Compensation Policy

Audience:	Customers, stakeholders and colleagues
Policy Owner:	Executive Director of Housing & Customer Experience
Policy Lead:	Head of Customer Resolutions
Approved by:	Executive Team
Approved date:	1 April 2026
Next review date:	1 April 2029

1. Context, purpose and scope of the policy

Context

Complaints and customer feedback provide important insight into where services fall short and where customers may experience inconvenience, delay or harm. When this happens, it is important that we respond quickly, fairly and transparently to put things right.

Compensation is one way of recognising the impact of service failures on customers. Alongside other remedies such as apologies, corrective action or service improvements, compensation helps ensure customers are treated fairly and that we take accountability when things go wrong.

Regulatory expectations around complaint handling and remedies have increased in recent years, particularly through the Housing Ombudsman's Complaint Handling Code and Remedies Guidance, which set clear expectations for how landlords should recognise service failures and provide proportionate outcomes for customers.

This policy supports a consistent and transparent approach to compensation across Moat, helping ensure customers receive fair outcomes while enabling us to identify patterns of service failure, strengthen accountability and improve services over time.

Purpose

This policy sets out the principles and framework we use when considering compensation following a service failure.

It aims to:

- Provide a clear and consistent approach to compensation decisions
- Ensure compensation awards are fair, proportionate and evidence-based

- Support colleagues to consider compensation alongside other remedies when resolving service failures
- Strengthen organisational learning by identifying recurring service issues and improvement opportunities.

Compensation is not intended to replace service recovery. Our priority is always to resolve issues quickly, put things right and prevent problems from recurring.

Scope

This policy explains when compensation may be considered where we have failed to deliver a service to the expected standard.

It applies to service failures relating to services delivered by Moat or on our behalf, including those delivered by contractors or managing agents.

It applies to customers including:

- Tenants
- Residents
- Leaseholders
- Shared owners
- Applicants
- Other stakeholders affected by our services.

Compensation may be considered whether an issue is raised through a complaint, service request or other service recovery route where a service failure has been identified and a financial remedy is appropriate.

Where compensation is considered as part of a complaint, this will be handled in line with the Complaints Policy and associated procedure.

Detailed guidance on how compensation is assessed, calculated, authorised and recorded is set out in the Compensation Procedure.

2. Definitions

- **Compensation:** A financial award made to recognise the impact of a service failure.
- **Complaint:** An expression of dissatisfaction, however made, about the standard of service, actions or lack of action by Moat, its staff, or those acting on its behalf, affecting a resident or group of residents.
- **Service request:** A request requiring action to put something right or fix a problem.
- **Service failure:** A failure to deliver a service to the expected standard, resulting in inconvenience, distress, delay or financial loss.
- **Managing agent:** A company appointed to manage a block, estate, or land on behalf of the freeholder, a Resident Management Company, or us. They are responsible for maintaining communal areas and the wider building, including cleaning, gardening, repairs, and general upkeep. This often includes structural elements like roofs, lifts, fire alarms, and CCTV. If there's a communal boiler or heating system and no separate Energy Services Company (ESCO), the Managing Agent typically oversees day-to-day operation, servicing, and coordination of repairs.

3. How this policy supports our strategy

Providing fair remedies when things go wrong is an important part of delivering a positive customer experience and maintaining trust.

This policy directly supports our Corporate Strategy and Moat Offer by setting clear standards for fairness, accountability and service recovery when services fall short of expectations.

It also supports:

- **Customer Strategy:** By ensuring service failures are acknowledged, remedied fairly and used to improve service quality.
- **Customer Influence Strategy:** By using complaints and compensation insight to identify patterns, inform service improvement and strengthen customer confidence.
- **People and Culture Strategy:** By setting clear expectations for colleagues and services delivered on our behalf in how service failures are recognised, addressed and learned from.
- **Value for Money Framework:** By reducing repeat failures, ensuring fair and proportionate compensation and using data insight to address root causes rather than symptoms.

Together, these elements strengthen the link between customer feedback, service performance and organisational learning.

4. Policy principles

Our approach to compensation is guided by the following principles. We will:

- Act fairly and proportionately when considering compensation, recognising the impact a service failure has had on the customer.
- Acknowledge service failures and take accountability where we have fallen short of expected standards.
- Consider compensation alongside other remedies, awarding it where this is a proportionate response to the service failure.
- Consider compensation as early as possible once a service failure has been identified.
- Be transparent about how compensation decisions are made and clearly explain outcomes to customers.
- Use insight from compensation cases to improve services and reduce repeat failures.

5. Aims and objectives

Aim: To ensure compensation is considered fairly, consistently and transparently when service failures occur, recognising the impact on customers, supporting effective complaint resolution and driving service improvement.

Objectives:

1. Ensure customers can easily understand when compensation may be considered and how it is applied.
2. Ensure compensation is considered promptly alongside other remedies when service failures are identified.
3. Improve consistency and fairness in compensation decisions across Moat and services delivered on our behalf.
4. Use insight from compensation cases to identify service improvements and reduce repeat failures.

6. Policy actions

To deliver these objectives, we will:

Objective 1: Ensure customers can easily understand when compensation may be considered and how it is applied

- Publish clear information about our compensation approach through our website and customer communications.
- Ensure customers are informed when compensation is being considered as part of complaint resolution or wider service recovery.
- Customers should submit claims for loss or damage to personal belongings through their own contents insurance. Complaint related compensation will only be considered where the issue arises from service failure.

Objective 2: Ensure compensation is considered promptly alongside other remedies when service failures are identified

- Ensure colleagues handling complaints, service requests or service failures consider compensation alongside other remedies where appropriate.
- Apply the Housing Ombudsman Remedies Guidance alongside the Complaints Policy and Compensation Procedure when considering remedies.
- Ensure compensation is considered where service failures occur in services delivered directly by Moat or on our behalf, including by contractors or managing agents.

Objective 3: Improve consistency and fairness in compensation decisions across Moat and services delivered on our behalf

- Provide guidance and training for colleagues responsible for assessing compensation.
- Introduce periodic quality checks of compensation decisions against internal standards and Housing Ombudsman guidance.
- Maintain clear internal guidance through the Compensation Procedure on assessment criteria, approval routes and recording requirements.

Objective 4: Use insight from compensation cases to identify service improvements and reduce repeat failures

- Analyse compensation cases alongside complaints data to identify patterns of service failure.
- Use learning from these cases to inform service improvements, training and policy updates.
- Monitor themes arising from cases involving contractors or managing agents and use these to strengthen service oversight and contract management where appropriate.

7. Monitoring, reporting and review

We will monitor how this policy is applied through regular performance reporting and case review.

This will include monitoring:

- The number and value of compensation payments made
- The proportion of complaints where compensation is awarded
- Average compensation awards
- Recurring service failure themes linked to compensation cases
- Patterns arising from services delivered by contractors or managing agents
- Quality and consistency of compensation decisions through periodic case checks.

Compensation trends and learning will be reviewed alongside complaints insight to inform service improvement activity and organisational learning.

Performance will be reviewed through service-level reporting and relevant governance arrangements.

This policy will be reviewed every three years, or earlier if legislation, regulatory expectations, Housing Ombudsman guidance or service delivery arrangements change.

8. Equality, diversity and inclusion

This policy will be delivered in line with our Equality, Diversity and Inclusion Policy.
An Equality Impact Assessment was completed for this policy and considered as part of the approval process.

9. Data protection

We use a risk-based approach to processing personal data to ensure that we assess any risks to privacy or to the rights and freedoms of people before commencing, commissioning or changing data processing activities. Our Data Protection Impact Assessment (DPIA) process was completed as part of the approval process.

10. Accessibility

This policy is available on our website and can be provided in alternative formats or languages upon request. We will make reasonable adjustments to support customers in accessing and understanding this policy.

11. Related legislation and regulations

- Equality Act 2010
- Landlord and Tenant Act 1985
- Housing Ombudsman Complaint Handling Code
- Housing Ombudsman Remedies Guidance
- Right to Repair Regulations

11. Related policies and procedures

- Complaints Policy
- Complaints Procedure
- Damp and Mould Policy
- Data Protection Policy
- Data Retention Policy
- Equality, Diversity and Inclusion Policy
- Home Adaptations Policy
- Temporary Moves Policy
- Repairs and Maintenance Policy
- Managing Agent Policy

12. Customer engagement

This Policy has been informed by learning from customer complaints and Housing Ombudsman guidance on remedies.

Customer feedback on the accessibility and clarity of this policy will be considered as part of future policy reviews.

Document revision history

Date	Changes approved by	Details of changes made