Compensation & Remedies Policy

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001	01/03/2025	New Policy
002	09/04/2025	Moved onto new policy template Introduced document number and version control
003	07/04/2025	Updated policy for merged organisation following a review of previous entity policies Renamed to Compensation & Remedies Policy
004	19/06/2026	Updated costs of energy appliances.

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1. Policy objectives

Watford Community Housing Trust, trading as Chime Housing will hereafter be referred to as "Chime Housing".

This Policy sets out the circumstances in which customers may be entitled to a compensation payment, or other financial compensation should Chime Housing (or a contractor acting on our behalf) fail to deliver a satisfactory service.

2. Legislative & Regulatory Requirements

2.1 RSH Transparency, Influence and Accountability Standard (2024)

(Para 2.2.1) "2.2.1 Registered providers must give tenants a wide range of meaningful opportunities to influence and scrutinise their landlord's strategies, policies and services. This includes in relation to the neighbourhood where applicable".

a. (Para 2.5.1) "Registered providers must ensure their approach to handling complaints is simple, accessible and publicised".

2.5.2 "Registered providers must provide accessible information to tenants about:

b. how tenants can make a complaint about their registered provider
c. the registered provider's complaints policy and complaints handling process"

2.2 RSH Value for Money Standard (2018)

(Para 2.1) "Registered providers must demonstrate

a. Robust approach to achieving value for money – this must include a robust approach to decision making and a rigorous appraisal of potential options for improving performance
b. Consideration of value for money across their whole business

Providing a fair and reasonable solution is an important part of fixing complaints when a customer has been affected by something we did — or didn't do. Part 7 of the Housing Ombudsman's Complaint Handling Code stresses the need to "put things right." This also follows the Ombudsman's principles for resolving disputes, which are:

- be fair
- put things right
- learn from outcomes.

More information about financial remedies can be found at: Guidance on remedies | Housing Ombudsman (housing-ombudsman.org.uk).

3. Scope

This Policy applies across the Chime Housing Group, including its subsidiaries and joint ventures. It covers tenants, licence holders, shared owners, leaseholders, applicants, former customers and others directly affected by our services, including neighbours. Unless a particular tenure is specified, the term 'customer' is used throughout.

Customers may appoint a representative or advocate, such as a family member, social worker or MP. We will normally require written consent from the customer, but where this is not possible we will record how consent was given, including verbally during a visit or by telephone, and confirm the person has authority to act. Any compensation awarded will be paid directly to the customer.

Where a customer has died, we will require evidence that the person acting is the executor or administrator of their estate, normally through a Grant of Probate or Letters of Administration.

Where several customers raise the same issue, we will work through a nominated lead representative who has signed authority from the group. We will communicate directly with the lead representative, and our decision will apply to all members of the group.

This policy also applies to our repairs and maintenance contractors. Their obligations under it must be included as a standard contractual clause, with the relevant Chime Housing service manager responsible for ensuring this happens.

'Compensation' and 'compensation payment' mean a financial award made where Chime Housing has provided an unsatisfactory service or experienced a service failure.

4. Outside of scope

This policy does not negate the need for customers to have their own home contents insurance in place, covering damage or losses to internal fixtures and fittings in the property. The policy does not cover compensation for damage caused by circumstances and situations beyond Chime Housing's control including floods, fires, environmental / weather damage, break-ins, and other events of this nature.

This policy does not cover losses or reductions in service paid for by a service charge (e.g. communal cleaning or grounds maintenance). These service issues are taken into account when setting the following years' service charges.

Where there is a legal right to temporary moves and home alterations and improvements are required, the relevant policies should be applied (see the Home Move and Alterations Policies and Procedures for further information).

5. Roles & Responsibilities

Customer Resolutions Team (CRT): is responsible for logging and responding to all claims made by customers, including assessing compensation awards made as part of complaints.

Investigating Managers: are responsible for investigating claims and authorising any value of a compensation payment. They are also responsible for compensation appeals to contractors belonging to their service area.

Customer Service Officers: are responsible for ensuring feedback is recorded during phone calls and determining whether there may be a potential claim, feeding this back to the relevant team.

The Insurance Team: are responsible for informing Chime Housing's insurance providers of potential claims.

The Leadership Team are responsible for:

- Managing their respective expenditure budgets
- Ensuring contract documentation is completed, including the signing of relevant Policies, such as this one

Chime Housing Contractors are responsible for:

- assessing claims of compensation made for failings and/or against damage to customer belongings and, when appropriate, liaising with Chime Housing to pay any successful claims.

6. Our approach

Examples of situations when we may consider it appropriate to offer compensation and other remedies include when:

- we haven't handled a complaint in line with our policy
- a customer has paid for a service that we haven't provided (that is outside of the normal service charge process)
- we haven't delivered a service as set out in our published standards, without a valid reason
- a service we provide has failed
- a customer has temporarily lost access to essential services (such as heating, hot water, or electricity) or cannot use key accessibility features they rely on (e.g., stair lifts, passenger lifts, ramps) for longer than our service standards allow
- our communication with a customer has been poor or lacking
- our actions or failure to act have caused a customer financial loss
- a customer is unable to use part of their home
- we have caused damage to the property or its decoration
- we have missed scheduled appointments
- we have delayed the moving in date for a customer by more than 12 weeks (new build)
- agreed reasonable adjustments - such as preferred ways of contact - have not been followed.

Examples of situations when we may not consider it appropriate to offer compensation and other remedies include when:

- the damage or loss was caused by the customer, a visitor, or someone in the household
- minor damage is an unavoidable part of improvement works - for example, small holes in carpets for radiator pipes, or where paintwork is damaged due to electrical wiring works
- a personal injury claim, which will be referred to our insurance team for assessment
- we are unable to provide a service due to extreme weather conditions
- the damage should be covered by the customer's contents insurance (see the 'actual loss' section for more details)

- delays or service issues are due to the customer not working with us - for example, by not allowing access for essential work or clearing an area ready for work
- the customer has not taken reasonable steps to reduce or prevent further damage
- the issue was not reported to us within a reasonable time - normally within 12 months (we will assess this on a case-by-case basis)
- the customer has carried out the work themselves and we are not responsible (for example, a customer has fitted their own light fittings)
- a customer claims for loss of earnings or annual leave (although we may consider compensation for distress and inconvenience if they had to take an unreasonable amount of time off work)
- an issue (including any damage) was not caused by us or someone working on behalf of us, or it does not fall under our obligations
- our record keeping has been poor – although we will recognise the impact of any failures directly attributed to it.

Legal processes

If a legal process has already started, we'll let the customer know during our complaint process which parts we can look into using this policy, and which parts will be handled by our legal team. This is in line with the Housing Ombudsman's' guidance on pre-action protocol for housing conditions claims and service complaints available on their website.

7. Types of remedy

Putting things right doesn't just mean paying compensation. Depending on the circumstances, it could also include:

- a sincere written or in-person apology
- acknowledgement that something has gone wrong, accompanied by an open and honest explanation
- learning, with details of what action we have taken to prevent a recurrence of the shortfalls in service experienced by the customer
- a commitment to complete any outstanding actions (e.g. repairs) that we failed to complete, including a plan of action, setting out how and when they will be resolved.

We will also think about any extra steps we can take to resolve a complaint, even if they go beyond what we normally do. These steps must be reasonable and match the problem and how it affected the customer.

Examples include doing repairs or decorating that the customer would usually handle themselves or working outside normal hours if it is practical and makes sense.

Factors to consider

When deciding how much compensation to offer, we will consider several factors, including:

- **The extent of the service failure** – how long the issue has been ongoing since we were first made aware of it. We will also look at how often the problem has occurred and the impact it has had on the customer, both in the short and long term.
- **Individual circumstances** – The effect of a service failure can be greater depending on personal situations such as age, disability, mental health, pregnancy, or illness.

Our compensation payments will reflect that the impact is likely to be greater on customers with specific characteristics or additional responsibilities. We also consider whether the situation should have been handled differently, for example completing a repair outside normal response times or adapting communication methods appropriately.

- **Repeated issues** – We look at whether delays were combined with other problems, such as missed appointments, poor communication, or unacceptable behaviour by staff. We also consider if there has been a history of service failures that have built up over time.
- **Mitigating factors –** We also consider anything that made it harder to resolve the issue, such as:

  - delays in providing information or documents
  - abusive or aggressive behaviour towards staff
  - missed appointments or refusal to allow access for repairs
  - not reporting issues or responding within a reasonable time

These factors will not usually prevent compensation but may affect the amount or type offered.

8. Compensation offers

We look at all parts of a complaint case and the impact it has had when deciding on compensation. To make this clear, we have set out the different types of compensation we may offer. These show how we assess situations and help us make fair and consistent decisions.

The payment ranges in this policy are a guide and reflect the level of impact. More than one type of compensation may be included in an overall offer.

8.1 Distress and inconvenience

We may offer compensation when a situation has affected a customer's family life, use of their home, communal space, or general wellbeing.

Examples include:

- Long periods without an essential service like heating or hot water
- Waiting much longer than our target times for a repair
- Failing to take reasonable steps to resolve an issue

We consider any avoidable stress, worry, anxiety, uncertainty, or frustration caused. We also look at whether we worsened an existing health condition, mismanaged expectations, or made the customer feel they were treated unfairly.

We assess payments for **distress and inconvenience** on the following scales:

Failure Apology	Failure £25 - £600	Serious Failure £601 - £1000	Severe Failure £1001 +
An honest acknowledgement of where something has gone wrong and there has been a short-term impact,	A short to medium-term problem with our service that caused a short-term impact (not permanent).	A problem that lasted for a medium to long time and/or caused a high level of short-long term impact.	A major failure, either because it lasted a long time and/or was very serious in nature and caused significant impact — short or long term.

8.2 Time and Trouble

Making a complaint will always involve some time and effort, such as phone calls or emails. We do not compensate for reasonable time and trouble when making a complaint.

However, we may offer compensation if the time and effort needed was more than would normally be expected. This could include:

- a large number of phone calls, emails, letters, or visits before the issue was resolved
- failure to respond to reasonable contacts, in relation to a substantive issue or complaint
- repeated failure to attend appointments or complete agreed actions during appointments
- communication or knowledge management failures leading to a resident having to make multiple reports on the same issue
- overall poor communication
- ignoring reasonable adjustment requests
- overall poor complaint handling – further examples below

We assess payments for time and trouble based on the following scales:

Failure Apology	Failure £25 - £150	Serious Failure £151 - £400	Severe Failure £401 +
An additional step or the customer in accessing the service	There were failures over a short period e.g. in managing a complaint, responding to reasonable communications causing avoidable time and trouble.	There were numerous failures over a medium to long term period (e.g. in managing a complaint, responding to reasonable communications causing significant avoidable time and trouble) and/or caused a high level of short-long term impact	There were extensive failures over a long-term period e.g. in managing a complaint, responding to reasonable communications, causing severe avoidable time and trouble.

Within the above scales, we will base any offers of compensation specific to complaint handling on the Housing Ombudsman's Compensation Guidance as follows:

Compensation amount	Impact to resident	Examples
Up to £50	There was a minor failure with low impact over a short duration. This has resulted in a loss of confidence, and minor delays in addressing the complaint.	• The complaint response was delayed by several days, causing a minor delay in resolving the issue. • The resident had to chase for a response due to a minor delay and lack of update.
Up to £100	There was no permanent impact however, there was a complaint handling failure which adversely affected the resident.	• The complaint response was delayed by more than several days, or there were repeated minor delays. • We failed to acknowledge sensitive circumstances and were heavy handed in our response.
Up to £250	There was significant impact on the resident	• We disregarded sensitive circumstances, resulting in a heavy-handed response. • We unreasonably delayed - by weeks or months – affecting timely resolution of the dispute. • There were significant errors in the complaint response, resulting in misleading advice, unaddressed complaints, or confusion on the part of the resident.

Factors we will consider in assessing our own complaint handling also include:

- the length of any delay at each stage of the complaints process
- any improper refusal/failure to log a complaint
- failure to adequately address any points of a complaint
- failure to recognise or adequately explain complaint handling failings
- time and trouble expended by a resident in chasing complaint responses
- if we have been unprofessional or unsympathetic in our response
- the impact of complaint handling delays on the resolution of the issues
- failure to adhere to the Complaint Handling Code.

8.3 Actual Loss

If the customer has experienced financial loss due to a failure on our part – this will be considered as part of any remedy.

Examples include:

- increased heating/energy bills due to our failure to complete a repair or a customer having to run a temporary appliance e.g. a heater or dehumidifier
- takeaway meals when disrepair makes a kitchen unusable
- the cost of replacing damaged carpet or furnishings
- cleaning costs where we have failed to leave a property in an acceptable condition
- money is due to a resident but has not been paid, such as rent overpayments or works we agreed to pay for but did not
- decorating costs after repairs where 'make good' works have not been adequately completed.

We will consider paying interest on any loss where delays exceed 6 months and the loss is over £1,000. Calculations will be based on the average Bank of England Base Rate for the period in question.

We will ask to see evidence of any costs and will consider whether they are reasonable. We recognise however, that providing receipts may not always be possible and we will be reasonable in our approach.

Customers are advised to have contents insurance to cover personal belongings, furniture, and decorations against risks such as accidental damage, loss, fire, water damage, or theft. This policy does not cover situations where a customer has chosen not to have insurance.

If it is claimed that we caused damage to furniture, decorations, or personal belongings, we will investigate to confirm whether the damage was caused or made worse by our actions or failure to act. If we find that the damage was directly caused by us, we will not ask the customer to claim through their own insurance, as this could lead to higher premiums and extra inconvenience. However, if the customer cannot provide evidence of the level of damage claimed, we may ask them to raise a claim with their insurer so the claim can be assessed against our insurer.

Where we are responsible for damage to a customer's belongings, we may repair the item, replace it, or offer reasonable financial compensation based on the circumstances and available evidence.

We will then take steps to put things right, either by paying compensation or by raising the matter through our own insurers, in line with the Housing Ombudsman's guidance on complaints involving insurance issues.

8.4 Mandatory (statutory) payments

There may be situations where there are set amounts that a customer is legally entitled to. The most common would be a statutory home loss payment which is payable when a customer is displaced from a property against their will. Other examples include disturbance payments which are intended to compensate a customer for the costs they have incurred by their displacement and will be equal to the reasonable expenses associated with their move. Further details on this can be found in our Temporary and Permanent Relocation and Repurchase Policy.

8.5 Compensation based on rent

In certain circumstances, we may consider awarding compensation calculated as a proportion of the rent paid by the customer during the period in which a significant service failure occurred. This is not a rent rebate, but a means of recognising the prolonged loss of use of all or part of their home due to issues within our control.

Such compensation may be appropriate in cases involving ongoing and severe problems – such as damp, mould, or disrepair – that persisted after we were made aware of the issue, but where we have failed to take timely or effective action.
Set out below are the rooms this applies to together with the percentage of rent we will offer per room:

- bedroom (20%)
- kitchen (30%)
- living room (20%)
- bathroom (30%)
- bathroom where an additional WC is available (20%)

It excludes parts of the home which connect rooms and exterior spaces, e.g. hallways, landings, gardens, and balconies. Distress and inconvenience payments still apply however, where use of these parts of the home have been affected.
Where the entire property is affected, up to 100% of the rent charged could be applied, depending on the circumstances.

We may also use rent charged to compensate leaseholders and shared owners, but this will depend on the terms of the lease and the respective repair responsibilities.

Compensation based on rent will not be applied where a resident has occupied temporary accommodation for some of the relevant period.

The amount awarded will be assessed on a case-by-case basis and will consider factors such as the number of rooms affected, the duration of the problem, the impact on daily living, and the specific circumstances of the household. It will also consider whether this has been accounted for as part of any legal or disrepair claim already.

Our consideration of loss of use of the property is separate to assessing the impact which will usually result in an additional compensation award.

8.6 Other repair related compensation

We may pay compensation when we have failed to complete repairs that we are responsible for, within our published guidelines, and this has led to loss of use of facilities within the customers' home. The compensation payment schedule below outlines the level of compensation that we may pay:

Reason for compensation	Amount
Missed appointments	£15 for each missed appointment. This applies where the appointment was missed without good notice, we attended but did not comply with pre-agreed reasonable adjustments, we were unreasonably late (2 hours plus) and the resident could not facilitate a later appointment. It will not normally apply where we were unable to attend due to staff sickness, parts were not available as expected, and where reasonable notice was provided. It will also not apply where appointments are missed due to a resident's actions, e.g. missing reasonable notification of the appointment or not providing access.
Loss of heating and hot water (and temporary heating has not been provided)	• £15 per day for complete loss • £8 per day for loss of one service (heating or hot water) Compensation for loss of heating will not be ordered where alternative heating is supplied.
Total loss of power (caused by Landlord fault)	• £10 per day for complete loss • £10 per week for loss of lighting only Compensation for additional costs caused by a loss of power such as perishables loss of cooking facilities, and the associated cost of purchasing ready prepared food, will be considered separately. Where a loss of power also affects heating and/or hot water provision, compensation will be awarded for both loss of power and heating and/or hot water. Compensation will not be paid where the loss of power was due to planned works, where reasonable notice was provided, and works were completed to time.
Total loss of bathing facilities	• £10 per household member per day after target response time has elapsed
Running of temporary appliances such as heaters, dehumidifiers, air purifiers	• £2 per unit per day. • £40 per week for larger industrial units provided by Chime. Increased charges will be considered with proof of energy usage or bills.
Passenger Lifts	• Payments may be issued on a case-by-case basis in the event of entrapments or lifts being out of service for extended operational periods.

Where damage is caused by one of our contractors, Chime will oversee the claim and ensure it is handled in line with this policy and the relevant contractual arrangements.

Compensation will be applied to the point at which repairs are completed. Where a room is unusable for its intended purpose, compensation will be based on the rent charged (as per section 8.3). Where the impact on the resident is significant, we will consider additional compensation to acknowledge the detriment caused.
We will take responsibility for putting right any damage caused during a repair (this excludes improvement works). On some occasions this may include providing decorating vouchers.

There may be occasions where a customer is required to move out of their home so repairs can be completed. Our Temporary and Permanent Relocation and Repurchase Policy provide details on any rehousing and disturbance compensation available to customers in these circumstances.

9. Refunding service charges

Where overcharging or service failure has occurred in relation to service charges, we will make the necessary refunds on a case-by-case basis or adjustments as part of our annual service charge actuals, where applicable. We will also consider any additional impact that failures to provide a service had on the customer, such as their time and trouble in pursuing the matter and any associated distress and inconvenience caused.

10. Process and payment for compensation

We normally consider requests for compensation through our formal Complaints Policy. If a customer does not agree with compensation offered at Stage 1 of the complaint process, they can let us why they remain dissatisfied. The case will then be reviewed at Stage 2 which is the final stage of our complaint process. This review may result in any previous offers being decreased, increased, or remaining the same.

Any offers of compensation and other remedies will stay open for a period of 12 months from the date it was provided. Exceptions to this will be considered on a case-by-case basis.
There may be occasions when we offer further compensation after we have concluded Stage 2 of our internal complaints procedure if we identify further failings and consider there to be a further opportunity to resolve the case directly with the customer.

Stage 2 represents the end of the complaint procedure however, and customers maintain their right to have their case independently reviewed by the Housing Ombudsman once the Stage 2 process is complete.

We aim to pay or credit any compensation award within 10 working days from the date a customer accepts it. We pay compensation payments directly to a customer's bank account upon proof of bank details being provided.
If a customer has rent arrears or any other debt, it could be offset against arrears in certain circumstances.

If the Housing Ombudsman awards compensation, this will be processed in line with their instructions. These payments are separate from anything we may have already offered through our complaints process. In most cases, they won't be used to reduce rent arrears and will be paid directly to the customer.

11. Compensation payments for a delayed moving date (new build properties):

Delays to moving in dates can be disruptive for customers. Payments under this section may apply where a prospective customer has been given an offer of a new build property and a designated moving date has been stated within an offer letter. If the designated moving in date is delayed by more than 12 weeks, the incoming customer may in some cases receive a week of rent credited to the account for the property. This will be reviewed by the Director of Development and Director of Housing in collaboration.

12. Policy Consultation

This policy was the subject of consultation with the Gateway Membership Team and a wider group of customers as part of our scrutiny activities.

13. Monitoring & Reporting

Data and financial payments of compensation will be collected through our complaint process and reported to EMT as part of a quarterly feedback report.

14. Diversity & Inclusion Considerations

Chime Housing will act fairly and consistently in the application of this Policy and will not discriminate against any person on the grounds of their age, race, ethnicity/nationality, gender, religion, sexual orientation, marital/civil partnership status, pregnancy status or disability.

The accessibility of our complaints policy was discussed with customers in April 2026, and we will continue to monitor who is accessing compensation to ensure that no groups of customers are being disproportionately impacted.

15. Related Documents

- Customer Complaint and Feedback Policy
- Service Standards
- The Thrive Deal
- Housing Ombudsman Scheme
- Housing Ombudsman – Guidance on Remedies
- Housing Ombudsman's Complaint Handling Code
- Housing Ombudsman's Compensation Policy Guidance
- Landlord and Tenant Act 1985
- Planning and compensation Act 1991
- Housing Act 1985
- Leasehold Reform, Housing and Urban Development Act 1993
- Equality Act 2010
- The Secure Tenants of Local Housing Authorities (Right to Repair) Regulations 1994