

**COUNCIL HOUSING SERVICE
COMPENSATION AND
REIMBURSEMENT
POLICY 2026**



Glossary of Terms

Financial Redress: Money paid to tenants when something goes wrong with housing services. This includes refunds, compensation, or payments required by law.

Statutory Payments: Payments that the council must make by law. Tenants are automatically entitled to these if certain conditions are met.

Right to Repair: A legal right for tenants to have small urgent repairs done quickly. If not fixed on time, tenants may get compensation.

Disturbance Payment: Covers reasonable costs when tenants are asked to move temporarily or permanently (e.g., moving, reconnecting appliances).

Decant: When tenants are temporarily or permanently moved out of their home by the council (e.g., for major repairs or redevelopment).

Secure Tenant: A tenant with long-term rights under council housing law.

Distress and Inconvenience: Emotional impact or disruption to daily life caused by service failures.

Time and Trouble: Extra effort tenants had to make

Loss of Amenity: When part of the home couldn't be used (e.g., no heating or broken bathroom), tenants may get compensation based on rent.

Service Failure: When the council or its contractors don't deliver housing services properly (e.g., delays, poor repairs).

Communal Services: Shared services in a building (e.g., heating, lifts, door entry systems).

Housing Ombudsman: An independent service that helps resolve complaints about housing. Sets rules and guidance the council must follow.

Complaint Handling Code: Rules from the Ombudsman about how the council must deal with complaints fairly and learn from mistakes.

Upper Tribunal (Lands Chamber): A legal body that can decide disputes about compensation for moving or disturbance.

Exclusions: Situations where the council usually won't pay compensation

Offsetting: Using compensation to reduce rent or service charge arrears. Only applies to discretionary payments, not legal entitlements.

1. Introduction

Hinckley and Bosworth Borough Council is committed to ensuring that its housing service is effective, transparent and fair. The service's mission aligns with the Customer Charter, namely:

- Put things right if we make a mistake
- Be open and honest
- Act in a fair and reasonable way
- Listen to our customers and empathise with their individual situation
- Value feedback and use it to improve our services.

This policy when and how HBBC will provide financial redress (statutory payments, reimbursements and discretionary compensation) to residents for service failures or disruption to housing services. It aims to be fair, proportionate, consistent and resident-centred, aligning with the Ombudsman's Dispute Resolution Principles – "Be fair, Put things right, Learn from outcomes".

2. Legal framework, regulatory responsibility and best practice

HBBC will apply this policy in line with the following:

- Housing Ombudsman Complaint Handling Code (2024) - including requirements on accessibility, two-stage complaints, time limits, and demonstration of learning.
- Housing Ombudsman: Guidance on Remedies (2024)—expectations for proportionate remedies, separation of "distress and inconvenience" and "time and trouble," and paying Ombudsman-ordered awards directly to residents.
- Right to Repair Regulations—The Secure Tenants of Local Housing Authorities (Right to Repair) Regulations 1994 (as amended).
- Home Loss and Disturbance (permanent decant)—Land Compensation Act 1973 and Home Loss Payments (Prescribed Amounts) (England) Regulations 2023.
- Disturbance payments (reasonable moving/decant costs) and practical guidance consolidated by Shelter Legal.

3. Scope and eligibility

This policy applies to:

- HBBC tenants and leaseholders, and (where relevant) residents in temporary decant accommodation arranged by HBBC.
- Failures or disruption caused by HBBC or our contractors, or landlord-controlled communal services (e.g., district/communal heating, lifts, door entry).
- Customers who are on the housing register but not yet a HBBC council tenant.
- Statutory and discretionary remedies described below. Where another legal route (e.g., court claim or insurance) is more appropriate, we will signpost accordingly.

4. Principles of redress

When things go wrong, HBBC will:

1. Apologise and explain,
2. Put things right (complete works, restore services, provide practical help), and
3. Provide fair financial redress where appropriate - without being punitive, considering the length, frequency, severity, cumulative impact, and any vulnerabilities in the household.

HBBC will also learn from outcomes and report actions and trends in our annual Complaints Performance and Service Improvement Report in line with the Ombudsman's Complaint Handling Code.

5. What HBBC will pay

Statutory payments (no discretion on entitlement)

A) Right to Repair (secure and introductory tenants) Small urgent "qualifying repairs" (cost ≤ £250) must be completed within prescribed timescales. If not, the tenant can trigger a second contractor, and if still delayed, is entitled to statutory compensation of £10 plus £2 per day of delay (capped at £50).

Examples of qualifying repairs include total/partial loss of power, water or heating, blocked foul drain, insecure external door/window/lock, door entry phone failure, and extractor fan failure in internal kitchens/bathrooms—subject to the statutory schedule.

B) Home Loss (permanent decant/displacement) Where residents are permanently displaced (e.g., demolition or redevelopment), HBBC will pay Home Loss at the prescribed amounts in force at the date of displacement.

Eligibility criteria and detailed circumstances appear in the VOA Land Compensation Manual and the Land Compensation Act 1973.

C) Disturbance (permanent or temporary decant) Where HBBC requires a resident to move, we will, in line with the decant policy, in the first instance arrange and cover costs of alternative accommodation. We will agree in advance, where we will reimburse reasonable expenses actually and necessarily incurred (e.g., removal/packing, redirection, dis/re-connection of appliances, flooring and window coverings where re-use is impractical), assessed against evidence. Disputes about statutory disturbance amounts can be taken to the Upper Tribunal (Lands Chamber).

D) Right to Compensation for Improvements (secure tenants) Where a secure tenant has carried out eligible improvements with consent and in defined time periods, they may claim compensation under the statutory scheme, at the end of their tenancy.

Reimbursements (quantifiable financial loss)

- HBBC will reimburse actual, evidenced costs reasonably incurred as a direct result of our service failure or contractor error, for example:
- Extra energy costs where a HBBC failure caused prolonged loss of heating/hot water and temporary electrical heaters were necessary.
- Laundry costs, alternative cooking, temporary accommodation top-ups (where we asked you to move and there are unavoidable out-of-pocket costs), travel costs directly linked to decant or major works appointments.
- Damage to decorations/possessions where HBBC (or our contractor) is at fault; handled through reimbursement or insurance as appropriate following investigation.

Refunds of landlord-controlled services Where a landlord of a controlled communal service (e.g., communal heating, lift) fails for a sustained period due to HBBC/contractor fault, HBBC will apply pro-rata refunds/credits of relevant service charges and may add discretionary compensation where warranted. These will be considered on a case by case basis and take into account the duration of the outage, the vulnerability of tenants and whether alternative solutions were provided.

Discretionary compensation (non -statutory)

HBBC may award discretionary compensation for:

1. Distress and Inconvenience - impact on daily life/enjoyment of the home, separate from any quantifiable financial loss.
2. Time and Trouble - avoidable effort caused by poor communication, repeated chasing, or complaint handling failings.
3. Loss of amenity – where part or all of the home was unusable.

We will consider the duration, frequency, severity, cumulative impact, and household vulnerabilities when setting amounts, consistent with the Ombudsman's approach and sector guidance. Any sums will be in accordance with a formula.

This indicative banding guide will be considered case-by-case. If discretionary compensation will be issued, it requires authorisation from the manager of that service or Head of Housing.

Time and trouble

- Band 1: £25–£50
- Band 2: £50–£75
- Band 3: £75-£100

Distress and inconvenience

- Band 1: £25–£50
- Band 2: £50–£150
- Band 3: £150+

Loss of amenity

HBBC may consider awards based on a percentage of net rent for periods where part/all the home was unusable, mirroring recent Ombudsman practice in more serious cases.

Missed appointments (HBBC or contractor)

Where HBBC or its contractor fails to attend a scheduled appointment without giving reasonable notice or a valid excuse, we will pay £10 per missed visit to the tenant. If there are repeated failures, HBBC may pay a higher (enhanced) rate as a goodwill gesture. Tenants can request this by speaking to the Housing Repairs Team.

Vulnerability uplift

Where vulnerabilities (e.g., disability, health conditions, young children) increase the impact of distress and inconvenience, HBBC may apply uplift sums to reflect that individual impact, consistent with Ombudsman guidance and local authority practice. This will be at the discretion of the Head of Housing.

6. Exclusions (typical)

HBBC will not normally pay compensation for:

- Personal injury – this should be pursued through the appropriate legal/insurance route.
- Matters outside our control (e.g., extreme weather) or issues caused by third parties not acting for HBBC.
- Where legal proceedings have started (where a claim form is filed) or where another statutory/insurance process is more suitable.
- Historic events - claims raised more than 12 months after the issue was reported to the appropriate department at the Council, unless exceptional circumstances apply.

Offsetting

Where a resident owes HBBC arrears, discretionary compensation may be credited to the rent/service charge account; however, statutory payments and reimbursements (actual out-of-pocket costs) will not be offset. If the Housing Ombudsman orders compensation, it will be paid directly to the resident.

7. How to claim and timeframes

Report the issue / make a claim Residents can claim by phone, online or in writing using the Complaints Policy - HBBC will accept claims in any appropriate form, making reasonable adjustments where needed.

We will acknowledge and assess:

- Acknowledge within 5 working days and set out what we are assessing.
- Respond within 10 working days at Stage 1 (20 working days at Stage 2) of the complaints process
- Where complex, we will agree a brief extension within the Guidance/Code limits.

Evidence We will ask for receipts/invoices, photos, energy bills, or booking confirmations (e.g., removals), consistent with sector guidance.

Payment Once agreed, HBBC aims to pay within 28 calendar days by bank transfer. Where the Ombudsman has ordered compensation, HBBC will pay the resident directly within the ordered timeframe.

8. Governance, monitoring and learning

- HBBC will keep and maintain a central register of compensation/reimbursement decisions
- We will use information we collect to identify trends in any service failures and implement improvement actions.
- Each year we will publish an Annual Complaints Performance and Service Improvement Report (including our self-assessment in accordance with the Code, complaint statistics, learning and any Ombudsman findings), reported to elected Members and published on our website.
- Policy review – every 3 years (or sooner where law/regulation changes).

Roles and responsibilities

To ensure this policy is adhered to and works effectively, key responsibilities will be undertaken by relevant officers:

- Heads of Service: ensure services have the budget, processes, and oversight to apply this policy consistently.
- Service managers/contract managers: ensure contractors honour HBBC's standards (e.g., missed appointment payments, decant support).
- Complaints and Tenant Involvement: quality-assure redress decisions and keep track of learning.

9. Related policies and documents

- HBBC Complaints Policy (statutory two-stage model under the 2024 Code).
- HBBC Decant Procedure
- HBBC Repairs Policy

Appendix A

Indicative Redress Matrix (guide)

Note: Awards depend on circumstances, evidence, and vulnerability. Benchmarked against Ombudsman guidance and sector practice.

Category	Typical scenarios	Guide range
Time and trouble	Numerous chasers; avoidable process delays; poor complaint handling	£25–£50 (band 1), £50–£75 (band 2), £75–£100 (band 3).
Distress and inconvenience	Extended loss of amenity; repeated service failures; poor handling leading to worry/upset	£25–£50 (band 1), £50–150 (band 2), £150+ (band 3).
Loss of amenity(serious cases)	Room/property unusable for a prolonged period	Consider % of net rent for the period affected (in addition to other heads)
Missed appointment	Operative fails to attend without reasonable excuse and no reasonable attempts to notify the tenant	£10 per missed visit
Communal service failure	Communal heating/lifts down due to landlord/contractor fault,	consider impact and provision of alternative options. Pro-rata refunds of service charges plus discretionary compensation where warranted

Appendix B

Right to Repair: examples and timescales (statutory)

- Total loss of electric power—1 working day; Partial loss—3 days.
- Total/partial loss of water—1/3 working days (respectively).
- Insecure external door/window/lock—1 working day
- Leaking roof—7 working days.
- Door entry/phone/Extractor fan (internal room)—7 working days.
- Statutory compensation if the second attempt fails in time: £10 + £2 per day (maximum £50).

Appendix C

Decant (permanent and temporary): what HBBC will cover (summary)

- Permanent decant (displacement): Home Loss (statutory) plus Disturbance (reasonable, evidenced costs).
- Temporary decant: Disturbance (reasonable removal/utility reconnection costs, etc.). Disputes about statutory disturbance may be referred to the Upper Tribunal.

Easy Read Summary

- If HBBC causes you avoidable costs, we will reimburse you, with receipts.
- If our service fails, we may pay compensation for distress/inconvenience and time and trouble, with uplifts where vulnerabilities may increase the impact.
- For qualifying urgent repairs, if we miss statutory deadlines on two occasions, you will be entitled to Right to Repair compensation.
- If we ask you to move out permanently due to redevelopment, you will receive a sum for Home Loss plus Disturbance. Any inconvenience from temporary moves will be met by the provisions relating to Disturbance.
- Missed appointments by us/our contractors = £10 each occasion (higher for repeats).
- We will acknowledge claims in 5 working days and aim to decide at Stage 1 within 10 working days; if compensation is agreed, we aim to pay within 28 days.