Compensation and Remedies policy

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Glossary

Local Government and Social Care Ombudsman	Free, independent government service which investigates complaints about councils, all adult social care providers (including care homes and home care agencies) and some other organisations providing local public services. This includes the homelessness and housing register services delivered by Colchester Borough Homes on behalf of Colchester City Council. The Ombudsman is the final stage for complaints about councils and some other organisations providing local public services. www.lgo.org.uk
Housing Ombudsman	Free, independent government service which investigates complaints about the housing organisations that are registered with them. Complaints can be taken to the Housing Ombudsman once tenants and leaseholders have exhausted the landlord's complaints process. www.housing-ombudsman.org.uk Compensation guidance

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1. Introduction

1.1 We are committed to provide a good-quality service, but we recognise that sometimes things go wrong. When this happens, we focus on putting things right promptly and learning from what went wrong so we can improve our service to you.

1.2 The aim of this policy is to set out how we will provide redress to restore you to the position you would have been in had the service failure not occurred.

1.3 Our Policy covers all areas of our business, tenants, leaseholders and those using our Housing Options services. It also includes work carried out by contractors working on our behalf.

1.4 Where appropriate, compensation may be offered alongside other actions or remedies to help resolve the matter.

1.5 Any compensation we offer will be fair and proportionate, reflecting the issues you have experienced and the impact on you.

1.6 There are different types of compensation. There are payments that we are required to pay by law and others that are discretionary.

1.7 Our teams are empowered to use their judgement, within agreed limits, supported by a clear framework for common issues. This helps us make consistent, fair decisions and resolve concerns quickly.

1.8 Our Policy aligns with the Housing Ombudsman Service current approach and recommended compensation levels

1.9 We recognise that the Local Government and Social Care Ombudsman may use different guidance when considering remedies. For the purposes of this policy, we will use the Housing Ombudsman's guidance as our framework for assessing compensation and other remedies.

2. The Different Types of Compensation

2.1 Compensation Required by Law

2.1.1 Home Loss

Home loss payments are paid when you have lived in your home for at least 12 months and are required to move permanently due to redevelopment or demolition. The payment amount is set in law. We may also consider contributing towards additional supportive costs.

Colchester City Council's Essential Planned Moves Policy sets out the approach to move a secure tenant temporarily or permanently from their home, because we need to carry out repairs where they cannot remain in occupation or there are redevelopment plans for their home.

2.1.2 Disturbance

Disturbance payments may be made when you are required to move temporarily to another property, or to those who have lived in their home for less than 12 months and are required to move permanently. These payments are intended to cover reasonable moving and related costs.

Colchester City Council's Essential Planned Moves Policy sets out the approach to move a secure tenant temporarily or permanently from their home, because we need to carry out repairs where they cannot remain in occupation or there are redevelopment plans for their home.

2.1.3 Improvements

If your tenancy is ending and you completed qualifying improvements to your home after 1st April 1994 you may be entitled to compensation for the improvements. Colchester City Council's Tenant Alterations Policy explains how we deal with requests to make improvements to your home. You'll need to get our written approval before any work starts.

You can view our Tenant Alterations Policy on our website or contact us for more information about compensation for improvements.

2.1.4 Right to Repair

The Right to Repair scheme applies to certain repairs, known as qualifying repairs, which cost less than £250 and must be completed within a set time limit. If we do not complete the repair within that time, you may be entitled to compensation. If you contact us, we can confirm whether your repair is a qualifying repair under this scheme.

If you need a repair, you should always report this to us as soon as you are aware so that we can arrange to attend and resolve the problem.

3. Discretionary Compensation

3.1 If we've made an error or provided an unsatisfactory service, we'll apologise and put things right as a priority.

3.2 In some cases we may offer you a discretionary compensation payment. This could include for:

- Failing to deliver a service in line with our published standards.
- Failing to deliver a service that has been charged for.

- Recognising the time and trouble taken by a customer in pursuing a complaint.
- Acknowledging distress or inconvenience experienced.
- Where a customer has suffered a financial loss due to a service failure by us or our contractors.
- Poor complaint handling.
- Failure to follow a Policy or procedure
- Length of time taken to resolve a situation.
- Loss of use of part of your home.
- Temporary loss of amenities.

3.3 When considering whether compensation is appropriate, and the amount to be offered, we'll consider the severity of the service failure, any expenses you have incurred, the impact on you, and how long the issue lasted. Where appropriate, we will proactively consider compensation as part of putting things right.

3.4 We understand that the emotional impact of a service failure can affect people differently. What may feel manageable for one person may feel much more distressing for another, depending on their individual circumstances or any vulnerabilities they may have.

3.5 In assessing the amount to be offered, we may consider a range of factors, including any vulnerabilities, and the overall and cumulative impact on you. This may result in a higher award to reflect the specific effect the issue has had, and we will clearly explain how we have reached our decision in our response.

4. Quantifiable loss payments

4.1 This type of compensation may be offered if you can show that you have lost money because of a service failure. This could include reasonable out-of-pocket expenses.

4.2 Examples of quantifiable loss could be:

- paying for takeaway food
- paying for cleaning
- increased heating bills due to disrepair
- carrying out repairs where we have failed to meet our obligations

4.3 Any costs claimed should be reasonable. We may ask for evidence, such as receipts, invoices, bank statements, or utility bills, to help us understand and confirm the costs involved. Where these cannot be provided, we may consider a reasonable estimate of the value (See Section 4 Unquantifiable Loss payments)

4.4 We understand that taking time off work or rearranging your day for appointments can be inconvenient. However, we are not able to reimburse for loss of earnings, time off work, or loss of employment.
Your tenancy agreement does require you to provide access so that we can carry out essential visits, such as repairs.

4.5 If things don't go as they should, for example, if appointments are missed more than once or we take longer than expected to resolve an issue, we may consider a discretionary compensation payment to recognise the inconvenience caused. (see Section 6 – Missed Appointments)

4.6 We may consider adding interest if delays were more than 6 months and the actual loss was more than £1,000. If we do include interest, we'll make this clear. We will usually base the interest calculation on the average Consumer Price Index (CPI) for the period in question.

5. Unquantifiable loss payments

5.1. We understand that evidence of financial loss is not always available. In these situations, we will consider all the information provided and decide, on the balance of probabilities, whether costs or financial loss are likely to have been incurred.

5.2 Where it is not possible to provide a reasonable estimate of the loss, we may offer a payment to recognise that you have incurred costs or suffered financial loss that would not have occurred if the service failure had not happened.

6. Loss of amenity or loss of use of a room (see Appendix 2)

6.1 This applies to situations where we, or a contractor working on our behalf, has overall responsibility for the service or amenity provided.

6.2 We understand how upsetting and disruptive it can be to lose access to an essential amenity, or to be unable to use part of your home. Our priority is always to resolve these issues as quickly as possible, in line with our repairs timescales, so that your home remains safe and comfortable.

6.3 If this is not possible, we will take steps to reduce the impact on you by putting temporary arrangements in place wherever we can, such as providing alternative solutions (for example, fan heaters to help keep you warm) or moving you temporarily to a different location short-term.

6.4 Where we are unable to restore the amenity or provide suitable temporary arrangements, and you remain without access to the amenity or room, we will consider compensation in line with the table below to recognise the inconvenience and impact this has had on you**.**

6.5 Each situation will be considered on case-by-case basis to establish which one of the rooms or amenities aren't available (if more than one). We'll look at the circumstances, the impact on the household and use this to calculate the total payment.

6.6 For the purpose of this policy, your rent is the amount you pay to live in your home. This compensation will still apply even during a rent-free week. Service charges are not included in this definition of rent.

6.7 If you are moved temporarily to alternative accommodation due to the loss of an amenity or room, this type of compensation won't apply. You will not be charged for two properties at the same time. Any temporary accommodation or interim arrangements will be covered by the organisation.

6.8 This type of compensation does not apply to short-term disruption caused by planned maintenance or improvement works, such as kitchen, bathroom or heating upgrades. We will always aim to keep any disruption to a minimum and let you know in advance when these works are taking place.

6.9 This type of compensation also does not apply to areas of your home that connect rooms e.g. hallways, landings, balconies or gardens. Distress and inconvenience payments may still be considered when these parts of the home are affected.

7. Missed Appointments

7.1 If we or a contractor working on our behalf is not able to keep to an agreed appointment we will give you £20 discretionary compensation payment in the following circumstances:

- the appointment was missed without any reasonable notice (usually 24 Hours) being given to you
- the appointment could not go ahead as we or our representatives were unreasonably late, usually by 2 hours or more, and you could not facilitate the later appointment time
- we or our representatives attended your home, but did not comply with pre-agreed reasonable adjustments meaning that the appointment could not take place.

7.2 We may not compensate for missed appointments for the following reasons:

- Compensation will not usually be ordered if we or our representatives were unable to attend the appointment for good reason. For example, staff sickness or parts not being available as expected, and reasonable notice, usually of 24 hours or more, was given to you.
- Compensation will not be ordered where the appointment was missed or could not go ahead because of a resident's actions, whether intentional or otherwise. For example, if you missed reasonable notification of the appointment or did not enable access to your home.

8. Aggravating and mitigating factors

8.1 When we look at compensation, we consider not just what went wrong, but how it affected you overall. This helps us make sure any payment is fair and reflects your experience. Some things may mean the impact was greater. These are called **aggravating factors**.

For example, this might include if you:

- **Have a mental health condition**, and the situation has had a stronger emotional or wellbeing impact on you
- **Have young children**, and delays have caused disruption or distress to your family
- **Have a disability**, and the issue has made day-to-day living more difficult
- **Care for someone with a disability**, where delays or service issues have made your caring responsibilities harder
- **Have experienced ongoing issues with us previously**, meaning the overall impact has built up over time

8.2 Other things may reduce the impact or show that we acted reasonably. These are called **mitigating factors**. For example:

- If we acted quickly once we became aware of the problem
- If we kept you informed and tried to resolve things promptly
- If the issue was partly outside of our control
- If access wasn't available when needed

By considering all of this, we can make sure any compensation offered is fair, reasonable, and considers what you've been through.

8.3 We'll also consider whether anything you did may have contributed to the situation, or whether there were opportunities to reduce the impact.

If this is the case, it may affect the level of compensation we offer. Examples could include:

- An issue wasn't reported to us for some time, which may have delayed us being able to take action
- Support has been offered to help you raise or explain your complaint, but this hasn't been taken up
- Access to your home has not been possible on more than one occasion, which has prevented us from carrying out repairs or resolving the issue
- pursuing a complaint in an unreasonable or excessive way (see Managing Unreasonable Behaviour Policy)

8.4 We will always look at the full circumstances and take a fair and balanced approach, making sure we understand what happened and how it affected you before reaching a decision.

9. Other remedies

9.1 We may take other actions to remedy a complaint either separately from or in conjunction with an offer of compensation. This can include practical actions. Examples could be:

- Carrying out repairs
- Offering a decorating voucher
- Carrying out a service, for example decoration or garden clearance which would otherwise be your responsibility, or one which we are not contractually obliged to deliver
- Working outside of usual contractual hours to complete work
- Providing a shopping voucher
- Saying sorry if we have made a mistake
- Providing an explanation, assistance or reasons
- Amending a record, adding a correction or addendum
- Changing policies, procedures or practices

10. Insurance

10.1 Home contents insurance isn't included with you council tenancy. We recommend that you have contents insurance to help protect your furniture, belongings and decorations against things like fire, theft, flooding or accidental damage.

10.2 In some cases, where the issue isn't something we or our contractors are responsible for, you may need to make a claim through your own contents insurance. We'll always explain this clearly if it applies to your situation.

10.3 In some cases we may refer you to make a claim with Colchester City Council's insurers; for example in cases of personal injury. We'll explain this clearly if it applies to your situation.

10.4 You are still able to raise a formal complaint even if an insurance claim is also being made, particularly if you have raised additional issues other than a request to be compensated for damaged belongings or damage to your health.

10.5 You can find more information about home contents insurance on our website including how to compare prices and features and find a policy that is right for you.

11. Situations where compensation will not usually be considered

11.1 There are some situations where we would not normally offer compensation. These include:

- Loss of earnings, such as time taken off work
- Personal injury claims, which are handled through a different process
- Damage caused by events outside of our control, such as severe weather, storms, or flooding
- Issues caused by someone who is not working on our behalf, such as a third party

11.2 If your situation falls into one of these categories, we will explain this clearly and, where appropriate, guide you on what options may be available to you instead.

12. Making a claim for compensation

12.1 To make a claim for financial compensation, complete the form online at https://cbhomes.orguk/contact-us/complaints-compliments-and-comments/compensation/ . The form can also be completed by phone with the assistance of any staff member on 01206 282514, by email on complaints@cbhomes.org.uk or by post at Freepost Colchester Borough Homes.

12.2 To help us consider your request, please provide as much information as you can, including any evidence of financial loss. This will help us review your case as quickly and accurately as possible. We aim to respond within **10 working days**. If your case is more complex and may take longer, we'll let you know and keep you updated on progress.

12.3 In some situations, we may need to refer your claim to our insurers, for example, where there has been damage to a person or their belongings. This can take longer, but we will explain what to expect and keep you informed throughout.

12.4 If you choose to accept the compensation offered, we'll ask you to confirm this in writing. Once this is received, we'll arrange payment.

Where you have made a complaint with us, we will consider compensation and remedies as part of this process, you do not need to make a separate claim.

13. Payments

13.1 If compensation is awarded payment will usually be credited to your bank account within 2 weeks.

13.2 If you currently have any outstanding debts with Colchester City Council or Colchester Borough Homes, part or all of your compensation payment may be used to reduce these, with your consent. This will be on a case-by-case basis and we will talk this through with you so you understand your options and feel supported.

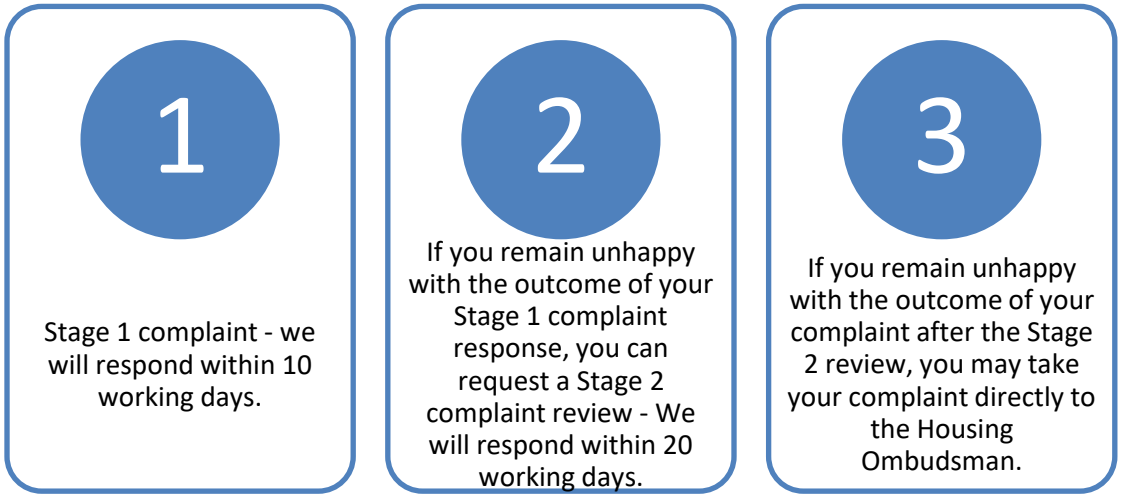
13.3 Accepting an offer of compensation does not affect your right to escalate your complaint to Stage 2 of our complaints process, or to take your concerns to the Housing Ombudsman or the Local Government and Social Care Ombudsman.

13.4 If compensation has been awarded by an Ombudsman, this will be paid to you directly and will not be used to offset any debts.

13.5 This means that where an Ombudsman has recognised the impact on you, the payment will come straight to you to reflect that.

14. Appeals

14.1 If you are unhappy about the level of compensation awarded or not awarded, you can appeal this through our Complaint Policy.



14.2 You can find out more information about making a complaint on our website Complaints, Compliments and Comments - Colchester Borough Homes or by emailing complaints@cbhomes.org.uk or contacting Customer Services on 01206 282514 and we'll be happy to guide you through the process.

14.3 The Housing Ombudsman are an independent, impartial, and free service for social housing residents. They make the final decision on disputes between residents and landlords that are registered members of the Scheme. This includes residents and leaseholders of social landlords. You can contact them for advice and support about making a complaint in the following ways:

Online www.housing-ombudsman.org.uk using the Online complaint form or the 'Live Chat' function on the website.

Telephone - 0300 111 3000

In Writing - Housing Ombudsman Service, PO Box 1484, Unit D, Preston PR2 0ET

Appendix 1. Compensation for impact of service failings.

The reference table below is for indicative purposes and we will use this framework to consider compensation claims and awards.

We may also need to consider separate awards for the distress and inconvenience caused, along with the time and trouble you have taken in raising any concerns Colleagues should also refer to the Remedies Matrix for further information and guidance.

Mild impact Up to £100	Moderate impact £100 - £600	Severe impact Over £600	Severe/Very severe £1,000+
We acknowledge that there was a service failure and recognise that this may have had an impact on you. Once we became aware of the issue, we acted quickly to resolve it. While we understand this may have caused some inconvenience, we do not consider that it had a significant impact on the overall outcome.	We acknowledge that this service failure had a greater impact on you and continued for longer than it should have. We understand that this may have caused inconvenience, distress, and time and effort in chasing the issue, as well as delays in getting things resolved. While the impact is not permanent, we recognise the frustration this situation may have caused and have taken it into account when considering a fair outcome.	We acknowledge that this service failure had a serious and significant impact on you and continued for longer than it should have. We understand that this may have caused significant distress and inconvenience and may have affected you both physically and emotionally. We also recognise the time and effort you may have had to spend chasing the issue, as well as the delays in getting it resolved.	We acknowledge that there has been a single significant failure in service or series of significant or repeated failures in service which have had a seriously detrimental impact on you. The failures accumulated over a significant period of time and severely impacted you physically and emotionally. Our response(if any) to the failures has made the situation worse and further undermined the landlord/customer relationship We failed to put things right and/or learn from outcomes.

Appendix 2 – Loss of amenity or room (where it is CBH responsibility)

These figures and calculations are based on the Housing Ombudsman Service Compensation guidance . Rent levels will be used if living accommodation is not liveable for any period. Colleagues should also refer to the Remedies Matrix for further information and guidance.

Compensation for service failings may also need consideration as per Appendix 1.

Loss of heating and hot water (does not apply to planned works, where appropriate notice is given of work and work completed on time)	£15 per day for complete loss of both facilities £8 per day for loss of one service (heating OR hot water)	May not apply if alternative source of heating provided – consider discretion Compensation should be considered after the applicable repair timeframe
Total loss of mains water (CBH responsibility only) (does not apply to planned works, where appropriate notice is given of work and work completed on time)	£10 per day	Where CBH works disrupt water supply Compensation should be considered after the applicable repair timeframe Does not include where utility company holds responsibility for the loss.
Loss of power (CBH responsibility only) (does not apply to planned works, where appropriate notice is given of work and work completed on time)	£10 per day £10 per week for loss of lighting only.	Where loss of power also affects heating and/or hot water provision, compensation should be awarded for both loss of power **and** heating and/or hot water Compensation should be considered at the end of the applicable repair timeframe Additional loss e.g. perishables following a loss of electrical supply should be considered distinctly

Loss of use of kitchen or cooking facilities (does not apply to planned works, where appropriate notice is given of work, alternatives provided and work completed on time)	30% of weekly rent	The start date for compensation is the date the resident reported the issue minus the reasonable repair period. The end date is when repairs were completed
Loss of use of Bathroom (no additional WC) Loss of use of bathroom (additional WC available (does not apply to planned works, where appropriate notice is given of work, alternatives provided and work completed on time)	30% of weekly rent 20% of weekly rent	The start date for compensation is the date the resident reported the issue minus the reasonable repair period. The end date is when repairs were completed
Loss of use of bedroom (does not apply to planned works, where appropriate notice is given of work and work completed on time)	20% of weekly rent	The start date for compensation is the date the resident reported the issue minus the reasonable repair period. The end date is when repairs were completed
Total loss of use of all bedrooms resulting in inability to sleep in property	100% of weekly rent	The start date for compensation is the date the resident reported the issue minus the reasonable repair period. The end date is when repairs were completed
Loss of living room (does not apply to planned works, where appropriate notice is given of work and work completed on time)	20% of weekly rent	The start date for compensation is the date the resident reported the issue minus the reasonable repair period. The end date is when repairs were completed
Entire home affected	100% of weekly rent	100% of the rent charged should be applied (before any mitigating factors). The

		calculation will not exceed 100% of the rent charged.
Total loss of use of rented garage (does not apply to planned works, where appropriate notice is given of work, alternatives are provided and work completed on time)	100% of weekly garage rent	The start date for compensation is the date the resident reported the issue minus the reasonable repair period. The end date is when repairs were completed.
Missed appointments (CBH or contractor failure to attend – evidence of financial loss may be required)	£20 per missed appointment	Where the impact on the resident is significant and exceptional e.g. repeated failures to attend, additional compensation should be considered.
Reimbursement for use of dehumidifier	£7.50 per day	We will reimburse from the date the dehumidifier was provided until it is no longer needed.

Appendix 3 – Compensation for Complaint Handling Failures (capped at £250 as per Housing Ombudsman Guidelines)

Finding	Redress	Impact
Service failure	Apology, learning	Minimal impact caused by complaint handling failings. Usually a single incident. Did not affect the overall outcome for the customer.
Service failure	Up to £50 Apology, learning	Low impact, short duration. Minor failure in our response to the complaint and this was not acknowledged and/or fully put right. Compensation offer not proportionate to the failings. May include distress, inconvenience, time and trouble, loss of confidence and minor delays in addressing the complaint.
Maladministration	Up to £100 Apology, learning	No permanent impact but there was a complaint handling failure which adversely affected the customer. We failed to acknowledge complaint handling failings and/or have made no attempt to put things right or we have acknowledged complaint handling failings and/or made some attempt to put things right but failed to address the detriment to the customer and/or the offer was not proportionate to the failings identified by the investigation.

Maladministration/Severe Maladministration	Up to £250 Apology, learning	There was a complaint handling failure which had a significant impact on the resident. The circumstances for maladministration or severe maladministration apply and the redress needed to put things right is substantial.

15. Authorisation limits

Compensation amount	Authorisor
Up to £100	Any staff member
Up to £600	Customer Experience Team Leader, Senior Complaints Officer, Supervisors, Service Managers
£600 - £1000	Corporate Management Team
£1000 - £2000	Directors Management Team
Over £2000	Chief Exective

16. References

- Right to Repair Regulations 1994.
- The Secure Tenants of Local Authorities (Compensation for Improvements) Regulations 1994
- The Home Loss Payments (Prescribed Amounts) (England) Regulations ?? The Home Loss Payments (Prescribed Amounts) (England) Regulations 2023
- Compensation policy guidance for Landlords| Housing Ombudsman Guidance on remedies - Local Government and Social Care Ombudsman Guidance on complaints involving insurance issues
- Complaint Handling Code

17. Related documents

- Complaints policy
- Repairs policy
- Repairs guide.
- Tenant Alterations Policy
- CBH Managing Unreasonable Behaviour Policy
- CBH Serious Incident procedure (Decants)
- Colchester City Council Essential Planned Moves Policy (2025)

Document control sheet

Title	CBH Compensation and Remedies Policy July 2026
File location	https://colch.sharepoint.com/sites/cbh-fnc/corpdoc/PolDevLib/C Remedies policy.docxhttps://colch.sharepoint.com/sites fnc/corpdoc/PolDevLib/CBH Remedies policy.docx
Consultation	• Task and Finish September 2023 • CMT October 2023 • Complaints Panel April 2026 • Operations and Performance Committee July 2026
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Equality Im Assessment	**Required** Yes **Latest** 01/06/2026 **Review due** 01/06/2029

Document amendment history

Version	Type	Date	Notes
1.0	New policy	March 2014	New policy approved by Operations Committee February 2014. Changes requested by DMT subsequently and circulated to Operations Committee in March 2014: • Policy statement added • Appendix A for guidance only • Loss of major amenity does not apply to improvement works • Compensation only payable because of CBH failure or mistake • Economic loss fixed at £15
1.1	Minor change	January 2017	Minor details amended to reflect organisational changes. Updated CBH contact details. Board approval amount to notification
1.2	Minor change	December 2020	Changed name of policy from Compensation policy to reflect Ombudsman practice. Minor details amended to reflect changes to Ombudsman services, references and adding Home Loss Payments.
2.0	New version	October 2023	Amendments to reflect recommendations on Ombudsman best practice and Housing Ombudsman Complaint Code. Minor changes to authorisation limits
3.0	New version	July 2026	Changes to reflect revised guidance published by The Housing Ombudsman February 2026.