



Compensation Policy

Document Type	Document Description			Department
Policy	COMPENSATION POLICY			Tenancy Services
Author	Date created	Version	Last Reviewed	Review Date
Bonnie Holmes Tenancy Services Manager	September 2026	V1	N/A	September 2029
Approved By		Approved Date		
Elaine Morgan – Chief Executive		24/09/2026		
The Board		N/A – Monitoring Only		

1. Purpose

- 1.1. This policy sets out how Hull Churches Housing Association Limited (the Association/HCHA) will provide fair, consistent and proportionate compensation and other remedies where a tenant has experienced detriment because of a service failure. The aim of compensation is to put the resident, as far as reasonably possible, back in the position they would have been in had the failure not occurred. Compensation is not intended to be punitive, a fine or a substitute for completing required service actions.

2. Scope

- 2.1. This policy applies to all tenants, former tenants, shared owners and applicants who have received a service from, or are affected by the actions of, the Association or its contractors. It applies to complaints, service requests and other situations where redress may be appropriate, including repairs, housing management, estate services, complaint handling and services delivered on the Association's behalf.

3. Policy Principles

- 3.1. The principles of this policy are

- Be fair: we will consider each case on its own facts and assess the impact on the tenant.
- Put things right: we will acknowledge failures, explain what happened, apologise where appropriate and take practical action as well as considering financial redress.
- Learn from outcomes: we will use compensation decisions to identify service improvements and prevent recurrence.
- Be proportionate: compensation will reflect the severity, duration and impact of the failure, including any vulnerability or individual circumstances known to the Association.
- Be transparent: decisions will explain how compensation has been calculated and what evidence has been considered.

4. Types of compensation and remedies

4.1. Mandatory Payments

The Association will make statutory or contractual payments where they are due. These may include home loss payments, disturbance payments, payments for qualifying improvements, Right to Repair payments, tenancy obligations, or other payments required by law or regulation.

4.2. Quantifiable financial loss

Where a tenant has incurred an actual, evidenced and reasonable financial loss as a direct result of the Association's service failure, reimbursement may be offered. Examples include increased energy costs caused by disrepair, reasonable alternative accommodation, cleaning costs, replacement of damaged belongings where disproportionate to expect a tenant to claim on their contents insurance, additional food costs where kitchen facilities could not be used for more than an agreed period of time, or costs incurred because the Association failed to complete agreed works.

4.3. Discretionary compensation

Discretionary compensation may be offered for distress, inconvenience, time and trouble, delays, poor communication, missed appointments, complaint handling failures, loss of use of part or all of the home, or avoidable disruption. The amount will depend on the seriousness of the failure, how long it lasted, the effect on the tenant and whether the Association took reasonable steps to minimise the impact.

4.4. Non-financial remedies

Financial compensation will not always be the most appropriate remedy. The Association may also provide an apology, explanation, urgent repair, service review, reconsideration of a decision, staff briefing, policy change, goodwill gesture, or other practical action to put matters right.

5. Assessment approach

- 5.1. When assessing compensation, the Association will consider what went wrong, whether the failure was within its responsibility, how long the failure continued, whether the tenant contributed to delays, the impact on the tenant's household, any vulnerabilities or reasonable adjustments, whether evidence of financial loss has been provided, and the steps already taken to put the matter right.

6. Evidence and payment

- 6.1. Tenants may be asked to provide reasonable evidence of financial loss, such as receipts, invoices, photographs, correspondence or meter readings. The Association will not place unreasonable barriers in the way of redress and will consider alternative evidence where appropriate. Approved compensation will normally be paid within 28 calendar days of acceptance, unless a different timescale is agreed.

7. Rent arrears and offsets

- 7.1. Where a tenant has rent arrears or other debts to the Association, compensation will not automatically be offset. Decisions will be made case by case, taking account of the tenant's circumstances, the purpose of the payment, regulatory expectations and any legal obligations. Payments for direct financial loss will normally be paid to the tenant unless there is a clear and lawful reason to do otherwise.

8. When compensation may not be offered

8.1. Compensation may not be offered when:

- The issue was outside the Association's responsibility or control.
- The loss was not caused by the Association's service failure.
- The tenant has already received an appropriate remedy for the same matter.
- The claim relates to personal injury, legal liability or insured loss that should be considered through an insurance or legal process.
- The tenant unreasonably refused access, failed to provide required information, or significantly contributed to the delay.
- The matter is subject to court proceedings or another binding determination.

9. Roles and Responsibilities

- 9.1. All staff are responsible for identifying when redress may be appropriate and for escalating cases in line with this policy. Service managers are responsible for approving compensation within delegated authority limits, ensuring decisions are evidence-based and proportionate. Senior leaders are responsible for approving or gaining approval for exceptional awards, monitoring trends and ensuring learning is embedded across services.

10. Monitoring, Learning and Review

- 10.1. HCHA will record compensation decisions, reasons, values, service areas and outcomes. The Board will receive regular updates to identify trends, monitor fairness and drive service improvement. This policy will be reviewed at least every three years, or sooner where required by changes in legislation, regulation, Housing Ombudsman guidance or organisational learning.