Compensation and Claims Policy

Version 6 September 2026

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1. Introduction

Rykneld Homes Limited (RHL) takes all complaints and claims seriously and investigates them thoroughly in line with our Complaints Policy. If any complaint includes a claim for compensation this Policy sets out RHL's approach.

The aim of this Policy is to make sure a consistent, fair and proportionate response to claims received. The Policy will also make sure that any compensation payments are properly assessed, monitored and controlled. This Policy outlines:

- When we will pay compensation and when we are unable to
- How much we will pay under what circumstances
- How to make a claim for compensation
- What to do if customers are not satisfied with the response from RHL.

2. Regulation and Legislation

2.1. Housing Ombudsman Scheme

Rykneld Homes is a member of the Housing Ombudsman Scheme. The Scheme was approved by the Secretary of State under section 51 of and Schedule 2 to the Housing Act 1996. The Act requires all social landlords, as defined by section 51(2) of the Act, to be members of an approved scheme. The purpose of the Housing Ombudsman Scheme is to enable tenants, and other individuals, to have complaints about members investigated by a Housing Ombudsman. The Housing Ombudsman also produces best practice for the resolution of complaints and compensation claims which RHL adopts.

Rykneld Homes are obliged to follow relevant legislation surrounding the claims and compensation process. The delivery of social housing is governed by legislation and regulation in order to ensure the fair, equitable and consistent delivery of social housing services by all landlords. Rykneld Homes will follow all relevant legislation and government regulations. This covers the following:

- Housing Ombudsman
- Housing and Urban Development Act 1993
- Local Government and Housing Act 1989
- Local Government Act 1999
- Housing Act 1996
- Data Protection Act 2018.

3. Compensation Payments

The general principle is to restore the customer to the position they would have been in if they had not experienced the loss as a direct result of RHL's actions. Rykneld Homes reserves the right to refer claims for compensation to our insurance provider if not already covered within this Policy or where there is an inconclusive investigation outcome. For certain circumstances, specific amounts are set, for example, Right to Repair.

3.1. **Right to Repair**

Customers must first report all repairs to RHL in the normal way.

The Right to Repair Scheme gives customers the right to be compensated if certain small, urgent or emergency repairs likely to affect their health and safety and security costing less than £250, are not carried out within specific time limits. These are defined as 'qualifying' repairs under regulations issued by Government.

If a repair comes under the Right to Repair Scheme, RHL will prioritise the repair accordingly, and if the work is to be carried out by a contractor, we will make sure they are fully aware of the timescales.

If a reported repair does not get carried out within the specified timescales, customers may be eligible for compensation. Rykneld Homes will investigate the reasons for this and consider any circumstances that prevented the work being completed, for example, difficulties in getting replacement parts, or if the customer did not keep to the appointment.

Prescribed qualifying repair compensation:

- £10 in compensation and a further £2 for every day the customer is waiting
- The most compensation a customer can claim for any one job is £50.

Qualifying Repairs for Statutory Right to Repair Scheme	Working Days
Total loss of electric power	1
Partial loss of electric power	3
Unsafe power or lighting socket or electrical fitting	1
Total loss of water supply	1
Partial loss of water supply	3
Total or partial loss of gas supply – please note gas supply is provided by Cadent not NEDDC/RHL	1
Blocked flue to open fire or boiler	1
Total or partial loss of space or water heating between 31 October and 1 May	1
Total or partial loss of space or water heating between 30 April and 1 November	3
Blocked or leaking foul drain, soil stack or toilet pan (where there is no other working toilet in the property) – please note, this service is provided by the landlord, North East Derbyshire District Council, (NEDDC) Engineering Team directly	1
Toilet not flushing (where there is no other toilet in the property) – please note this service provided by the landlord (NEDDC) Engineering Team directly	1
Blocked sink, bath or basin	3
Tap which cannot be turned	3
Leaking from a water or heating pipe, tank or cistern	1

Qualifying Repairs for Statutory Right to Repair Scheme	Working Days
Leaking roof	7
Insecure external window, door or lock	1
Loose or detached banister or handrail	3
Rotten timber flooring or stair tread	3
Door entry phone not working	7
Mechanical extractor fan in internal kitchen or bathroom not working	7

3.2. **Unusable Rooms**

If customers are unable to use a room in their home following work, or due to an unreasonable delay in work that needs to be carried out by RHL, or contractor on our behalf, customers can claim an amount relevant to the number of weeks the room is unusable, the number of other rooms in the property and the weekly rent payable.

The customer is required to report this by the normal reporting methods and give RHL reasonable time to allow for the work to be either completed or the room to be put into a usable condition.

The start date for compensation will be calculated from the date the customer reported the issue, minus the reasonable period for repair. The end date will be the date repairs are fully completed.

We have adopted the Housing Ombudsman guidance in terms of what rooms will be considered within this calculation which are:

- Bedroom
- Kitchen
- Living room
- Bathroom
- WC.

This does not include areas that connect the above rooms or exterior spaces, i.e. hallways, landings, outbuildings, gardens and balconies.

The table below sets out the percentage we will apply per room for a calculation of compensation based on rent charged, this is in line with the Housing Ombudsman Compensation Guidance:

Room	Percentage of weekly rent
Living room	20%
Bedroom	20%
Kitchen	30%
Bathroom	30%
Bathroom where an additional WC is available	20%

We will compensate:

- If there is evidence that a room or multiple rooms are unusable within a customer's home due to work, which we or a contractor on our behalf have undertaken
- Due to work which is required within a room or rooms which have not been completed within the expected timescales outlined in the RHL Repairs Policy
- We will compensate if the customer only has partial use of a room, in these circumstances the percentage per room as stated in the above table will be halved.

We will not compensate:

- If the customer has caused damage or has made the room unusable in any other way
- If the customer has delayed or refused works, has failed to allow access, refused and/or postponed appointments
- If work has been completed within the expected timescales outlined in the RHL Repairs Policy.

3.3. **Missed Appointments**

Compensation of £15 may be considered if RHL failed to attend a pre-arranged appointment.

We will compensate if:

- An appointment was missed without any notice given to the customer
- An appointment was unreasonably delayed by two hours or more and the customer could not accommodate the new appointment time
- We attended but the appointment could not go ahead due to us not complying with pre-agreed reasonable adjustments, meaning that the appointment could not then take place.

We will not compensate:

- Where the appointment was missed or could not go ahead because of a customer's actions, whether intentional otherwise, i.e. was present but did not enable access
- Where we were unable to attend for a valid reason i.e. staff sickness or parts not being available as expected and reasonable notice has been given to the customer
- For a customer's time off work, loss of wages or loss of employment whilst repairs are completed within their home. This is on the grounds that the Tenancy Agreement requires customers to give access for repairs to be carried out as needed.

3.4. Compensation for Inconvenience or Distress

Customers will often describe how they have been affected by a situation that has led to a formal complaint being made. This may include the impact on their family life, use of their home, employment or health and emotional wellbeing.

This can include where customer sites:

- stress, anxiety, worry, frustration, shock, upset, embarrassment, annoyance, uncertainty
- raised expectations
- feeling unfairly treated compared to others.

Rykneld Homes will consider the individual impact on customers and the wider household as part of their investigation into a formal complaint which includes the completion of an Equality Impact Assessment (EIA). The completion of an EIA ensures we can measure the impact on customers as a result of the issues that they have experienced and ensures that we are meeting our obligations as a landlord in line with the Equality Act 2010.

The completion of an EIA also helps us to consider any reasonable adjustments required to ensure customers are supported as much as possible throughout any further visits/works that may be needed within their home.

When assessing the impact of distress and inconvenience we will consider:

- the severity of the situation
- the length of time involved
- relevant disabilities or vulnerabilities of the resident
- any other relevant factors.

Rykneld Homes will then consider the appropriate level of compensation to be offered on this basis.

3.5. Failure to Provide a Service where a Service Charge has been Paid

If RHL fail to provide a service that is provided by a service charge to the individual property or customer for more than 14 days, the level of compensation will be the same amount paid for the service for the length of time that service failed to be provided. Rykneld Homes will also pay a one-off single payment of £10.

Before making a payment of this kind, a thorough investigation is required to prove the service paid for was not delivered for 14 days or more as specified by the claimant. Payments will be calculated based on the length of the disruption, the impact it has had on the use of facilities such as heating and hot water.

3.6. Demolition, Serious Disturbance and Major Work

Where properties are to be demolished, redeveloped or improved and customers are being permanently re-housed, customers who qualify are legally entitled to financial support towards disturbance costs and a Home Loss payment which is set by legislation (Land Compensation Act 1973). This will not apply where a person is temporarily decanted. It also does not apply to those who decide to stay in that temporary accommodation permanently when works have been completed on their original home.

In most cases, RHL will plan and agree a support package which will cover essential aspects of the move. Rykneld Homes will arrange and pay associated costs directly to companies undertaking work. Where a customer has to pay for minor qualifying costs upfront to a company e.g. postal redirection, RHL can pay these if a receipt is provided by the customer.

The amount available under home loss payment is determined by statutory legislation and is made payable to renting customers who have had to move permanently.

Rykneld Homes will deduct and set off from any home loss and any rent arrears owed by the customer.

3.7. **Damage to Decoration or Personal Belongings**

If accidental or wilful damage to decoration or to the personal belongings of a customer by a member of staff or contractor whilst carrying out work at their home, or if a customer claims that damage has been caused following a leak or because of a damp and mould issue within their home, a full investigation will be carried out.

We will compensate if:

- Personal items or decoration has been damaged as a direct result of an action undertaken by RHL and the customer has fulfilled all responsibilities and obligations prior to the work taking place

- The customer has retained the personal items, and the damage can be evidenced

- The investigation shows that RHLs employee(s) did not follow agreed procedures and policies and this led to the damage of decoration or personal belongings

- The investigation is inconclusive and can evidence neither RHL nor the customer causing the damage to decoration or personal belongings. In this instance, a discretionary payment may be considered. It is not intended that a discretionary payment will compensate for the complete loss following an inconclusive investigation.

We will not compensate:

- If the customer did not fulfil their own obligations prior to any work taking place, for example, packing away personal belongings prior to any major work

- If a leak was caused by general wear and tear and not because of any action undertaken by RHL.

- In damp and mould cases where this has not been reported by the customer in a prompt manner or where damp and mould is not because of a building defect which has not been rectified by RHL within the expected timescales outlined in RHL's Repairs Policy

- The customer has already made a claim on their own Homes and Contents Insurance or in cases where RHL are not directly responsible for the damage caused to personal property. See **Customer Responsibilities**.

For any circumstances not covered by this Policy relating to damage to decoration or personal belongings, it is the responsibility of the Customer Experience Officer/Manager, in conjunction with the Head of Service, to assess each claim on an individual basis and ensure this Policy is upheld at all times.

3.8. Improvements carried out to the Property at the Customer's Expense

Rykneld Homes will comply with relevant guidance and legislation on the right to compensation for improvements.

Customers can claim compensation for specified improvements they have carried out during their tenancy; any payment will be made when the tenancy comes to an end. They will only qualify for compensation if they have abided by the following requirements:

- Obtained written permission from RHL to carry out the improvement and submitted three estimates from bona fide contractors explaining which contractor they wish to choose and why. We will not unreasonably withhold permission, but we will not give permission if the proposed work will make the property, or any adjoining property, unsafe. Rykneld Homes will also require a copy of the invoice for the work

- The customer has applied for and obtained any relevant planning or building consent that may be required before the work commenced from NEDDC

- An Inspector from RHL has inspected the work and agreed the work has been carried out to an acceptable standard

- The tenancy has not ended due to legal action taken by RHL or completion of a Right to Buy application

- The claim is above £50 in value after allowing for the notional life of the improvement.

If customers have received financial assistance (a grant) to help make the improvements, RHL will take off the amount the grant was worth from the cost of the improvements.

Claims for improvements can only be made for materials (but not appliances such as cookers or fridges) and labour costs.

All claims for compensation for improvements carried out to the property will take account of the notional life of that improvement and, therefore, allow for depreciation. The upper limit for any one improvement is £3,000. The improvements that residents can make to their home, for which they may receive compensation, are listed below:

Improvement	Notional Life
Insulation of pipes, water tank or cylinder	10 years
Loft insulation	20 years
Cavity wall insulation	20 years
Rewiring or the provision of power and lighting or other electrical fittings (including mains operated smoke detectors)	15 years
Any object which improves the security of the dwelling/house, but excluding burglar alarms	10 years

Improvement	Notional Life
Installation of bath or shower	12 years
Installation of wash basin	12 years
Installation of WC	12 years
Fit kitchen sink	10 years
Fit kitchen units	10 years
Fit work surfaces for food preparation	10 years
Installation of space or water heating	12 years
Fit thermostatic radiator valves	7 years

3.9. **Compensation for Upheld Complaints**

Where after investigation a complaint is upheld, either in part or in full, we will respond to the complainant in writing or using a method that suits them and seek to restore the complainant to the position he/she enjoyed before the complaint was made. This may include financial compensation. The aim is to restore the customer to the position they would have been in if they had not experienced the loss.

When complaints include a claim for compensation, the Investigating Officer will always consider what actions could provide a suitable remedy. The Investigating Officer will also consider practical action suggested by the complainant. Remedies can be categorised as follows:

- Apology
- Provide requested service
- Review working procedure
- Review Policy
- Staff training or guidance
- Staff disciplinary action
- Financial redress – compensation or refund.

At all times, RHL will act in accordance with best practice and relevant guidance in determining whether compensation is appropriate in the circumstances. Compensation will normally only be payable in given circumstances covered within this Policy.

The level of compensation awarded will be reduced if the complainant has not taken reasonable steps to mitigate his/her loss, inconvenience or distress.

All compensation or discretionary payments will be approved by the Head of Service.

Where a complainant involves the Housing Ombudsman, we will pay compensation at the agreed rate should the Ombudsman find in favour of the complainant.

3.10. **Other Claims for Compensation**

If a claim for compensation comes into RHL and does not relate to any part of this Policy, each claim will be investigated on an individual basis by the relevant Service Manager. When the investigation is completed, the complainant will be informed as to whether the claim has been accepted or refused.

4. Restrictions to Claiming Compensation

There are circumstances where RHL will not award compensation. This is explained in more detail below:

4.1. Outstanding Debt to Rykneld Homes

If a complainant owes RHL money, any compensation awarded will be automatically credited to their account and will not be awarded to the customer personally. If the amount of compensation awarded exceeds the amount owed to RHL, the customer will receive the difference once the outstanding debt has been paid.

4.2. Right to Buy Applications

If a customer has a Right to Buy application in or completed, they are not entitled to claim for compensation in relation to the following:

- Statutory right to repair and related compensation
- Unusable rooms following work
- Failure to provide a service where a service charge has been paid
- Serious disturbance and inconvenience during major work
- Improvements carried out to the property at the customer's expense.

4.3. Personal Injury

If a complainant makes a claim for compensation relating to personal injury they are advised to seek independent legal advice, for example, Derbyshire Law Centre or Citizens Advice. Please note: Personal Injury also includes claims detrimental to a person's mental health. Where a complaint is received that is reliant on the assessment of medical evidence this will be referred to RHL's insurers.

If a claim is received from a Solicitor on the complainant's behalf, RHL will refer this to our insurers for consideration.

4.4. Financial Threshold

Where a customer seeks compensation in excess of £1000, claims will normally be referred to RHL or NEDDC's insurers for consideration.

4.5. Threat of Litigation

Where a customer makes a claim that includes the threat of litigation, claims will normally be referred to RHL's insurers.

4.6. Storm or Flooding

Problems caused by a third party not working for RHL will not be considered.

4.7. Damage by a Third Party

Damage caused by a third party that does not work for Rykneld Homes Limited will not be considered.

4.8. **Disrepair Claims**

Rykneld Homes is required to comply with the Housing Ombudsman's Complaint Handling Code, this includes expectations in regard to the Pre-Action Protocol for Housing Conditions Claims and service complaints 2021:

"The Ombudsman's view is that a matter does not become 'legal' until proceedings have been 'issued'. The issuing of proceedings involves filing details of the claim, such as the Claim Form and Particulars of Claim, at court. The court will then serve this on the respondent for them to answer to."

Rykneld Homes will continue to attempt to resolve repair issues and use the internal complaints process during the Pre-Action Protocol stage as part of requirement to seek an alternative dispute resolution. This is prior to an issue being entered into Court by the customer/their Solicitors.

4.9. **Customer Responsibilities**

Customers are expected to fulfil their responsibilities to the tenancy as stated in the Tenancy Agreement and all related policies, guidance and advice issued by RHL for individual service areas.

If a customer does not take reasonable action to fulfil their responsibilities and has taken little or no steps to mitigate his/her loss, inconvenience or distress, and this is a significant factor in their claim for compensation, compensation will be either reduced or not be awarded.

For claims made of damage to personal property where RHL are not directly responsible i.e. where there has been a leak caused by general wear and tear, customers will be expected to claim on their own Homes and Contents Insurance in line with the Tenancy Agreement.

We ask that all compensation forms are completed and returned within 28 days, no compensation will be paid on forms returned after 12 months of the original offer of compensation.

5. Insurance

It is NEDDC/RHLs responsibility to insure the building and a customer's responsibility to insure the contents of their home. In all cases, NEDDC/RHL will need to be satisfied that the customer, leaseholder or resident should not be submitting a claim against their own household insurance. Where such a claim should be pursued, NEDDC/RHL will not consider a claim for compensation.

Rykneld Homes/NEDDC will normally refer claims for compensation to its own insurer where the claim is in excess of £1000.

6. External Review – Housing Ombudsman

In all cases, complainants are encouraged to go through RHLs complaints process before referring a complaint/request for compensation to the Housing Ombudsman. The Housing Ombudsman will not consider any case that is subject to a legal action, for example, where Disrepair Notice has been served.

If complainants are not satisfied with the response given by RHL after Stage 2, we will ensure they have all the contact details for the Housing Ombudsman Service, so they are able to progress their complaint/request for compensation further if they wish to do so.

This Compensation and Claims Policy does not apply where a claim for compensation has been via the Housing Ombudsman. In such cases, RHL, where appropriate, and if the Housing Ombudsman rules in favour of the complainant, will pay compensation as directed. For more information, please go to https://www.housing-ombudsman.org.uk/

7. How to Make a Claim

Compensation Claims can be made using the following methods:

- Letter
- Telephone
- Email
- Verbally
- Legal letter of claim (via Solicitor).

If a complainant is entitled to compensation the amount agreed is required to be formally accepted by the complainant. It is, therefore, a requirement that the complainant signs a 'Settlement Agreement' specifying what the compensation is being awarded for and the amount agreed by RHL and the complainant.

If customers, leaseholders or residents make a false claim for compensation, for example, if a claim is made for an improvement that has not been made or the claim is for more than the real amount, RHL reserves the right to take legal action.

8. Authorisation, Monitoring and Review

Authorisation for compensation payments in excess of £250 will be considered by the Senior Management Team.

Rykneld Homes has a strong performance management culture and endeavours to improve services to customers and service users by analysing and reviewing performance information.

Claims for compensation are monitored through the Financial Reporting procedures.

9. Contact Information

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at the heart of communities

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