IPSWICH
BOROUGH COUNCIL

# Housing Services Compensation Policy

July 2026

## TABLE OF CONTENTS

# PURPOSE AND SCOPE

## Policy Statement

The Council is committed to providing high quality services to its tenants and leaseholders but recognises that there are occasions when services may not meet these standards and customers are inconvenienced as a result. Where something has gone wrong the Council will acknowledge this and set out the actions it has already taken, or intends to take, to put things right. There are several ways we can put things right when a problem occurs. In some cases, financial compensation may be the most appropriate option.

We are committed to providing fair, timely and proportionate redress when tenants experience loss, inconvenience or a service that has not met the standard they should expect. Our aim is always to resolve concerns as early as possible and to put things right in a way that is clear, consistent and in line with the Housing Ombudsman's Complaints Code of Guidance (2024).

The Council will take responsibility for any detriment or damage caused by service failures, including the actions or omissions of contractors acting on its behalf, and will consider compensation for this in accordance with this policy.

## Scope

This policy applies to all customers who receive Housing Services from Ipswich Borough Council, including tenants, leaseholders and applicants. It sets out the circumstances in which compensation may be considered, such as service failures, financial loss, distress, inconvenience or any other detriment linked to our Housing Services.

The policy does not apply to issues covered by insurance, tribunal processes, legal claims, or matters outside the Council's control, unless required by the Housing Ombudsman or relevant legislation. It should be read alongside the Council's Complaints Policy, especially where compensation forms part of the outcome of a complaint.

# AIMS AND OBJECTIVES

The aims and objectives of this policy are to:

- Provide a clear and transparent approach for assessing and awarding compensation, in line with statutory requirements and the Housing Ombudsman's guidance.
- Make sure customers receive fair and proportionate redress that reflects the impact of any service failure, including mandatory, quantifiable and discretionary payments where appropriate.
- Restore customers, as far as possible, to the position they would have been in if the service failure had not occurred, in keeping with the Ombudsman's principles of effective redress.

- Promote consistency, accountability and learning across Housing Services by identifying areas for improvement and reducing the chance of repeat service failures.
- Ensure colleagues understand when compensation may be appropriate, the types of compensation available, and how decisions should be made, recorded and explained.

## DEFINITIONS

For the purposes of this policy, the following definitions will apply:

| | |
|---|---|
| Compensation | A financial or non-financial remedy provided to a customer in recognition of loss, inconvenience or service failure. Compensation may be mandatory, quantifiable or discretionary, as set out in this policy. |
| Contractor | Any organisation or individual commissioned by the Council to deliver services or carry out works on its behalf |
| Customer | A tenant, leaseholder, applicant or any individual who receives Housing Services from the Council and is affected by the issue giving rise to a compensation claim. |
| Discretionary Payments | Payments awarded where the customer has experienced distress, inconvenience, time and trouble or poor service, but where no direct financial loss can be evidenced. |
| Housing Ombudsman | The independent body that investigates complaints about social landlords. The Ombudsman may make findings, recommendations or orders, including financial awards, which the Council is required to comply with. |
| Mandatory Payments | Payments that the Council is legally required to make. |
| Quantifiable Loss | A payment awarded where a customer can demonstrate actual financial loss. |
| Service Failure | A failure by the Council or its contractors to meet required service standards, statutory obligations or reasonable expectations. |
| The Council | For the purposes of this policy, the Council refers to the Housing Services provided by Ipswich Borough Council. Other services |

| | |
|---|---|
| | provided by Ipswich Borough Council are not covered by this policy. |

## CIRCUMSTANCES IN WHICH COMPENSATION CAN BE ISSUED

There are three types of compensation payments:

- Mandatory payments
- Quantifiable loss payments
- Discretionary payments

## MANDATORY PAYMENTS

Mandatory payments are payments the Council must make by law or through formal decisions made by external bodies, such as the Housing Ombudsman. These payments are not discretionary and must be paid in full when the conditions for them are met.

This includes any financial award or specific action that the Housing Ombudsman instructs the Council to take following an investigation or a determination made after the Council's formal complaints process. Additional examples of mandatory payments are:

- Right to Repair – 'qualifying repairs' costing less than £250 which are not completed within published target times
- Home Improvements - by secure tenants ending their tenancy but having funded with permission 'qualifying improvements'
- Home Loss and Disturbance Payments – customer required to move home permanently due to development/demolition or on a temporary basis

## QUANTIFIABLE LOSS PAYMENTS

These are payments the Council can make where a customer can demonstrate actual loss. Examples include having to pay for alternative accommodation or take away food, paying for cleaning or carrying out repairs where the Council has failed to meet its obligations. In these circumstances, any such costs must have been reasonably incurred, and evidence of such loss should be provided.

## DISCRETIONARY PAYMENTS

A discretionary payment is a non-statutory award made at the Council's judgement to recognise the impact of a service failure where direct financial loss cannot be evidenced. These payments acknowledge distress, inconvenience, or poor customer experience and are determined in line with our policies and the Housing Ombudsman's guidance. Examples of discretionary payments could include:

- Poor complaint handling
- Delays in providing a service
- 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

## OTHER REMEDIES

### 'Gestures of Goodwill'

This section explains how Housing Services will approach gestures of goodwill. These are informal, discretionary acknowledgements offered when a tenant has experienced inconvenience or a minor issue that does not meet the threshold for formal compensation, in line with guidance from the Housing Ombudsman.

This section does not apply to concerns about the housing register or housing applications as these areas fall under the Local Government and Social Care Ombudsman. Any concerns relating to those services will not be considered under the gestures of goodwill process.

- Gestures must be proportionate to the impact and applied consistently across similar cases.
- All gestures must be documented and approved by the Head of Service.
- Gestures of Goodwill do not replace statutory or contractual obligations, nor do they negate formal compensation where applicable.
- Gestures should reflect the nature of the inconvenience and aim to restore trust and satisfaction.

Gestures of Goodwill may be considered in the following situations:

- Minor inconvenience caused by delays in service delivery or repairs.
- Poor communication that resulted in frustration but did not cause financial loss.
- Situations where an apology alone may not sufficiently acknowledge the impact.

- Instances where the customer experienced distress due to avoidable errors during works.

Examples of Gestures of Goodwill are:

- Providing paint or materials to allow a customer to make good minor damage caused during works.
- Offering modest gift vouchers (typically £10–£50 depending on impact).
- Arranging a complimentary cleaning service after works.
- Providing a free minor service (e.g., small repair or adjustment) where appropriate.

## HOW COMPENSATION WILL BE CALCULATED

The level of financial redress will be in line with the Housing Ombudsman Guidance on Remedies.

The following table reflects the financial remedy for each finding rather than the total amount for the case.

| **Level of redress** | **Impact on resident** | **Circumstances** |
| --- | --- | --- |
| £50 to £100 | • Minimal<br>• Short duration<br>• May not have significantly affected the overall outcome for the resident<br>• Might include distress and inconvenience, time and trouble, disappointment, loss of confidence, and delays in getting matters resolved | There was minor failure, for example, in the service provided. |
| £101 to £600 | • No permanent impact | There was a failure which adversely affected the resident, to a level where the circumstances for maladministration might |

| | | |
|---|---|---|
| | | apply, and redress is needed to put things right. |
| £601 to £1,000 | • Significant impact<br>• Physical and/or emotional impact | There was a failure which had a significant impact on the resident, to a level where the circumstances for severe maladministration might apply, and the redress needed to put things right is substantial |
| £1,001 + | • Severe long-term impact | There have been serious failings.<br><br>There was a single significant failure in service or a series of significant failures which have had a seriously detrimental impact on the customer.<br><br>For example, our response to the failures (if any) exacerbated the situation and further undermined the landlord/tenant relationship.<br><br>Or we repeatedly failed to provide the same service which had a seriously detrimental impact on the customer; demonstrating a failure to provide a service, put things right and learn from outcomes.<br><br>The failures accumulated over a significant period of time (however this will not necessarily be the case as a single significant service failure may be sufficient). |

## SITUATIONS WHERE COMPENSATION WILL NOT BE CONSIDERED

Discretionary payments will not be considered for:

- Claims for damage caused by circumstances beyond the Council's control
- Problems caused by a third party not working for the Council
- Circumstances where a customer prevents or delays or has contributed in any other way to the failure of the service
- There is a live legal case or one may be likely

Where damage has been caused directly by the actions or omissions of the Council, or by a contractor working on our behalf, the Council will consider reimbursing the tenant without asking them to make an insurance claim. This approach will be used particularly where the facts are clear and undisputed, and where asking the tenant to claim through their insurer would create avoidable inconvenience, delays or additional costs.

## PROCESS

When a tenant asks for compensation, or when a member of staff believes that compensation may be appropriate, the request should be forwarded to the Complaints team and the relevant Head of Service. This may arise through a complaint, a service request, or during day-to-day contact with tenants.

Staff are expected to recognise when a service failure may have caused inconvenience, distress or financial loss, and to ensure that the request is passed on promptly so it can be reviewed fairly and consistently. Forwarding the request does not mean compensation will be granted. It ensures the case is considered by the appropriate decision-makers in a fair and consistent way.

The relevant Head of Service will review the matter in full, considering the impact of the service failure and the type of compensation that may be appropriate under this policy. Where compensation is considered suitable, the Head of Service will propose an amount based on the evidence and impact. Any proposed compensation must be agreed by the Assistant Director for Housing and the Monitoring Officer before a final decision is made.

The Head of Service will provide the customer with a written response setting out the decision, the rationale for the outcome and, where applicable, the value of any compensation awarded. The Council will complete this process within 10 working days, if satisfied at Stage 1 of our complaints process, or 20 working days at Stage 2, from receipt of the compensation request, unless there is a clear and justified reason for an extension.

In assessing compensation, the Council will consider all relevant evidence. This may include repair records, contractor reports, correspondence, photographs, statements from staff or customers, and any receipts or documents that support a claim for financial loss. The Council may request further information if needed to complete the assessment, and each case will be considered on its individual merits.

The assessment will determine whether the case meets the criteria for mandatory, quantifiable or discretionary compensation, and will take account of the severity and duration of the issue, as well as any vulnerabilities that may have increased the impact on the customer.

The Council will ensure that all evidence is reviewed in a fair and balanced way. Customers will be given the opportunity to provide any information they consider relevant to their case.

If the customer owes a debt to the Council, the compensation may be offset against the outstanding amount. This will not apply where the compensation is awarded for a specific purpose, for example to replace a damaged item, or where offsetting would undermine the purpose of the compensation.

All decisions to award or refuse compensation will be recorded on the customer's case record. The record will include the evidence considered, the category of compensation, the rationale for the decision and any agreed actions.

Compensation cases will be reviewed to identify potential service improvements. Any learning points will be shared with relevant teams to help prevent repeat service failures and improve customer experience.

## APPEALS

If a customer is dissatisfied with a compensation decision made under this policy, they may request a review of that decision within 21 days of receiving the Council's written outcome. Requests should normally be made in writing, although the Council will accept verbal requests where this is more accessible for the customer. Support will be provided to any resident who requires assistance in submitting a review request.

The customer should clearly explain the reasons for requesting a review. The Council will acknowledge receipt of the request and may ask for further information if required to complete the assessment.

The review will be carried out by a Head of Service within Housing Services who was not involved in the original decision. The reviewing officer will consider whether the policy was applied correctly, whether the evidence was fully evaluated and whether the decision reached was fair and proportionate based on the impact of the service failure.

The Council will provide a written response to the review request within 8 weeks. The response will set out the outcome of the review and the reasons for the decision.

If the customer remains dissatisfied after the review, and the matter has exhausted the Council's formal complaints process, they may refer the case to the Housing Ombudsman Service for independent consideration.

## MONITORING AND REPORTING

The Housing Leadership team will monitor the number, type and level of compensation payments awarded in order to assess the effectiveness of this policy and identify any trends or areas for improvement.

Quarterly reports detailing compensation payments and associated themes will be submitted to the Monitoring Officer to support oversight, ensure compliance with regulatory expectations and highlight any emerging issues.

The policy will be reviewed every three years. It may be reviewed sooner if required to reflect legislative or regulatory amendments, best practice developments or to address any operational issues identified with the policy.

## EQUALITY AND DIVERSITY

In formulating this policy, we have considered the implications for equality and diversity. Ipswich Borough Council is committed to meeting its equality objectives in its Housing Services Compensation Policy. An Equality Impact Assessment screening concluded that the policy is not discriminatory and demonstrates the Council's commitment to equality for its tenants with no unlawful discrimination, harassment or victimisation.

## POLICY MONITORING AND REVIEW

| | |
|---|---|
| **Owner** | Head of Tenancy Services |
| **Related documents** | Complaints Policy<br>appendix_3_-_complaints_policy_01_april_2024.pdf |
| **Approved by** | Gavin Fisk – Assistant Director of Housing, in consultation with the S151 Officer and Monitoring Officer and the Portfolio Holder for Housing, |
| **Date approved** | 3rd July 2026 |
| **Review frequency** | 3 yearly or as legislation changes |
| **Last review** | July 2022 – adopted by Executive |
| **Next review** | July 2029 |
| **Version** | v.2 |
| **Reviewed by** | Arron Samson – Head of Tenancy Services |

IPSWICH
BOROUGH COUNCIL

Grafton House, 15-17 Russell Road, Ipswich, IP1 2DE.