Compensation Policy

COMPENSATION POLICY

1. BACKGROUND

1.1 Manningham Housing Association (MHA) is a registered provider of social housing. We are regulated by the Regulator of Social Housing. We provide homes for around 1,400 households, mainly in Bradford and Keighley. Our homes include rented homes and shared ownership homes.

1.2 We aim to provide an excellent and consistent service to all customers. We understand that, sometimes, an apology or fixing the problem may not fully put things right for a customer.

1.3 This policy explains when we may consider compensation. It helps staff make decisions that are fair, consistent and based on the facts of each case.

2. REGULATORY AND LEGAL FRAMEWORK

2.1 MHA will consider compensation in line with relevant law, regulation, our tenancy and lease agreements, and good practice. This includes:

- 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

2.2 As a member of the Housing Ombudsman Scheme, we must follow the Housing Ombudsman's Complaint Handling Code. The Code became a legal requirement from 1 April 2024 under the Social Housing (Regulation) Act 2023. This policy also follows the Ombudsman's approach to putting things right, including apologies, practical action and fair compensation where appropriate.

2.3 The Regulator of Social Housing's Transparency, Influence and Accountability Standard also require social landlords to treat tenants fairly and with respect, communicate clearly, and deal with complaints fairly, effectively and promptly.

3. SCOPE

3.1 This policy explains when compensation may be considered. Compensation does not always mean money. It may also include an apology, a goodwill gesture, practical help, replacement items, or other action to put things right. MHA is committed to doing the right thing for customers.

3.2 We may offer compensation depending on what happened and how it affected the customer. We may consider compensation where:

- We have failed to deliver a service to the advertised standard
- In recognition of the time and trouble taken by the customer to make their complaint
- In recognition of the distress and inconvenience experienced by the customer
- To reflect where a customer has suffered a loss because of a service failure by MHA

3.3 There are two types of compensation:

- Discretionary - Payments or gestures (Goodwill) that MHA chooses to make.
- Obligatory - Payments which MHA must consider through statutory or contractual obligations.

4. DISCRETIONARY OR GOODWILL PAYMENTS

4.1 Discretionary compensation is compensation that MHA may choose to offer. There is no automatic legal right to this type of payment. We will consider it through our complaints process where we have:

- Failed to meet our own service targets.
- Failed to deliver a service that is paid for through a service charge.
- Not acted reasonably.
- Damaged personal possessions.
- Poor complaint handling.

4.2 Compensation must be fair, reasonable and proportionate. We will look at the impact on the customer, how long the problem lasted, the time and trouble caused, any distress or inconvenience, and any evidence of financial loss.

4.3 If a complaint includes personal injury or damage to belongings, we may need to involve our insurers. We will explain this to the customer. We will still consider any complaint-handling issues separately, where it is appropriate to do so.

4.4 A Head of Service may approve compensation up to £600 when a customer has experienced serious inconvenience or financial loss because of MHA's actions, or the actions of a contractor working for MHA. A Director must approve any higher payment. Any offer of compensation will remain open for 28 days from the date of the offer.

5. OBLIGATORY COMPENSATION

5.1 The examples below are not a full list. If the law, a tenancy agreement or a lease says compensation must be considered or paid, we will follow those requirements.

5.2 Home Loss Compensation
5.2.1 Home loss compensation may apply where a customer has to move permanently from their home because of redevelopment, improvement works or demolition. It does not usually apply where the move is only because of repairs, even if the repairs are major.

5.2.2 Home loss payments are set by law. In exceptional circumstances, MHA may consider making a payment to customers who have lived in their property for at least 12 months and are required by MHA to move permanently. Further information is available in MHA's Decant Policy.

5.3 Disturbance
5.3.1 Disturbance payments may cover reasonable costs or losses a customer has because they need to move temporarily or permanently while work is carried out to their home.

6. EXAMPLES OF COMPENSATION TO RECTIFY SERVICE FAILURES

6.1 DIY vouchers will be given for decorations damaged by our contractors.

6.2 Where a carpet has been damaged, we will pay a monetary amount for the cost of replacing the carpet.

6.3 If we fail to deliver a significant service paid for through a fixed service charge, we will consider the charge for the service; the disruption caused, and how long the service was unavailable. The charge will then be adjusted in the following year. In exceptional circumstances, material errors in fixed charges will be addressed during the year.

6.4 For variable service charges, service failures will be credited and carried forward in the accounts or reimbursed to the customers after the reconciliation of the accounts.

6.5 Where there is a loss of heating, we may provide an alternative temporary form of heating.

6.6 Where damage or the work to rectify the damage means that a significant portion of the property is uninhabitable, alternative accommodation will be considered, which may mean asking the customers to stay with family or friends in the first instance. Where this is

not possible, we may consider temporary third party accommodation, including bed & breakfast accommodation if there is nothing available in MHA Housing's stock.

7. INSTANCES WHERE COMPENSATION WILL NOT BE CONSIDERED

7.1 We will not usually pay compensation where the issue can be put right quickly and there has been little or no impact on the customer. We will also not usually pay compensation where:

- The repair is the customer's responsibility.
- MHA or our contractors could not get access to the home, and we have evidence of this.
- A contractor is waiting for parts, has explained the delay, and has kept the customer and MHA updated.
- Extra work is needed, and the contractor has kept the customer updated about the timescales.
- The problem was caused by a third party, or by something MHA is not responsible for.
- The problem was caused by the customer's actions, neglect, or failure to follow the tenancy or lease agreement, such as not allowing access for work to be done.
- The issue was outside MHA's control, such as storm damage or flooding caused by extreme weather.
- A court or tribunal has already ordered a payment for the same issue.
- We agreed an action plan with the customer in advance and kept to that plan.

8. CUSTOMER RESPONSIBILITIES

8.1 We encourage customers to take out contents insurance to protect their belongings and decorations against accidental damage, loss, fire or flood.

8.2 To help us deal with compensation claims fairly, customers must give MHA and our insurer relevant evidence. This may include:

- Proof of ownership and the value of the lost or damaged item. For example, photos, instruction booklets, or receipts.
- Evidence of the damage. This may include the damaged items themselves.
- Written estimates of repair costs.

8.3 Customers will need to give us, or our contractors, access to allow inspection of the damaged property.

8.4 Customers should immediately inform the police if any loss or damage is caused by suspected criminal activity, request a crime reference number, and provide us with the details.

8.5 Without relevant evidence, we may be unable to deal with a customer's request for compensation or be unable to pay the claim in full.

9. COMPENSATION CLAIMS

9.1 Customers should make compensation claims as soon as possible. Claims should usually be made within 28 days of the incident and no later than 6 months afterwards, unless there is a good reason for the delay.

9.2 When an offer of compensation is made, we ask our customers to respond within 28 days. Customers will receive an Offer of Acceptance Form which includes confirmation on how to accept the payment.

9.3 If a customer is getting advice or waiting for further information, they should tell us if their response will be delayed. Once compensation is accepted, we will aim to make payment by BACS within 28 days.

9.4 If we do not receive a customer's final response within 6 months, we will withdraw the offer and close the claim.

10. CONFIDENTIALITY AND DATA PROTECTION

10.1 We will handle personal information carefully and confidentially. We will follow the UK General Data Protection Regulation (UK GDPR), the Data Protection Act 2018, and MHA's Data Protection Policy. We will only share personal information where we have a lawful reason to do so, such as where:

- We are required by law to do so - either for the prevention or detection of crime or the apprehension or prosecution of offenders.
- There is an information/data sharing protocol, contract, or confidentiality agreement in place.
- The person who gave us the information is happy for us to share the information.

10.2 Our employees will always respect confidentiality and will not share any information given in confidence unless justified by the assessed risk to the vulnerable person or required by law.

11. EQUALITY AND DIVERSITY

11.1 MHA is committed to equality, diversity and inclusion. We will treat customers, applicants, staff and other stakeholders fairly and with respect. We will consider people's different needs, including protected characteristics, language needs and additional support needs.

11.2 We want our services and information to be accessible and easy to understand. We will make reasonable adjustments where required and will support customers to use our services in a way that works for them.

12. MONITORING AND REVIEW

12.1 We will monitor and review this policy with customers to make sure it remains clear, useful and effective.

12.3 We will also review it to make sure it remains in line with MHA's aims, legal duties, regulatory requirements and good practice.

12.4 The Deputy Chief Executive/Director of Operations is responsible for monitoring this policy. Frontline staff, including Neighbourhood Management staff, will help identify any issues with how the policy works in practice. This policy will be reviewed every three years, or sooner if there are important changes in law, regulation or good practice.

Policy Name	Compensation Policy
Reviewed by the Tenant Forum	30.09.2026
Equality Impact Assessment	Completed
Date Approved by Committee	21.10.2026
Next Review date	21.10.2029
Lead Officer	Head of Housing Services

APPENDIX

The table below shows how the value of discretionary compensation will be assessed when compensation is considered as part of the formal complaints process.

Value of Compensation	Impact on Customer	Circumstances	Authorisation Level
£50 to £100	Minimal Short duration. May not have significantly affected the overall outcome for the customer. This may include distress and inconvenience, time and trouble, disappointment, loss of confidence, and delays in getting matters resolved.	There was a minor failure by MHA in the service it provided and it was not properly acknowledged or put right.	**Senior Manager**
£100 to £600	No permanent impact	There was a failure which adversely affected the customer.	**Senior Manager**
£600 to £1000	Significant impact Physical and/or emotional impact	There was a failure which had a significant impact on the customer.	**Director**
£1000 +	Severe long-term impact	There have been serious failings by MHA.	**Director**
£50 to £100	Minimal Short duration. May not have significantly affected the overall outcome for the customer. This may include distress and inconvenience, time and trouble, disappointment, loss of confidence, and delays in getting matters resolved.	There was a minor failure by MHA in the service it provided and it was not properly acknowledged or put right.	**Senior Manager**