps taken to minimise any impact, and whether reasonable efforts were made to resolve the issue at the earliest opportunity. Where Orwell responded promptly, took ownership of the issue and acted proactively to put matters right, this may mitigate the level of discretionary compensation awarded. Conversely, delays, poor communication, failure to take appropriate action, or missed opportunities to resolve the issue may justify a higher award where they have contributed to the overall impact on the customer.
- 4.5 The final award should reflect the overall impact of the service failure on the customer, taking account of all relevant factors set out above. Compensation should be fair, proportionate, consistent and in line with the Housing Ombudsman's remedies guidance. Care should be taken to avoid duplicating compensation for the same loss, inconvenience or impact under multiple headings.

**Table 4A: The nature, extent and impact of the service failure**

4.6 The following table remains a guide and must be applied flexibly:

| Level of Compensation | Finding                            | Impact on customer                                                                                                                                                                | Circumstances                                                                                                                                                                                                                                                              |
|-----------------------|------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Apology               | Minor service failure              | Minimal impact<br>Single incident resulting in minimal inconvenience, time and trouble.<br>Did not affect the overall outcome for the customer.                                   | There was minimal impact caused by the service failure. The failing would usually be a single incident, where the effect was of short duration, and there was no wider impact.<br>The service failure was rectified but there was a lack of sympathy and an apology is due |
| up to £100            | Minor service failure              | Low impact, short duration, this might include distress and inconvenience, time and trouble, disappointment, loss of confidence, and delays in getting matters resolved.          | There was a minor failure which affected the service we provided, and we did not appropriately acknowledge these and/or fully put them right.                                                                                                                              |
| £100 to £300          | Moderate service failure           | The service failure was medium-term, this might include distress and inconvenience, time and trouble, disappointment, loss of confidence, and delays in getting matters resolved. | There was a failure, potentially lasting several days, which negatively affected the customers. We failed to acknowledge our failings and/or made no attempt to put things right.                                                                                          |
| £300-£600             | Moderate to severe service failure | Significant impact Physical and/or emotional impact but no permanent impact.                                                                                                      | There was a failure which seriously affected the customer for an extended period of time.. We failed to acknowledge our failings and/or made no attempt to put things right.                                                                                               |
| £600-£1000            | Severe service failure             | Significant impact physical and/or emotional impact with permanent impact                                                                                                         | There was a failure which had a significant impact on the customer. The need to put things right is substantial.<br>There are grounds for maladministration to be found.                                                                                                   |

| Level of Compensation | Finding                | Impact on customer      | Circumstances                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-----------------------|------------------------|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| £1000+                | Severe service failure | Severe long-term impact | <p>Where appropriate, amounts above £1,000 may be considered in exceptional cases in line with Ombudsman determinations and severity thresholds.</p> <p>There have been serious failings. There was a single significant failure in service or a series of significant failures which have had a seriously detrimental impact on the customer.</p> <p>Orwell's response to the failures (if any) exacerbated the situation and further undermined Orwell/customer relationship.</p> <p>Evidence of maladministration in complaints handling.</p> |

## Loss of amenity

- 4.7 Loss of amenity awards should be considered as part of the overall compensation package and should not automatically be added to discretionary awards where this would result in duplicate compensation for the same impact.

## 4.8 Heating & Hot Water Compensation

| Service Failure              | Description                 | Minimum Daily Amount | Notes                      |
|------------------------------|-----------------------------|----------------------|----------------------------|
| Complete loss of heating     | No heating available at all | £15 per day          | May increase if vulnerable |
| Loss of heating OR hot water | One service unavailable     | £8 per day           | Use £15/day if both lost   |

#### 4.9 Power Supply Compensation

Where a loss of power also affects heating and/or hot water provision, compensation will be awarded for both loss of power and heating and/or hot water

| Service Failure        | Description                       | Minimum Compensation | Notes |
|------------------------|-----------------------------------|----------------------|-------|
| Complete loss of power | Full property without electricity | £10 per day          |       |
| Loss of lighting only  | Lighting circuits fail            | £10 per week         |       |

#### 4.10 Loss of Use of Rooms:

Where a room cannot reasonably be used for its intended purpose due to repairs, disrepair, major works, or a service failure, compensation will be calculated as a percentage of the monthly rent for the number of days when the room was affected.

| Room Affected            | % of Monthly Rent | Notes                                                             |
|--------------------------|-------------------|-------------------------------------------------------------------|
| Bathroom (sole bathroom) | 30%               | Depends on availability of alternative washing facilities.        |
| Kitchen                  | 30%               | Depends on ability to prepare meals and use essential appliances. |
| Bedroom (one of several) | 20%               | Where alternative bedrooms remain available.                      |
| Living Room              | 20%               | Depends on impact to day-to-day living.                           |
| Whole Property           | 100%              | Property uninhabitable and full decant required.                  |

##### Example:

Monthly rent: **£600**

Kitchen unavailable for: **4 days**

Applicable compensation rate: **30%**

Daily rent = **(£600 × 12) ÷ 365 = £19.73**

Rent attributable to the affected period = **£19.73 × 4 = £78.92**

Compensation = **£78.92 × 30% = £23.68**

**Award: £23.68**

- 4.11 **Note:** Where multiple rooms are affected simultaneously, compensation percentages may be combined to reflect the overall loss of amenity. However, awards should generally not exceed 100% of the monthly rent unless there are exceptional circumstances and approval is obtained in line with the Compensation Policy.

#### Missed Appointments

- 4.12 If an Orwell employee or a contractor fails to attend an appointment on the day the repair had been arranged for, a payment of £15 can be considered. This cannot be claimed if the customer is advised at least 24 hours in advance that the appointment is cancelled.

- 4.13 If a new appointment is made and missed a further payment of £25 will be considered. Any further missed appointments for the same job will be considered at £50 per missed appointment. To qualify for a missed appointment payment, the customer must have been available to allow access during the appointment time and agreed the appointment in advance.

### **Loss of Earnings and Annual Leave**

- 4.14 Orwell will not normally reimburse loss of earnings, loss of opportunity, business income, or annual leave taken to facilitate appointments. Where a customer has been required to take time away from work or other commitments as a result of service failures, this will usually be recognised through discretionary compensation for time and trouble rather than reimbursement of a specific financial loss.
- 4.15 In exceptional cases, where the impact on the customer has been significant, such as repeated missed appointments, repeated failures to attend without notice, or persistent service failures resulting in a substantial loss of time, additional discretionary compensation may be considered to reflect the overall impact on the customer. Any award should be proportionate to the circumstances and take account of the frequency, duration and severity of the failures.

## **5. Mandatory Payments**

- 5.1 This section sets out the different mandatory payments which Orwell may need to make from time to time.

## 5.2 Statutory Right to Repair Scheme

### **Overview:**

The Right to Repair provides qualifying social housing tenants with an entitlement to have specific urgent and minor repairs completed within prescribed timescales, along with a defined compensation framework where those timescales are not met.

In practice, however, the formal Right to Repair process is used less frequently, as customers are more likely to raise concerns through the complaints process where service failures occur. In such cases, compensation is typically assessed in line with the Housing Ombudsman Service (HOS) Complaint Handling Code, which allows for a broader consideration of impact and may result in higher compensation awards than those available under the statutory Right to Repair scheme.

The Right to Repair therefore remains an important statutory safeguard and minimum standard but operates alongside the organisation's wider complaints and compensation framework.

- 5.3 Orwell operates the statutory Right to Repair scheme, which applies to a defined list of minor but urgent repairs that can be completed quickly and may present a risk to health, safety or security if not addressed promptly. These are known as "qualifying repairs" and must typically cost less than £250.
- 5.4 Examples include loss of electrical power, gas or water supply (outside Orwell's control), no heating or hot water, blocked or leaking drains, leaking pipes or roofs, insecure doors or windows, and door entry systems not working. A full list is provided in Appendix 1.
- 5.5 While the scheme provides a mechanism for small, fixed compensation payments, most compensation relating to repairs is considered and awarded through Orwell's formal complaints process, where the full circumstances and impact on the customer can be taken into account.

### **How the Right to Repair process works**

- 5.6 Report the repair  
The customer should report the repair to Orwell in the usual way. Orwell will assess whether it qualifies under the Right to Repair scheme and confirm the applicable target timescale.
- 5.7 Initial repair period  
Orwell will arrange for the repair to be completed within the prescribed timeframe for that type of repair.
- 5.8 If the repair is not completed on time  
If the repair is not completed within the initial timescale, the customer must contact Orwell again. This second contact is required to activate the next stage of the scheme.

5.9 Second instruction and timescale

Orwell will arrange for an alternative contractor, where appropriate, and set a new completion deadline.

5.10 Eligibility for a statutory payment

If the repair is still not completed within the second timescale, and the customer has:

- reported the repair on two separate occasions, and
- provided reasonable access to the property, the customer will be entitled to a Right to Repair payment of:
  - £10 initial payment, plus
  - £2 for each additional day the repair remains outstanding,
  - up to a maximum of £50.

5.11 This payment will not be made where delays are outside Orwell's control (for example, where a non-standard part is required and the customer has been kept informed).

**Important information**

5.12 Right to Repair payments are statutory, fixed amounts and are separate from Orwell's complaints process.

5.13 Customers do not need to make a complaint to receive a Right to Repair payment where the criteria are met.

5.14 These payments are designed to address specific delays in qualifying repairs only.

5.15 Where a customer is dissatisfied with the overall handling of a repair - for example due to prolonged delays, repeated failures, or the impact on their home - they may raise a formal complaint. In these cases, Orwell will consider whether additional discretionary compensation is appropriate, taking into account the full circumstances and impact, rather than relying solely on the limited statutory amounts available under the Right to Repair scheme.

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## **Statutory Right to Home Loss Payments**

### **Overview**

- 5.16 A Home Loss Payment is compensation paid where Orwell Housing requires a customer to permanently relocate from their home because of demolition, redevelopment, sale of land, or substantial alteration of the property. The move is initiated by Orwell and not at the customer's request. It recognises the disruption and loss of their home.
- 5.17 This is different from a temporary decant, where the customer is expected to return once works are complete.
- 5.18 A Home Loss Payment may be payable where a customer is permanently displaced due to:
- Demolition of their home.
  - Redevelopment of the land.
  - Major works involving substantial alteration or enlargement of the property.
  - Other qualifying redevelopment or improvement schemes carried out by a registered social landlord.
- 5.19 Moves required solely for routine repairs will not normally qualify, although Orwell may consider a discretionary Disturbance payment where a customer cannot return to their home.

### **Eligibility**

- 5.20 To qualify for a statutory Home Loss Payment, a customer must:
- Have occupied the property as their main and only home for at least 12 months immediately before displacement.
  - Have a qualifying tenancy, leasehold, shared ownership interest, licence, or other qualifying right of occupation.
  - Be permanently moving from the property and not returning after the works.
- 5.21 Customers with less than 12 months' occupation will not normally qualify for a Home Loss Payment, but may be eligible for disturbance payments.

### **Amount of Payment**

- 5.22 Statutory Home Loss Payment amounts are set by the Government and may change from time to time. Officers should check the latest Home Loss Payments (Prescribed Amounts) Regulations and GOV.UK guidance before advising customers on the amount payable.

### **Requesting a Home Loss Payment**

- 5.23 Customers who believe they are entitled to a Home Loss Payment should submit a request to Orwell Housing in writing.

- 5.24 Orwell will:
- Assess the circumstances against the statutory criteria.
  - Review any supporting information.
  - Consider whether a statutory or discretionary payment applies.
  - Provide a written response within 28 calendar days, wherever reasonably practicable.
- 5.25 Where entitlement is unclear, Orwell may obtain legal advice before reaching a decision.

### **Assessing Eligibility Before a Move**

- 5.26 Each case is unique and eligibility can depend on specific circumstances. Where there is any uncertainty about entitlement, Orwell should consider obtaining legal advice before requiring a customer to move.
- 5.27 Staff should avoid confirming entitlement unless they are satisfied that the legal criteria are met or appropriate advice has been obtained.

### **Payment Arrangements**

- 5.28 The payment arrangements are:
- Only one Home Loss Payment is payable per property, whether the tenancy is sole or joint.
  - Payment will normally be made by direct bank transfer to the person or persons named on the tenancy agreement.
  - Payment will be made after the permanent move has taken place and normally within three months of the claim or move date, whichever is later.
  - Where rent arrears exist, Orwell may use the Home Loss Payment to clear the arrears before paying any remaining balance to the customer.

### **Related Payments**

- 5.29 Home Loss Payments are separate from Disturbance Payments, which cover reasonable moving and relocation expenses. Depending on the circumstances, a customer may be entitled to both.
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## **Statutory Right to Compensation for Improvements**

- 5.30 The Right to Compensation for Improvements is a statutory right which applies only to certain categories of social housing tenants. It does not apply across all tenure types offered by Orwell.
- 5.31 The Right to Compensation for Improvements is intended to recognise the remaining value of approved improvements made by qualifying social housing tenants at the end of their tenancy.
- 5.32 It is a limited statutory entitlement and does not apply to market rent or other non-social tenures, where improvements are generally subject to tenancy conditions and landlord discretion rather than statutory rights.

### **Scope and Applicability**

- 5.33 This right applies only to Secure tenants and Assured tenants occupying social housing provided by Orwell, where the property is the tenant's only or principal home.
- 5.34 This right does not apply to:
- Assured shorthold tenants
  - Market rent tenants, including those on assured periodic tenancies
  - Leaseholders or shared owners
  - Licensees or other non-secure forms of occupation
- 5.35 Although some market rent tenants may hold an assured periodic tenancy, they are renting on a commercial basis rather than as social housing and therefore do not qualify for statutory compensation for improvements. For these groups, any compensation for improvements:
- Is not a statutory entitlement; and
  - Would only be considered where explicitly provided for within the tenancy agreement or agreed at Orwell's discretion.

### **Permission and Approval**

- 5.36 Eligible tenants must:
- Obtain prior written permission from Orwell before undertaking any improvements; and
  - Confirm with their Housing Officer that the proposed works meet the qualifying criteria.
- 5.37 No compensation will be payable for works carried out without prior written consent. All works must comply with Orwell's requirements and any conditions set out at the point of approval.

### **Inspection and Completion**

- 5.38 Orwell will:
- Inspect the improvement upon completion; and
  - Undertake inspections during the works where appropriate.

- 5.39 At the point permission is granted, tenants will be informed that:
- Compensation is only payable when the tenancy ends; and
  - Any compensation due may be offset against outstanding debts owed to Orwell.

### **Calculation of Compensation**

5.40 Compensation is subject to statutory limits, currently between £50 and £3,000.

5.41 The amount payable reflects the residual value of the improvement and not the original cost. Depreciation will therefore be applied.

5.42 The standard calculation is:

$$C \times (L - Y / N)$$

Where:

- **C** = cost of the improvement (excluding grants)
- **N** = notional life of the improvement
- **Y** = number of years since installation (rounded up)

### **Adjustments to Compensation**

5.43 Orwell reserves the right to adjust the calculated payment where:

- The cost of the improvement is considered excessive
- The specification exceeds Orwell's normal standard provision
- The condition of the improvement indicates it has deteriorated more quickly or more slowly than expected

### **Eligibility and Forfeiture**

5.44 Compensation will only be payable where:

- The improvement is included in the list of qualifying improvements (see Appendix 2); and
- All required permissions and conditions have been met.

5.45 Tenants should note:

- compensation may be forfeited where the tenancy ends through possession proceedings due to a breach of tenancy conditions.

## Qualifying repairs under the right to repair scheme

| Repair type                                                       | Response time (working days) |
|-------------------------------------------------------------------|------------------------------|
| Total loss of electric power                                      | 1                            |
| Partial loss of electric power                                    | 3                            |
| Unsafe power or lighting socket or electrical fitting             | 1                            |
| Total loss of water supply                                        | 1                            |
| Partial loss of water supply                                      | 3                            |
| Total or partial loss of gas supply                               | 1                            |
| Blocked flue to open fire or boiler                               | 1                            |
| Heating or hot water not working between 31 October and 1 May     | 1                            |
| Heating or hot water not working between 1 May and 31 October     | 3                            |
| Blocked/leaking foul drain, soil stack or toilet                  | 1                            |
| Toilet not flushing (if there is only one toilet in the property) | 1                            |
| Blocked sink, bath or basin                                       | 3                            |
| Tap cannot be turned                                              | 3                            |
| Leak from a water pipe, tank or cistern                           | 1                            |
| Leaking roof                                                      | 7                            |
| Insecure external window, door or lock                            | 1                            |
| Loose or detached banister or handrail                            | 3                            |
| Rotten timber flooring or stair tread                             | 3                            |
| Door entry phone not working                                      | 7                            |
| Mechanical extractor fan not working                              | 7                            |

## Appendix 2

The following is a list of improvements which may qualify for compensation, with their anticipated life span.

| <b>Improvements which may qualify for compensation</b>                              | <b>Anticipated life span</b> |
|-------------------------------------------------------------------------------------|------------------------------|
| Bath or shower                                                                      | 12 years                     |
| Wash-hand basin                                                                     | 12 years                     |
| Toilet                                                                              | 12 years                     |
| Kitchen sink                                                                        | 10 years                     |
| Storage cupboards in bathroom or kitchen                                            | 10 years                     |
| Work surfaces for food preparation                                                  | 10 years                     |
| Space or water heating                                                              | 12 years                     |
| Thermostatic radiator valves                                                        | 7 years                      |
| Insulation of pipes, water tank, or cylinder                                        | 10 years                     |
| Loft insulation                                                                     | 20 years                     |
| Cavity wall insulation                                                              | 20 years                     |
| Draught proofing of external doors or windows                                       | 8 years                      |
| Double glazing or other external window replacement or secondary glazing            | 20 years                     |
| Rewiring or the provision of power and lighting (including smoke detectors)         | 15 years                     |
| Any object which improves the security of the property but excluding burglar alarms | 10 years                     |