



EKAYA HOUSING ASSOCIATION

Compensation Policy

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1. Policy Statement

- 1.1. Ekaya Housing Association (Ekaya) aims to provide an excellent service to its customers at all times, however we recognise that there will be occasions when customers may suffer some disadvantage, inconvenience or loss as a result of our actions or mistakes and that in some instances compensation may be appropriate.
- 1.2. This policy applies to all residents of Ekaya. It covers both statutory (obligatory), discretionary and qualifying compensation, which relates to loss, damage or inconvenience due to a failure in service.

2. Aims and Objectives

- To make it clear the circumstances under which compensation will be paid.
- To ensure fairness and consistency when calculating compensation.
- To provide guidance on how and when compensation can be claimed.

3. Legal Framework

- 3.1. Ekaya is governed by legislation and good practice relating to the payment of compensation. This is used to decide when and how much compensation will be payable. 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

4. Definition

Compensation is defined as “something (monetary or otherwise) payments made when a person has experienced a delay or has incurred additional costs because of a service failure on our part or failure to carry out service within our published guidelines. For example:

- A temporary loss of amenities including heating, hot water, mains water and power within our control
- Inability to use part of a property
- A failure to meet agreed standards of service

- Poor complaint handling
- Failure to provide a service that has been charged for

5. Exclusions

5.1. The policy does **not** cover the following claims:

- Claims that would normally be dealt with by our Insurers
- Those covered by Ekaya's liability insurance
- Any claim that should be covered by a home contents insurance policy, this includes damage through flood or fire to residents' belongings such as floor coverings
- A claim for personal injury
- A claim for loss of earnings
- Where there is impending legal action

5.2. Ekaya will **not** consider a claim of compensation where:

- The loss or damage was caused by a resident, household member or visitor and includes failure to report a repair promptly or keep an appointment
- The fault was unforeseeable and/or caused by a 3rd party or Ekaya had no control over it, such as water leak from a neighbouring property
- Possessions are lost, stolen or damaged through no fault of Ekaya
- Items which have been unavoidably damaged by improvement works, such as when the installation of central heating has unavoidably left holes in flooring to accommodate pipework
- Damage was caused by condensation due to lifestyle
- The damaged items were removed or replaced before Ekaya or one of Ekaya's agents have inspected them
- Service failure or damage is the result of extreme or unforeseen conditions such as the weather
- Loss of the supply of gas, electricity or water is outside of Ekaya's control

Residents should ensure they have sufficient home contents insurance to cover damage to their property. Compensation is not intended as a substitute for home contents insurance.

This policy should be read in conjunction with Ekaya's Complaints Policy.

6. Method of compensation

Before financial awards are offered, consideration will first be given to a range of remedies that may be appropriate. The following list is not exhaustive, but 'putting things right' could include:

- An apology.
- Written explanation giving a full answer to all points raised in the complaint.
- Assurance that every effort will be made to ensure the same thing does not happen again, with action and monitoring to resolve.
- Action taken to put things right to demonstrable the complaint has been taken seriously.
- Additional Service in kind, this is a service above our normal service offer to support the customer, i.e. decorate a room
- Review of policies and procedures.

In assessing potential remedies, due consideration will be given to the guidance set out within the [Housing Ombudsman's Complaint Handling Code](#) which stated:

"In awarding compensation, landlords shall consider whether any statutory payments are due, If any quantifiable losses have been incurred as well as the time and trouble a resident has been put to as well as any distress and inconvenience caused."

6.1. Types of Compensation

There are three types of compensation:

- 6.1.1. **Statutory (obligatory) compensation:** payments landlords are obliged to make, usually due to legal requirements examples of statutory compensation include home loss, disturbance and payments under the Right to Repair scheme
- 6.1.2. **Discretionary compensation:** Payment landlord has no legal obligation to make under statutory payment but chosen to do so where circumstances arise. Examples are:

- Poor complaint handling
- Delays in providing a service e.g. in undertaking a repair
- Failure to provide a service that has been charged for
- Temporary loss of amenity
- Failure to meet target response times
- Loss of use of part of the property
- Failure to follow policy and procedure
- Unreasonable time taken to resolve a situation

6.1.3. **Quantifiable compensation:** Where people can demonstrate actual loss examples of quantifiable loss which could include: increased heating bills due to disrepair, having to pay for alternative accommodation or take away food, or carrying out repairs where a landlord has failed to meet its obligations. Customers will be required to provide evidence of any costs incurred.

6.2. Right to Compensation- Statutory (Obligatory) compensation

6.2.1. **Home loss and Disturbance:** This applies when a tenant has to move from their home, (i.e. decanted) due to redevelopment or demolition. It does not apply to repairs, including major repairs, or any other reason for a move. The Home Loss Payment is set by statute and will only apply where the tenant has been living at the property over the last twelve months and is required to move permanently Ekaya Housing.

6.2.2. **Temporary move:** Where a tenant and their household are required to move from their home for a short period of time to enable repairs or other major works to be carried out e.g. asbestos removal or structural work. After the work is completed, they will be expected to move back to their home. Residents facing temporary rehousing/move are entitled to compensation by way of disturbance payment only and will not be entitled to a Home Loss Payment. This payment is for reasonable moving costs and customers will be required to provide evidence of any costs incurred.

6.2.3. **Right to Repair:** This covers 'Qualifying repairs' costing less than £250 that are not completed within our published target times.

6.2.4. **Improvements:** Assured tenants leaving Ekaya who have completed improvements after 1st April 1994 may be entitled to compensation for a qualifying improvement. The right to compensation for improvements is subject to certain qualifying criteria and prior approval from Ekaya for such works.

6.3. Discretionary Compensation

- 6.3.1. Payment that landlord has no legal obligation to make this type of compensation but has chosen to do so to compensate residents for the loss or circumstance arisen as listed above. Discretionary compensation is not automatic. It will reflect the level of inconvenience, disturbance, distress or annoyance suffered by not putting it right and the extent to which Ekaya has been directly responsible. Compensation may be made when damage has occurred as a direct action of Ekaya and it would not be reasonable to expect the damage to be covered by a resident's home contents insurance.

Compensation may be made where there has been a loss of facilities, such as heating or hot water.

6.4. Quantifiable compensation

Goodwill payments may also be made when there has been a failure of service which has caused delay or distress.

7. Calculating compensation requests

- 7.1.1. Ekaya aims to provide excellent services to our customers. We acknowledge that when these standards are not met residents can be inconvenienced or suffer a loss as a result of our action or inaction and that in some instances compensation may be the most appropriate remedy.
- 7.1.2. Compensation is not automatic and will not apply where the service failure or mistake has not caused any inconvenience and has been easily and quickly remedied. The level of compensation should be reasonable, justifiable and proportionate and reflect value for money for all Ekaya's residents.
- 7.1.3. Each case will be considered for compensation on an individual basis and take into account all relevant known circumstances and supporting evidence. All reports of loss or inconvenience will be investigated and where appropriate compensation will be offered. Factors that should be taken into account when the level of compensation is considered include:
- Where the resident has contributed to the failure in service. This could be when there have been problems gaining access due to the availability of the resident or delays in reporting the problem.
 - Costs have been incurred by the resident that would not otherwise have been incurred.
 - The level of stress or distress caused as a result of an action or inaction that has led to the claim for compensation. This will include the severity of the distress, the length of time involved to rectified. .

- The amount of inconvenience (time and trouble) experienced by the resident and how much effort was required by them to resolve the problem.

7.1.4. Any compensation awarded must be appropriate and proportionate. To ensure consistency in the levels of compensation paid the matrix in **Appendix 1** sets out the maximum values that should be awarded. These amounts are based on the level of our responsibility and the impact on the resident.

7.2. Calculating Right to Repairs Compensation

7.2.1. **Right to Repair:** This scheme sets out repairs which have to be completed within a certain time, and include:

- Small repairs which can be done quickly and easily.
- Urgent repairs where there is a possible risk to health, safety or security.
- The repairs which are covered by the Right to Repair are known as 'qualifying repairs' and cost less than £250 to carry out, they include:
 - Loss of electrical power, gas or water supply (outside Ekaya's control).
 - No heating or hot water.
 - Blocked or leaking foul drain, soil pipe or toilet.
 - Blocked flues to fires or boilers.
 - Blocked sink or bath.
 - Leaking pipes or roofs.
 - Insecure windows or doors.
 - Door entry not working.

A full list of qualifying repairs is available in **Appendix 2**.

7.2.2. If Ekaya's contractor fails to carry out a 'qualifying' repair that has been reported on 2 separate occasions within the published repair timescales and the resident has allowed reasonable access to the property, a one-off compensation payment of £10 can be claimed, plus £2 for each day the repair continues to be outstanding up to a maximum of £50. This will not be payable if the delay is due to the availability of a non-standard part and the resident has been informed.

7.3. Right to Compensation for Improvements

- 7.3.1. Assured tenants may claim compensation for some improvements they have carried out to their homes when they are leaving. Prior permission from Ekaya must have been obtained for a 'qualifying' improvement and residents can claim for the cost of materials and labour costs but not for appliances or their own labour. The amount payable can be up to £3,000 though claims under £50 will not be considered.
- 7.3.2. Payments will be adjusted for undue wear and tear or if any defects to the improvement exist at the end of the tenancy. Compensation is worked out based on the notional life of the improvement, divided by the cost of the improvement, minus the number of years left. E.g. Improvement costs £500 and notional life is 10 years and the resident is moving out after 2 years. $\text{£}500/10 \text{ years} = \text{£}50 \text{ per year}$; $2 \text{ years} = \text{£}100$. $\text{£}500 \text{ cost} - \text{£}100 = \text{£}400 \text{ compensation}$.
- 7.3.3. Any claims for compensation for improvements must be made in writing between 28 days before the actual end of the tenancy or up to 14 days after the tenancy has ended. Residents must be able to provide proof of permission for the improvement granted by Ekaya, the original receipts or proof of financial transactions to be eligible for the compensation. The improvement must still be in good condition and full working order.

A full list of qualifying improvements is available in **Appendix 2**.

7.4. Statutory Home loss Payment and Disturbance Allowance

- 7.4.1. Where a resident is required to move permanently by Ekaya, compensation will be paid in accordance with the statutory Home Loss Regulation. This is currently £7,100, plus reasonable compensation for disturbance and is only payable to secure or assured tenants who have held their tenancy for at least 1 year. The payment will only be made once the permanent move has taken place and any monies owed to Ekaya can be deducted beforehand.
- 7.4.2. Decanting is the term used to explain the process when residents are required to move from their homes due to works being carried out that cannot be carried out whilst they are in residence. This includes when a resident has to move because their home is due to be demolished or disposed of, and when extensive structural or intrusive works are required. Decants can be separated into 2 different types:
- **Permanent Decant-** when the resident is required to move out of their home and there is no intention for them to return, e.g. Part of a regeneration scheme.
 - **Temporary Decant-** when the resident is moved out of their home to enable works to be carried out and the intention is for them to return.

When deciding whether to temporarily decant someone, factors such as the length and extent of the disruption, the cost, the household formation and the residents' wishes should all be considered

A temporary decant resident **will only** be entitled to the disturbance allowance upon provision of receipts and if a tenant is offered a property due to being on our transfer waiting list are not entitled to disturbance allowance.

7.4.3. Residents may claim a Disturbance Allowance for the actual costs and reasonable expenses they incur as a direct consequence of a decant. Residents will be required to produce written estimates from reputable contractors and claims may include; payment for removals, disconnection and reconnection of appliances, and redirection of mail.

7.4.4. A Disturbance Allowance may be made whether the move is permanent or temporary. It may not be claimed if the temporary move is a result of a fire or flood as the resident's home contents insurance would be expected to cover such costs. Full details are available in the Decant Procedures.

7.5. Compensation for Loss of amenities or services

7.5.1. If a resident is unable to use part or all of the rooms due to repairs which Ekaya is responsible for carrying out, compensation may be awarded. This is calculated based on the proportion of rooms that are out of use, and the amount of rent that you pay. Compensation will only be payable for the time between the target date for completion and the date the work is finished.

7.5.2. Loss of Room Use

7.5.2.1. We may offer compensation for loss of room use. The definition of an unusable room will be considered on a case-by-case basis, but common reasons include:

- no electricity at all in a room
- severe damp
- unsafe or collapsed floor or ceiling.

All compensation or Goodwill payments will take effect one week (7 days) after the loss is first notified to Ekaya.

Unusable room/facilities	Maximum amount (based on total loss) per weekly rent
Complete loss of use of Kitchen	20%
Partial loss of use of kitchen	10%
Complete loss or use of Bathroom (where combined with WC)	15%
Partial loss or use of bathroom (where separate WC)	10%
Complete loss or use of Living/dining room	10%
Complete loss or use Bedroom (where no alternative bedroom available)	15%
Partial loss or use of Bedroom (where other bedroom available)	5%
Loss of Electrical supply (total loss due to service failure)	20%
Partial loss of electricity	10%

7.5.3. Where Ekaya has redressed a service failure, for example failure of cleaning or ground maintenance, no financial compensation will be made as we believe that the redress for any service failure should be appropriate to the inconvenience suffered.

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

8. Payments

8.1. Claims for compensation due to service failure can be made via a complaint or by completing a Compensation Claim Form. The relevant Manager or, Head of Service, will decide on a case by case basis the most appropriate way to pay the compensation. If the resident owes money to Ekaya the compensation will be credited directly to their rent account.

8.2. Ekaya may not use compensation to pay a debt if the compensation is meant to be used for a specific purpose, e.g. to replace a damaged item. However, if part of the compensation awarded is for distress or inconvenience Ekaya may use this part to offset any debt.

8.3. If a resident feels that the compensation payment offered has not been considered in line with this policy, they have the right to use Ekaya's Complaints Procedure.

9. Value for Money

- 9.1. Correct issue of compensation can have a financial and social benefit to both Ekaya and our residents. Failure to award compensation that is due and/or compensation that is appropriate and proportionate for the failure in service, can impact on our overall customer satisfaction.

10. Related Policies

- Complaints Policy and Procedure
- Repairs & Maintenance Policy and Procedure

Approval Date:	February 2026
Approval By:	Policy & Performance Committee
Policy Owner:	Director of Operations
Consultation Completed:	(Approval sought subject to reference to Ombudsman requirements)
Next Review Date:	January 2029

Appendix 1

Discretionary and Quantifiable Payments

Heads of Service may authorise compensation, up to a maximum of £150 where it is clear that a resident has suffered serious inconvenience, or financial loss, due to Ekaya or a contractor employed by Ekaya's actions. Higher payments must be authorised by the Chief Executive.

Discretionary and Quantifiable payments include payment for:

- Damage to property or decorations as a result of negligence by an Ekaya employee or contractor.
- Unacceptable delays in providing services which have resulted in serious distress or inconvenience to the resident.
- Unacceptable responses to upheld or partially upheld complaints which have caused distress, dissatisfaction or inconvenience.
- Where the resident has incurred additional costs as a result of a failure in service.

Compensation payments for delay and distress will be made based on the level of Ekaya's responsibility for the loss or inconvenience and the impact on the resident. This matrix sets out the maximum payment that can be made.

	Impact on resident			
Level of EHA's responsibility	No Impact	Low Impact	Medium Impact	High Impact
None	£0	£0	£0	£0
Partial	£0	£25	£75	£100
Full	£10	£50	£100	£150

Low impact: The complaint has been upheld but there has not been significant inconvenience or distress caused. Impact has been no more than a reasonable person could be expected to accept and the compensation is a token in acknowledge of Ekaya's responsibility.

Medium impact: Inconvenience and/or distress has clearly been caused as a result of a failure in service. A repeated failure of a low impact event could result in the impact being increased to a medium impact.

High impact: A serious failure in service has taken place. This could either be due to the severity of the event or a persistent failure has occurred over a prolonged period of time or an unacceptable number of attempts to resolve the complaint have failed.

Payments should take into account the level of stress, anxiety, frustration, uncertainty and inconvenience caused. This will include the severity, length of time, number of people affected and their individual circumstances.

Goodwill gestures

Any member of staff can put forward a request for a goodwill gesture to their line manager for a resident who has received a poor service or has suffered inconvenience without the need for the formal complaints process to be followed.

Goodwill gestures are generally in the form of a token, usually flowers or a gift voucher, and would not normally exceed £50 in value.

Appendix 2

Right to Repair

Residents will be eligible for compensation under the Right to Repair if Ekaya fail to carry out the repair within the specified time, and after a further request again fail to complete the work within the specified time period. Repairs caused by tenants' negligence are not entitled to compensation and tenants may be recharged under our Recharge Policy.

A maximum of £50 compensation can be claimed if any of the repairs listed below are not completed within the specified time. The actual amount will be £10, plus a daily rate of £2. In exceptional cases, we may exceed the maximum allowed under this scheme.

Qualifying Repairs

Repair (Qualifying repairs are those costing up to £250)	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
Total or partial loss of space or water heating between 31st October and 1st May	1
Total or partial loss of space or water heating between 30th April and 1st November	3
Blocked soil stack, or (where there is no other working toilet in the dwelling-house) toilet pan	1
Toilet not flushing (where there is no other working toilet in the dwelling-house)	1
Blocked sink, bath or basin	3
Tap which cannot be turned	3
Leaking from water or heating pipe, tank or cistern	1
Leaking roof	7
Insecure external window, door or lock	1
Loose or detached bannister or hand rail	3
Rotten timber flooring or stair tread	3
Door entryphone not working	7
Mechanical extractor fan in internal kitchen or bathroom not working	7

Right to Compensation for Improvements

Compensation for improvements will only be paid where the works have been authorised and approved by Ekaya, carried out by a competent contractor, where the cost has been fully borne by the resident and not if the work was grant funded.

Time	Improvement carried out
20 Years	Loft and/or cavity wall insulation
30 Years	Double glazing or other external window replacement of secondary glazing
20 Years	Rewiring
15 Years	Provision of power and lighting or other electrical fitting (including smoke detectors)
15 Years	Kitchen sink Cupboard Storage in Bathroom or Kitchen Work surfaces for food preparation Insulation of pipes, water tank or cylinder
20 Years	Bath or shower base Wash-handbasin Toilet
12 Years	Central heating
8 Years	Draft proofing of external doors and windows
7 Years	Thermostatic radiator valves