

Paragon Asra Housing Limited

# Putting Things Right - Compensation and Redress Policy

May 2025

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<b>Owning manager</b>	Director of Business Improvement
<b>Department</b>	Complaints and Business Improvement
<b>Approved by Customer Committee</b>	November 2025
<b>Next review date</b>	November 2028 or earlier subject to any changes in the legislative / regulatory environment

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**Paragon Asra Housing Limited (PA Housing) is committed to equality and diversity. This policy has considered the Equality Act 2010 and its protected characteristics which are: race, gender, gender reassignment, disability, religion or belief, sexual orientation, age, marriage, civil marriage and partnership, and pregnancy and maternity explicitly.**

**We will make sure that all of our communication is fully accessible and to achieve this if a policy or document needs to be available in other formats we will provide them.**

## **1. Introduction**

- 1.1. We're committed to delivering high quality and efficient services but know that sometimes things go wrong that we need to put right.
- 1.2. This policy explains our approach to how we'll remedy an upheld complaint and includes managing payments of compensation and other remedies.
- 1.3. As a non-profit organisation and Community Benefit Society, compensation must be seen to be fair and reasonable as it is funded by income we receive from residents' rent and is therefore limited. Other routes of redress may be signposted to if more appropriate when assessing a case or claim for compensation.
- 1.4. This policy links to some of our other policies and procedures including:
  - Complaints
  - Insurance
  - Maintenance
  - Service Charge
  - Temporary Decant
  - Equality & Diversity Policy
- 1.5. If a resident wishes to claim compensation and needs help to do so we will support them in any way we can. The staff member handling the case will be able to advise further. If a resident lacks capacity under the Mental Capacity Act 2005, a representative acting in the resident's best interests (with relevant consent and authority in place) can act as the point of contact with us.
- 1.6. PA Housing's Resident Assembly members have been involved in the drafting of this policy.

## **2. Scope**

- 2.1. This Policy applies to the following, for whom the term 'residents' will be used as a collective description in the remainder of the policy:
  - PA Housing tenants
  - PA Housing leaseholders, including shared owners, (but not any tenants they sub-lease to)
  - Applicants for one of our homes
  - People who live close to or are affected by a property we own or manage.
- 2.2. This policy covers compensation which relates to service failures identified and upheld through our Complaints policy and process. As with the complaints themselves, we would not normally consider a claim for compensation made more than 12 months after the incident or service failure. Other routes such as insurance or personal injury claims may have a longer period in which a claim can be made, subject to sufficient evidence being available. Such insurance claims are outside the scope of this policy and should be pursued separately by residents, through liaison with our Insurance team.
- 2.3. Following a complaint, the offer of compensation remains available for up to 12 months from

the date of our response, should you wish to accept it at a later stage. After this period, the offer would not usually be payable unless, in exceptional circumstances, we agree to extend it or are required to do so as part of another redress framework, such as a determination by the Housing Ombudsman Service.

### **3. Exclusions**

- 3.1 Compensation which is required by law, which may include legal disrepair cases, is managed outside of this process and therefore not in scope for this policy. For these cases, please contact [legalclaims@pahousing.co.uk](mailto:legalclaims@pahousing.co.uk). If a Letter of Claim has been issued, but the Complaints Process has not been exhausted, we reserve the right to process the next appropriate stage of the Complaint process as per the Pre-Action Protocol for Housing Conditions claims (England) [https://www.justice.gov.uk/courts/procedure-rules/civil/protocol/prot\\_hou](https://www.justice.gov.uk/courts/procedure-rules/civil/protocol/prot_hou). If a settlement can be reached without attending court, a joint offer of compensation and legal redress may be offered.
- 3.2 Personal injury claims (e.g. stress as defined by a medical professional, evidenced impact on health) will not be addressed under this policy. These claims should be directed to [insurance@pahousing.co.uk](mailto:insurance@pahousing.co.uk).
- 3.3 Public liability claims, whether for physical property and fixtures or belongings or personal property damage including household contents, where you perceive PA Housing to have been negligent in their obligations as a landlord, should also be directed to [insurance@pahousing.co.uk](mailto:insurance@pahousing.co.uk).
- 3.4 For Leaseholders, claims for damages to fixtures and fittings should be made under their building's insurance cover in the first instance. Copies of the schedule can be provided on request. Normally, our repair and maintenance obligations in respect of shared ownership and leasehold properties are restricted to communal areas and the exterior of the building. Our approach to compensation under this Policy will reflect that, in line with how we consider complaints from such residents. Where damage has been caused to home owners' individual homes due to neglect or failure to act on the part of PA Housing, in addition to insurance cover for the cost of making good the issue, we will consider reasonable compensation in line with this Policy for any additional inconvenience or distress caused. An example of this would be failure to undertake timely repair to a leaking pipe, causing damage within the home and meaning the resident was unable to access rooms or facilities for a period of time.

### **4. Aims**

- 4.1 We aim to provide the best possible service to all residents and to resolve any issue before there is a need to issue a payment of compensation, or any other form of remedy is needed.
- 4.2 If the level of service we provide falls significantly below our published standards, we aim to be fair to any resident who incurs distress and / or inconvenience. In these cases, we will consider compensation. The compensation assessment will take into account the service standard in question and the extent of failure against it. A marginal failure to achieve the standard and / or a standard which reflects ambition to achieve better than a basic level of service may not result in compensation. This may be reflected in the level of distress or inconvenience caused. For example a routine repair which is delayed by 24 hours because the operative needs to obtain a particular part to complete the job may technically cause a

failure against our service standard, but is unlikely to significantly distress or inconvenience most residents as long as we explain the reasons clearly and proactively.

- 4.3 For the avoidance of doubt, repeated delays or minor failures, for example if a repair which should reasonably be expected to be resolved on the first visit in fact takes several visits to complete, will be considered for compensation taking into account the accumulated impact on the resident.
- 4.4 Compensation decisions will also be influenced by equality impact assessments which take into account a resident's individual circumstances and how these should guide the service we are providing. We work to incorporate reasonable adjustments into our service provision models when a resident's circumstances require this. A failure to make adequate adjustments which has resulted in significant detriment to the resident will be reflected in the compensation award.
- 4.5 In addition, the policy aims to:
  - Treat all residents with respect and compassion, and to consider their personal circumstances in our decision making when providing a remedy. This may include a resident's time and trouble, any distress or inconvenience caused, any previous history or mishandling of issues and complaints by PA Housing. The total sum of compensation offered will clearly set out the reasons behind any component amounts.
  - Consider claims for compensation on their individual circumstances to ensure our decisions are fair and proportionate.
  - Understand a remedy may not always be financial and to consider whether there are other actions we can take aside from offering compensation.
  - Set out the details of when we will pay compensation or offer some other form of remedy to a complaint.
  - Ensure compensation payments are properly assessed, monitored and controlled.

- 4.6 We will ensure that residents are provided with a clear explanation and any appropriate next steps. Where offers of compensation do not align with resident expectations, we would always advise residents to seek independent advice.

## 5. Approach

- 5.1 We'll consider a payment of compensation, or other remedy, in the example circumstances set out below:
  - If we've significantly failed to meet our own service targets. This includes communication and case handling of service requests. For example, a significant failure to meet response times for different categories of repairs, or other time-bound activities.
  - If we've failed to deliver a service which is paid for through a service charge (here the remedy will usually be to deduct the cost of the service not delivered from the service charge). For example, the cost of cleaning for weeks on which it did not take place.
  - If we've not acted in line with an appropriate policy.
  - If we've not handled a complaint in accordance with timescales set out in our Complaints Policy.
  - If contractors instructed by PA Housing have damaged personal possessions evidence must be provided. We may ask the contractor to raise this through their insurance

process or to provide direct compensation, whichever is more appropriate.

- If contractors have failed to carry out work to an acceptable standard, or missed appointments, we will ensure that compensation is attributed to them accordingly and recovered contractually.
- If a resident is unable to use part of their home for a significant period of time which causes inconvenience to their daily life.
- If a resident has been left without essential services or utilities without alternative provision, for a prolonged period significantly beyond what we originally advised
- If a resident has experienced significant inconvenience and / or distress due to delays
- If a resident has incurred additional costs outside of their normal spending because of a failure in our services – subject to confirmation of this being provided

5.2 We may consider practical action to resolve a dispute to remedy an adverse effect that has been caused by the service failure, instead of providing financial compensation. Examples could include:

- Providing decorating vouchers or decorating where a resident is not able to do this themselves.
- Undertaking repairs which we would not normally be contractually obliged to complete.
- Work outside of normal hours where practicable and appropriate.

If a complaint relates to a minor service failure, we may consider measures of redress such as flowers, chocolates or shopping vouchers to apologise and put things right.

These gestures should be carefully considered to ensure they are appropriate under the circumstances of the complaint.

5.3 In some situations, we would not consider making a compensation payment or offering an alternative remedy:

- a fault was repaired within the target time and to a good standard.
- we have acted reasonably and complied with legal and contractual obligations.
- the contractors were unable to obtain parts or materials to complete the work within the expected timescale but have subsequently completed it.
- where extreme weather conditions caused the contractors to complete the repair beyond the expected timescale and residents were advised of this.
- where additional work was identified which reasonably extended the original completion target dates.
- the loss or damage was the residents' own fault, including the failure to report the repair promptly or to keep appointments.
- damaged items were removed or replaced before PA Housing could view them, and no photographs or supporting statements from contractors to verify the damage can be provided.
- evidence is not provided to justify any claims for out-of-pocket expenses.
- out-of-pocket expenses have been covered under another policy, such as decent allowances.
- the claim is to compensate for specific loss of income due to time off work – however, compensation for inconvenience beyond what would be considered reasonable to enable a resolution can be considered. This will include consideration of the impact if a resident is required to take unpaid time off work more than once, due to our failure to resolve the issue at the first visit for reasons within our control.

- where a fault was caused by a third party or PA Housing had no control over it, for example burst pipes, or damage by a utility contractor, we will seek to use our buildings insurance to cover remedial works, or support residents to make a public liability claim against the contractor's insurance.

## 6. Our approach to calculating compensation payments

6.1 Our approach will recognise that service failures may have a greater impact on residents with vulnerabilities, health conditions or disabilities. This will be taken into consideration when calculating any offers of compensation, however claims relating specifically to the impact of a service failure on a resident's health or personal injury will be referred for investigation by our insurers to ensure they are managed appropriately.

6.2 Compensation will not be paid automatically and may not be offered where a service failure or mistake has not caused any significant issues and has been quickly resolved. The main aim is to 'make things right and recognise the inconvenience' i.e. remedy the problem by replacing items, issuing vouchers or apologising or agreeing to change procedures to put things right to prevent further failures or mistakes from occurring. For the avoidance of doubt, serious service failure causing significant inconvenience to residents for an unacceptable period of time will be considered for compensation. Examples of this would include a significant lift outage or prolonged failure of the heating / hot water supply with direct impacts on residents' ability to lead their normal day-to-day lives.

6.3 Complaints handlers will liaise with service leads when considering individual cases to decide what is fair in all the circumstances of that particular situation. This will include a review against stated policies, and an impact assessment. **Appendix 1** provides guidance to them in order to ensure that considerations are fair, justified, and consistently reached. We will encourage them to cross check their assessments within the team to further support this.

6.4 Residents are required to take out their own home contents insurance against accidental damage, loss, fire or water damage, burglary etc. This covers items such as furniture, carpets, curtains, clothes, bedding, electrical items, jewellery, pictures and ornaments, and much more. We highlight insurers on our website that provide products for social housing residents: [Do you have home contents insurance? | PA Housing](#). This is particularly relevant where problems have been caused by a third party other than PA Housing, including damage caused by other residents. In some cases the costs may not be covered under a standard home contents insurance policy and PA Housing will provide appropriate support to residents once this has been confirmed.

6.5 Financial compensation payments in relation to how we have handled a complaint will take into account whether the complainant has had to spend significant time, effort or inconvenience pursuing the complaint where we have failed to respond or act promptly, but will not be paid for time taken making lengthy written complaints or providing substantial or repeated items of evidence.

6.6 Rent arrears will only be written off if there have been significant delays in notifying residents of the arrears, e.g. over 12 months where residents pay through a monthly standing order; insufficient amounts collected for over 6 months by direct debit; or if residents were not advised of the correct rent changes. This includes where residents have withheld rent during the course of a complaint investigation.

6.8 In respect of compensation where group action complaints are raised, for example by a Residents Association – if the complaint relates to service chargeable service failures, any compensatory refund for services not received should be reflected across all who have been impacted by that failure. This will not be in the form of individual payments but credited by way of a service charge adjustment. If the complaint did not relate to a service chargeable issue, an alternative remedy may be offered that all residents would benefit from, such as the redecoration of a communal area.

## **7. Making a request for compensation**

7.1 Claims will be dealt with efficiently, sympathetically and promptly to reduce distress and potential further dissatisfaction. Our aim will be to make any offers of compensation in full in the complaint response. Where this is not possible, the resident will be contacted and kept informed.

7.2 If the resident is satisfied with the complaint response but asks for the compensation to be reviewed, if clear rationale for this is provided it may be reconsidered by the service Manager. If an agreement cannot be made at Stage 1 this will escalate to Stage 2 of the Complaints policy.

7.3 PA Housing's insurers will be informed immediately of any incidents which may give rise to a possible personal injury claim. Any claim for compensation in relation to impact on health will immediately be passed to the insurers.

7.4 Any money owed by the resident, such as rent arrears, court costs or rechargeable repairs, will normally be cleared as part of a compensation package prior to a payment being made, unless the compensation is for loss or damaged items or resulting from a Housing Ombudsman order. There may be some discretion applied to this if hardship can be proven and a repayment plan entered into. Payment will be made via the resident's chosen method i.e. direct bank payment / vouchers / paid into rent account.

7.5 Any offers of discretionary compensation are made on the basis that it does not constitute an admission of legal liability.

7.6 Compensation required by law can be found in **Appendix 2**.

## **8. Equality and Diversity**

8.1. We pride ourselves on our approach to equality and diversity and believe that everybody is unique, and that uniqueness should be celebrated.

8.2. We will treat everybody with fairness and respect and consider their individual case and circumstances when making decisions about compensation in line with our published Equity, Equality, Diversity and Inclusion Policy.

## **9. Training**

9.1 We will carry out induction and refresher training for all relevant staff to make sure that they are aware of this policy and of our commitment to excellent service delivery standards and targets. All relevant managers will receive specific training to provide the skills and knowledge to comply with this policy.

## **10 Monitoring and reporting**

10.1 Compensation payments are monitored as a means of improving service performance to residents and to ensure consistency of approach and appropriate use of compensation awards.

## **11. Legislation**

11.1 The legislation covering statutory compensation is set out below:

- The Secure Tenants of Local Housing Authorities (Right to Repair) Regulations 1994 gives secure and protected assured tenants the right to claim compensation if qualifying emergency and urgent repairs are not carried out within prescribed timescales.
- As a registered social landlord, we are required to extend the same service to our assured tenants.
- A Right to Compensation for Improvements was introduced in 1994 as part of the Citizens Charter. Tenants whose tenancies are ending can claim compensation for improvements they have made to their home.

## **12. Contacting the Housing Ombudsman**

12.1 The Housing Ombudsman Service is available to provide guidance to residents making complaints and requesting compensation and can be contacted via the details below. The Service will not ordinarily consider a case until it has exhausted PA Housing's own internal complaints process.:.

Housing Ombudsman Service PO Box 1484 Unit D Preston PR2 0ET	Email: <a href="mailto:info@housing-ombudsman.org.uk">info@housing-ombudsman.org.uk</a> Phone: 0300 111 3000 (Monday, Tuesday, Wednesday, Friday 9am - 5pm, Thursday 9am - 3.30pm) <a href="https://www.housing-ombudsman.org.uk/free-for-residents-make-a-complaint-housing-ombudsman">Free for Residents   Make a complaint   Housing Ombudsman</a> ( <a href="https://www.housing-ombudsman.org.uk">housing-ombudsman.org.uk</a> )
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**For reference, guidance is also available on-line here:**

[Guidance on remedies | Housing Ombudsman](https://www.housing-ombudsman.org.uk/guidance-on-remedies-housing-ombudsman)

## Appendix 1 - Compensation payments

The compensation package should provide a remedy that recognises the overall distress and inconvenience caused to a complainant by a particular service failure. We recognise that distress may be subjective and will evaluate claims as part of the complaint investigation. We may need to ask for additional information to confirm the level of distress experienced.

The Housing Ombudsman services recognises that distress can include:

- stress, anxiety, worry, frustration, and uncertainty
- raised expectations – where a landlord's actions or inactions resulted in a resident reasonably believing that something would, or would not, happen
- inconvenience to self or household members
- a strong sense of having been treated differently to others for no apparent reason
- a perception of having been discriminated against
- problems caused by delays in resolving matters or poor complaint handling

When assessing the impact of the distress we take into account:

- the severity of the situation
- the length of time involved
- any personal circumstances of the resident and their household members likely to have been more adversely impacted as a result.
- any other relevant factors such as support or alternative solutions offered / provided.

In order to quantify the above, when we investigate the particular circumstances of the complaint it is important that the information is disclosed if not already held. Unsubstantiated or unrelated claims may not be considered.

The table below sets out how using these distress factors can help to form a cumulative impact assessment:

Level of impact to customer	Inconvenience caused
Low Up to £150	There has been a service failure, but this was rectified in a reasonable amount of time with a minimal impact to the resident.
Medium £150 - £500	There has been an issue which caused significant inconvenience and took multiple attempts to resolve. This may include missed appointments, having to cancel commitments avoidably, multiple unsuccessful appointments, repeated efforts by a resident to seek action, case updates, or responses. The upper end of this bracket will also require an apology by the relevant service manager.
High £500 - £1000	There has been a serious failure taking a considerable amount of time to resolve, with severe consequences to the resident. This will have had a major impact on their lifestyle and ability to enjoy use of their home. This could include disruption to hospital treatment, ability to easily go in or out of the home for more than 2 weeks, loss of accessible washing facilities (e.g. wet room), severe anxiety resulting in medication increase, disruption to an essential communal service such as the lift, etc. Claims made with anticipation in excess of this will

be referred to our paralegal team to establish if the calculation of an offer made under a legal framework would be a more appropriate option.

Complaint handlers will use this table to generate an equalities impact statement for each case element to clearly audit decision making. Guidance for colleagues is provided.

Tier	Description	Customer experience impact	Redress agreed

We only pay compensation for repairs if we have failed to complete the repair within our published guidelines. The table below outlines the level of compensation that we may pay, in addition to distress and inconvenience, and any non-financial remedies.

Missed Appointments	£30 - To be recouped from contractor if no evidence of contact to update resident can be provided.
Loss of heating (serving individual households)	£10 for initial day, £5 per day after target repair timescale elapsed. *
Loss of heating (communal heat networks)	In line with guidance provided by the Energy Ombudsman compensation and redress framework – each case being treated on its merits
Expense allowance for running temporary heating provided in addition to the above	£4 per day used
No hot water	£2 per day after target repair timescale elapsed
Dehumidifier running costs (commercial grade)	£5 per day
Failure to complete repairs within appropriate timescale	£100 if completed less than a month over target £300 if completed within 3 months over target £600 if completed within 6 months over target
	OR
Total loss of use of Kitchen or Bathroom	25 % of daily rent after target timescale elapsed
Total loss of use of bedroom	20 % of daily rent after target timescale elapsed
Total loss of living room	10 % of daily rent after target timescale elapsed
Meal allowance in event of loss of cooking facilities	£30 per day per adult and £15 per day per child under the age of 12 after target timescale elapsed

\* During the winter months October to March loss of heating is considered an emergency timescale to resolve within two hours. In other months the timescale is four hours. A complete lack of hot water is considered an emergency all year round as per our Maintenance Policy.

These 'day rate' amounts will be reviewed at least annually or when there is a significant change in energy prices.

Where service charge detailed information cannot be provided within the timescale for the resolution of the complaint, the impact of this will be assessed on the resident, and in line with legal requirements.

## **Poor Complaint handling compensation**

When considering a complaint, we consider whether we have followed our complaints procedure in line with the complaints policy. If we find we have not managed the complaint effectively through regular communication, proactive management or investigation, we can make an award for poor complaint handling. Consideration will be given to the time and efforts by residents to follow up their complaints. As a standard, £50 will be offered if a complaint response is more than 2 weeks overdue. This may be increased in exceptional cases, up to a maximum of £300.

## **Appendix 2 - Mandatory payments**

We make some compensation payments as part of our contractual or statutory requirements. These are:

### **Home loss payments**

If you've lived in your home for a minimum of 12 months and are required to move home permanently as a result of redevelopment or demolition.

### **Disturbance payments**

For reasonable moving costs if you're required to move to another property either:

- Temporarily or
- Permanently, if you've lived in your home for less than 12 months.

### **Improvements**

If your tenancy is ending, you may be entitled to compensation for any improvements you've made to your home, providing we've approved them.

### **Right to Repair**

Some of our residents have the right to claim compensation under a contractual right to repair; this is a term in some tenancy agreements and will be checked on an individual basis.

The Right to Repair covers specific repairs, known as 'qualifying repairs', which cost less than £250 and should be completed within a set time limit. If we don't complete these repairs within that time limit, you may be entitled to compensation, calculated using bands set out in the table.

## Audit Log:

Date of Change	Who Updated	Details of Change
20.05.2025	Anna Henderson	Policy reviewed and updated following consultation with residents, alignment with amendments suggested internally and the Housing Ombudsman's Guidance on Remedies. Introduced the need to demonstrate an equalities impact assessment in the calculation process. Quantified a day-rate for the running of a dehumidifier.
19.06.2025	Anna Henderson	Removed financial approval limits table and transferred into internal process document.
19.06.2025	Anna Henderson	Updated table regarding recouping missed appointment compensation from contractors.
19.06.2025	Anna Henderson	Paragraph 6.6 updated 'rent increases' to 'rent changes' on feedback from Head of Income
19.06.2025	Anna Henderson	Paragraph 6.6 updated to cover arrears as a result of the withholding of rent on feedback from the Head of Finance – Shared Services
19.06.2025	Anna Henderson	Added in maximum of £300 compensation for extreme complaints handling failures based on levels of Ombudsman compensation.
26.06.2025	Anna Henderson	Minor updates made following feedback from Exec Director of Transformation and Complaints Business Improvement Manager.
27.06.2025	Anna Henderson	Updated the daily meal allowance rates in line with updated Decant policy.
30.06.2025	Anna Henderson	Ran through confirmed changes with Exec Director of Transformation.
29.09.2025	Anna Henderson	Clarification of wording in 5.1 and adjusted paragraph numbering
08.12.2025	Simon Hatchman	Updated 4.3, 5.3, 6.2 and 6.4 following Resident Assembly review
02.01.2025	Simon Hatchman	Added reference to the Energy Ombudsman regulatory oversight for Heat Networks in Appendix 1.