

# Compensation Policy

## 1. Purpose

- 1.1 This policy sets out Connexus' statutory and discretionary approach to compensating residents and other eligible customers. It covers situations where compensation is payable under legislation and those where service delivery falls short of agreed standards.
- 1.2 The policy ensures that Connexus:
  - Meets all statutory obligations relating to compensation payable to tenants, leaseholders and other eligible parties.
  - Provides a fair, transparent and proportionate approach to redress where service failures occur.
  - Ensures robust governance, recording and reporting of compensation payments.

## 2. Scope

- 2.1 Scope: The policy applies to the whole of the Group. This means Connexus Homes Limited, (ultimate parent) and all of its subsidiaries.
- 2.2 This policy applies to all tenures and homes owned and directly managed by Connexus, including general needs, supported housing, independent living, leasehold and shared ownership.

## 3. Legal and Regulatory Framework

- 3.1 This policy aligns with the following legislation and guidance (as amended and in force from time to time):
  - Social Housing (Regulation) Act 2023 and the Regulator of Social Housing's Consumer Standards (effective 1 April 2024).
  - Housing Ombudsman Scheme, Complaint Handling Code and Remedies Guidance.
  - Land Compensation Act 1973 and relevant guidance.
  - Planning and Compensation Act 1991.
  - The Secure Tenants of Local Authorities (Compensation for Improvements) Regulations 1994.
  - Leasehold Reform, Housing and Urban Development Act 1993 (and subsequent reforms including the Leasehold and Freehold Reform Act 2024 when commenced).

3.2 Note: Where legislation is updated or new requirements commence (including secondary legislation under Awaab's Law), this policy will be interpreted and applied in line with the most current law and regulatory standards, and operational procedures will be updated accordingly.

## 4. Definitions

4.1 For the purposes of this policy:

- "Customer" means any resident (tenant, leaseholder, shared owner) or other person to whom compensation may lawfully be payable.
- "Statutory compensation" means payments required by law (e.g., Home Loss and Disturbance, Right to Improve).
- "Discretionary compensation" means payments which may be offered where there is no legal entitlement, but where redress is appropriate (e.g., service failure, time and trouble).
- "Goodwill gesture" is a modest discretionary payment or benefit offered to resolve a matter proportionately where loss is not evidenced but detriment is accepted.

## 5. Right to Repair

5.1 Connexus will meet statutory Right to Repair obligations. Target timescales and qualifying repairs are detailed in the Repairs and Maintenance Policy and associated procedures. Where Connexus fails to complete a qualifying repair within the prescribed timescales (including required second attendance), compensation will be assessed and paid in line with the statutory scheme and published procedures.

## 6. Discretionary Compensation (Service Failure and Goodwill)

6.1 Where service delivery falls below published standards (i.e. avoidable delays, repeated missed appointments, poor complaint handling), Connexus may offer a proportionate remedy. Non-financial remedies (e.g., an apology, expedited works) will be considered first; financial redress may be appropriate where detriment is evidenced or reasonably inferred.

6.2 Benchmarks: Connexus will set out in the compensation procedure guidance on awards for discretionary compensation that is aligned to Housing Ombudsman remedy guidance.

## 7. Tenant Improvements

7.1 Secure tenants may claim compensation for qualifying improvements they have carried out with prior written consent. Each claim will be considered against the individual tenancy agreement and in accordance with the relevant regulations. Claims are subject to the notional lifespan, depreciation and minimum/maximum thresholds set out in law.

## 8. Home Loss and Disturbance

8.1 Where a customer is permanently displaced from their home as a consequence of redevelopment, demolition or other qualifying action, a Home Loss Payment will be paid in accordance with the Land Compensation Act 1973. Disturbance costs reasonably incurred

(e.g., removals, disconnection/reconnection fees) will be reimbursed against evidence. Home Loss Payments are reviewed annually by government and Connexus will apply the rate in force at the time of eligibility.

## **9. Loss or Damage to Tenants' Belongings**

- 9.1 Where damage to belongings arises from Connexus's negligence or breach, compensation (or reimbursement) may be paid based on evidence and mitigation. It is possible that a claim may be directed to the organisation's insurers.

## **10. Loss of Amenity**

- 10.1 The exclusion of loss of amenity relates only to claims made under Part 1 of the Land Compensation Act 1973 (public works compensation). For tenants affected by a loss of use of part of their home, Connexus may award compensation in line with Housing Ombudsman guidance on temporary loss of amenity as set out in the Connexus compensation procedure.

## **11. Assessment and Payments**

- 11.1 Customers should provide reasonable evidence of loss (receipts, photos, valuations); Connexus may make a pragmatic assessment where evidence is unobtainable, but the loss is credible.
- 11.2 Where it is lawfully permitted and reasonable, compensation may be set against arrears. This will be considered case by case, with sensitivity to individual customer needs including vulnerability and affordability.
- 11.3 Customers are responsible for understanding any tax or benefits implications of payments made.
- 11.4 Payments will be made by bank transfer unless otherwise agreed.

## **12. Recording and Reporting**

- 12.1 All compensation offers and payments must be charged to the relevant service budget. Records must accurate and include the reason, amount and date paid.
- 12.2 For awards made for Discretionary Compensation (Service Failure and Goodwill), the details including the reason, amount and date paid must also be update within the complaints management system.
- 12.3 The total amount of compensation awarded, regardless of category, will be monitored and reported on an ongoing basis through the Connexus's financial accounts. Compensation awarded under Discretionary Compensation (Service Failure and Goodwill) will also be reported to the Customer Committee as part of the six-monthly complaints reporting cycle.

## **13. Roles and Responsibilities**

- 13.1 Heads of Service: Ensure colleagues are aware of this policy and that procedures reflect current law and guidance.
- 13.2 Operational Managers: Apply the policy consistently, ensure prompt decisions and quality record-keeping.
- 13.3 Customer Experience Manager: Advise on remedies, quality assure decisions, and coordinate reporting.
- 13.4 Finance: Maintain accurate ledgers and support reporting/assurance.

## 14. Associated Documents

- Compensation Procedure
- Repairs and Maintenance Policy
- Planned Maintenance Policy
- Decant Policy
- Complaints Policy
- Tenancy and Lease Agreements
- Standing Orders and Financial Regulations

## 15. Document Control

Approved by SMT	29 January 2026
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Associated documents	Compensation Procedure

Version	Author	Date Published	Next Review	Comments
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