
Author**Title of policy**Head of Lettings and
Income Protection

Compensation

**Section**

Operations

Updated: March 2025

1 Policy Statement

- 1.1 This Policy sets out how Rooftop approaches compensation. Our aim is to provide an excellent service to all our customers. We recognise that occasionally we may deliver services that fail to meet our customers' and our own service expectations.
- 1.2 Rooftop is a not-for-profit organisation. We must have regard to our limited financial resources as we exist to meet housing need in the communities of South Worcestershire and North Gloucestershire
- 1.3 When we get things wrong, we will apologise. Sometimes this will be enough to resolve matters. At other times an apology and compensation will be appropriate.
- 1.4 It is not appropriate to award compensation in every case and we aim to provide practical solutions to any issues. We will consider each claim for compensation on its own merit. Payments and awards will always be made in a fair, transparent and consistent way whilst still representing value for money in the way we manage our resources.
- 1.5 This Policy outlines the circumstances where we might consider compensation to a customer, leaseholder, shared owner or any of our other customers. This Policy does not apply to licensees or to members of the public with whom we do not have a contractual relationship. Claims for personal injury are dealt with under our Insurance Policy.
- 1.6 Whilst the Policy indicates the key principles, it cannot and does not seek to provide a compensation blueprint for every situation. Each case must be considered on its own merits

2 Statutory and Regulatory context

- 2.1 Rooftop will always adhere to the latest legislation, regulations and statutory guidance relating to the payment of compensation to customers, including:
 - Section 96 of the Housing Act 1985 sets out the Right to Repair for secure tenants.
 - Part 1 of the Housing Act 2004.
 - Secure Tenants of Local Housing Authorities (Right to Repair) Regulations 1994.
 - Sections 30(1) and 30(2) of the Land Compensation Act 1973 regards home loss payments.
 - The Home Loss Payments (Prescribed Amounts) (England) Regulations 2018 set the current amounts payable under the 1973 Act.
 - Section 61 of the Leasehold Reform, Housing and Urban Development Act 1993 gives us the right to terminate a (new) lease on the grounds of redevelopment.
 - The Regulator of Social Housing's Transparency, Influence and Accountability Standard (April 2024).
 - The Housing Ombudsman's Complaint Handling Code (April 2024).

3 Equality, Diversity and Inclusion: Principles

3.1 At Rooftop we are committed to creating and sustaining a diverse and inclusive environment achieving positive outcomes for potential and existing customers, our colleagues and the wider community. Our commitments to our customers, colleagues and communities are detailed in our Equality, Diversity and Inclusion (EDI) Strategy. We are an organisation that values diversity, and champions equality and inclusion. We demonstrate this through the activities and the services we provide. This means living by, working to and acting on our Values.

4 Vulnerability: Reasonable Adjustments

4.1 There are occasionally circumstances where we need to consider working outside of the parameters of this Policy. This may be where there are several complexities present, or where customers have vulnerabilities that may lead us to make reasonable adjustments to the way we apply this Policy. In such cases, a referral should be made to the Complex Cases Review Group via the Head of Housing, where any approach outside of this Policy (and potentially other policies) will be considered and recorded, if agreed. This will always be considered in the context of the Assessing and Supporting Vulnerability Policy.

5 Data Protection: Principles

5.1 Rooftop recognises the importance of protecting the personal data of our customers, colleagues, contractors and other stakeholders and our commitment to compliance with data protection laws and managing personal data responsibly. As an organisation, we are committed to ensuring everything we do with personal data follows the principles of lawfulness, transparency, fairness and accuracy whilst minimising the amount of data we collect and only using it for specific, explicit and legitimate purposes until we no longer need it.

6 Conditions

6.1 We will not consider compensation where:

- The damage or delay was caused by circumstances beyond our control (for example weather).
- The claims should have been covered by the customer's home contents insurance policy, including damage to belongings and floor coverings.
- The customer has caused the delay or otherwise caused a loss due to their lack of action, neglect, or misuse of the property, or by their household, or a guest.
- The customer has employed a repair contractor or advocate to assist them without getting our prior written permission.
- The issues are subject to legal proceedings (the claim having been lodged at Court) or disrepair claims.
- The loss or damage was caused by another party not working under contract to Rooftop, for example a utility company, a visitor, or another customer.
- There is a reported loss of earnings or annual leave.
- Significant work is required to a home, and we are delivering against a planned schedule of work that has been agreed with the customer.
- A claim relating to personal injury will be considered under our Insurance Policy.
- A leaseholder lets the property out, we will not compensate for loss of rental income.

6.2 We may consider compensation in a range of circumstances, including:

- Where we have failed to follow our policies, procedures or guidelines.
- Where services, facilities or amenities set out in the customer's lease or tenancy agreement have not been provided.

- Where we have failed to complete repairs to agreed response times (not applicable to leaseholders and shared owners except those in the defect liability period).
- Where we, or our contractors, have failed to take reasonable care, for example loss or damage to personal property during repair work.
- For loss of facilities, amenities or disruption due to building works
- For loss of use and enjoyment of the home
- For repeat failure to attend a booked appointment without good reason.
- Where customers are forced to leave their homes for demolition or redevelopment.
- Where the handling or resolution of a complaint has fallen outside of our Policy/procedure thereby causing distress/inconvenience to our customer.

7 Making and Handling claims

- 7.1 Customers can make a compensation claim in several ways. These include by telephone, in person and in writing (by email or post). Customers seeking compensation should make a claim as soon as reasonably possible. Claims that are more than six months old will usually be refused.
- 7.2 Claims for compensation which are not part of an open complaint will be acknowledged within the same timescales, within five working days by the team receiving the claim. The first step is to assess the claim, which should take no longer than 20 working days. In order to raise a claim, a customer needs to inform us what they want to claim the compensation for, submit evidence as requested and engage with us during the claim assessment process. When investigating a claim for compensation colleagues should consult the guidance in our Compensation Procedure for assessing whether a claim is valid, what type(s) of compensation is appropriate and how compensation should be calculated.
- 7.3 Compensation will be offered only once the issues have been resolved, or a complaint has been fully investigated. This does not include reimbursement of customer expenses, which may be paid as they occur. If we make any compensation payments, by default we will offset payment against any debt owed to Rooftop. Where compensation has been awarded to remedy a direct loss or out of pocket expense, this will be paid direct to our customer. Any statutory compensation is normally offset against any customer debts.
- 7.4 Where compensation claims are linked to complaints, they will be dealt with in line with our Complaints Policy and Procedure. A financial remedy is one possible outcome in resolving complaints at Stage 1 and Stage 2.

8 Types of compensation

- 8.1 In awarding compensation, we will consider whether any statutory payments are due, if any quantifiable losses have been incurred and the time, inconvenience and distress caused to the customer.
- 8.1.1 Rooftop will consider three types of compensation within this Policy:
- **Mandatory**
 - **Quantifiable**
 - **Discretionary**

9 Mandatory Compensation

- 9.1 Mandatory compensation applies to eligible customers in Rooftop homes and owner occupiers in certain circumstances. We will have regard to section 2 of this Policy. Examples of mandatory compensation payments follow:
- 9.1.1 **Home Loss** payments are made to customers, leaseholders and shared owners if we need them to move from their homes permanently due to demolition, sale of land or major works. This usually follows compulsory purchase of the property or the making of a court order in respect of the dwelling (under Part 1 of the Housing Act 2004 or a demolition order). For customers, the payment for Home Loss is prescribed and revised each year.
- 9.1.2 A **Disturbance** payment may be payable in addition to Home Loss payment. Disturbance Payments are for reasonable moving expenses that assured/secure customers, leaseholders or shared owners may incur if we require them to permanently or temporarily leave their home so that major improvement works can be completed. Major improvement works include regeneration, redevelopment and demolition/decommissioning of the property as part of redevelopment, or to comply with a court order.
- 9.1.3 Secure and assured customers moving out of their home can request compensation for certain **improvements** they made to the property while they were living in it. For qualifying improvements, compensation will be calculated based on a formula informed by legislation. It will be paid on a sliding scale according to the expected life expectancy of the improvement.
- 9.1.4 We will not consider compensation where we are evicting a customer for breaking tenancy conditions or where a customer is exercising their right to buy/acquire.

10 Quantifiable Compensation

- 10.1 Quantifiable compensation would be payable where customers can demonstrate actual loss.
- 10.2 Quantifiable compensation could be related to increased heating bills due to loss of amenity, damage to customer belongings*, or reimbursing the expense for carrying out repairs if we failed to meet our obligations.
- 10.3 *We expect customers to have contents insurance in place for their furniture, decorations or any other personal possessions. For example, a contents insurance policy may cover accidental damage, loss, fire or water damage, or burglary, amongst other things. Our Compensation Policy is not intended to compensate for a customer's lack of contents insurance.
- 10.4 To issue a quantifiable compensation payment any such costs must have been reasonably incurred and evidence of such loss provided.
- 10.5 Whilst carrying out repairs, there may be damage caused to customers' interior decorations or other fittings or fixtures. We will aim to identify any potential damage before major planned works commence and will discuss with the customer the options available to minimise damage. In such cases we may provide compensation which could involve repair or replacement by us or our contractors. In the case of damage to customer decorations, we will carry out reasonable redecoration or provide decoration vouchers for the customer to carry out the work themselves, if they prefer.
- 10.6 Where damage or alleged injury occurs because of our contractor's negligence, we may seek a refund from the contractor for any compensation we pay to our customers.

10.7 We will not consider compensation if the damage occurred:

- Because the original fitting or fixture was not fitted in a competent manner.
- To a fitting or fixture that the customer had installed without obtaining permission.
- In an area that we have not worked in (for example floor coverings in adjacent rooms).

10.7.1 Under the terms of our tenancy agreements, customers must allow access to their homes for repairs to be carried out which may result in having to take time off work. Therefore, we will not compensate for loss of earnings or annual leave.

11 Discretionary Compensation

11.1 We will consider an offer of discretionary compensation when an apology is not sufficient and we need to recognise the impact the service loss or failure has had on our customer.

11.2 Discretionary payments will be dependent upon the severity of any service failure and the associated impact on our customer.

11.3 Examples of what may qualify for a discretionary payment include:

- Poor complaint handling
- Delays in undertaking a repair
- Temporary loss of amenity
- Loss of use of part of the property
- Failure to deliver a service
- Unreasonable time taken to resolve a situation
- Time and trouble or distress and inconvenience.

11.3.1 We may consider compensation, in the form of a rent rebate, if a customer is not able to use a room(s) in their home because of a repair issue that is our responsibility, and which causes prolonged and unreasonable disruption.

11.3.2 We will not compensate any customer for a fault or loss of service that is caused by their misuse, negligence or damage; where spare parts are generally not readily available; or where stopping the service is essential for planned works to take place.

11.3.3 Where our contractual arrangements allow, we may seek a refund from the contractor for any compensation we pay to our customers where we can identify that the contractor is wholly or largely responsible for the service loss or failure.

11.3.4 Where we are contractually obliged to provide a service or to meet a quality or timescale standard and fail to do so, we may pay compensation. This would include occasions where we do not provide items that form part of a service charge, where we take significantly longer to make a repair than our published timescales, or where we fail to provide essential services such as heating and hot water.

11.3.5 In these cases, we may:

- Refund the relevant portion of the service charge for the period in question.
- Pay compensation for the period that the essential service was not provided.
- Pay compensation for the period that the repair was not completed above our normal timescales.

11.4 In some cases, we may choose to offer a payment to recognise any distress or inconvenience the customer has experienced. Any payment should consider the specific circumstances of the affected household. The amount will be informed by

the duration of the issue, the impact, and the individual circumstances of the customer.

12 Compensation for leaseholders and homeowners (including shared owners)

12.1.1 Compensation may also apply to leaseholders and other homeowners where appropriate. Any compensation paid will be discussed with and credited to the leaseholder directly and not any tenant of the leaseholder (possible exception is Disturbance Payment).

12.1.1 If a leaseholder or shared owner has purchased a new property from us, there will be a stated snagging period in the contract. During this time, defects may become apparent, and customers should make us aware of them. If we fail to complete the repairs within a reasonable time, we will consider paying the customer compensation.

12.1.2 Compensation will only be offered where we have caused unreasonable delays and/or distress, not for the defect itself. We may refund an insurance excess if we have been negligent in the handling of a repair or defect. Where a leaseholder lets the property out, we will not compensate for loss of rental income or any potential rent increases, due to a repair issue or loss of service. We will only consider compensation for missed appointments on communal repairs if we have specifically requested that the leaseholder be present.

13 How compensation is calculated

13.1.1 **Mandatory** compensation payments are determined by statute. We will review the most up to date applicable legislation at the time we are aware a customer is eligible for such compensation.

13.1.2 **Quantifiable** compensation will be determined upon receipt of evidence of any such costs having been reasonably incurred. In the absence of evidence, we may award a nominal amount subject to the individual circumstances. Examples are provided in the Compensation Procedure.

13.2 **Discretionary** compensation will be based upon the impact of any service failure:

- **Minor impact** – where a complaint has been upheld and there has been a minor inconvenience or distress caused. This will typically be a short duration and not have significantly affected the customer. It might include delays in getting matters resolved.
- **Moderate impact**– a failure that has resulted in a significant impact. We may have made some attempt to put things right but failed to address the impact to the customer. A repeated failure of a minor impact event could result in the impact being increased to a moderate impact.
- **Severe impact** – a serious failure in service has taken place. This could be due to the severity of the event or a persistent failure over a prolonged period of time.

14. Compensation Guidelines

14.1 Supporting information of our approach to compensation, including examples is available in our compensation procedure.

Discretionary Payment Parameters			
Level of impact	Minor	Moderate	Severe
Monetary guide	Up to £50	£50-£250	£250-£500

Compensation Guide	
Loss of use and enjoyment.	In the event of a room being wholly compromised and unusable, it may be appropriate to compensate based on rent charge. The default position is to use 20% of the rent charge per room. If a room is partially compromised, it may be appropriate to reduce this to 5-10% of the rent charge. A compromised garden would not normally attract compensation based on rent charge.
Missed appointments	In the event of a missed appointment, we will offer an apology. In the event of a complaint that includes multiple missed appointments, the impact will be considered in conjunction with the substantive issue the appointment was made to address.
No heating or hot water	Compensation for a loss of heating is applicable 1 November – 30 April. Our approach to compensation is based upon the Right to Repair. If we fail to restore heating, we will award £10 for the first day followed by £2 for each subsequent day.
No hot water	Our approach to compensation is based upon the Right to Repair. If we fail to restore hot water, then we will award £10 for the first day followed by £2 for each subsequent day.
Total loss of mains water	Where it is our responsibility. After the first 24 hours if we have not provided alternative provisions. For example, bottled water. £5 for each day
The individual circumstances of a case will inform the compensation awarded. The duration and severity of impact will be considered.	

14.2 Mitigating factors may lessen the compensation awarded, such as:

- a customer refusing access for a repair
- a customer's action or inaction contributed to what happened in the case.

14.3 Aggravating factors may increase the compensation awarded, such as:

- impact worsened through a vulnerability
- inaction by Rooftop following repeat reports from a customer.

14.4 We will only pay compensation for repairs we are responsible for if we have failed to complete the repair within our published guidelines.

14.5 Any offer of compensation will remain valid for three months. After which, if not accepted, it will be classed as being rejected.

15 **Requests for a review of a compensation decision**

15.1 Where a compensation claim is linked to a complaint, we will follow the Complaints Policy to resolve the complaint. Where the compensation claim does not relate to a complaint and the customer is unhappy with the level of compensation offered (excluding claims where the level of compensation is prescribed by statute) this will be dealt with as a new Stage 1 complaint.

16 Financial Administration and Authorisation

16.1 Any payments made will be in line with Financial Regulations.

16.2 The following authorisations will apply in all categories of compensation:

Compensation up to the value of £100	Colleagues in the Operations and Investment Directorates.
Compensation up to the value of £500	Managers and Team Leaders in the Operations and Investment Directorates in consultation with the Complaints Resolution Manager
Compensation up to the value of £2,000	Complaints Resolution Manager in consultation with Heads of Service.
Compensation up to the value of £10,000	Executive Director
Compensation above the value of £10,000	Any two Executive Directors jointly.
The compensation budget is held by the Executive Director - Operations.	

17 Review

17.1 This policy will be reviewed annually unless there are major changes in legislation or good practice.

18 Consultation

18.1 Leadership Team Sub-Group	March 2025
18.2 Executive Team	March 2025
18.3 Other (eg customers)	n/a

19 Responsibilities

Responsible body

19.1	Formulation, amendment and approval of policy	Executive Team
	Monitoring of policy	Complaints Team
	Operational management of policy/policy author	Head of Lettings and Income Protection
19.2	Date of formulation of policy	May 2006
19.3	Dates of policy reviews	March 2025
		June 2024
		March 2024
		March 2023
		January 2021
		April 2019

March 2013

September 2009

March 2026

19.4 **Date of next review**

Associated documents

Internal – Rooftop policies and procedures

- Complaints Policy
- Complaints Procedure
- Compensation Procedure
- Financial Regulations
- Scheme of Delegations