



CUSTOMER COMPENSATION POLICY & PROCEDURE

**Effective from:
19 May 2026**

APPLICATION OF THIS DOCUMENT

YMCA St Paul's Group (the Charity) is committed to ensuring that there are fair, proportionate and consistent outcomes to any compensation claims. This document applies to all legal entities within the Group and links to the Charity's obligations under the Housing Ombudsman's Complaint Handling Code. In generating this policy we have made reference to the [Housing Ombudsman Compensation Policy – Guidance for Landlords](#) and [Housing Ombudsman Overarching Compensation guidance Feb 26](#)

This document only applies to compensation claims. For refund requests, please refer to the Refund Request Policy & Procedure. For all other complaints, please refer to our Complaints Policy.

POLICY STATEMENT

1. The aims of the Policy are to:
 - a) Ensure customers have open and fair access to the compensation process
 - b) Manage compensation claims effectively, efficiently and consistently
 - c) Operate a prompt, fair compensation claim, escalation and review process
 - d) Where compensation is offered, it is reasoned and proportionate

2. We are committed to providing services that meet the standards agreed with customers (including residents, service users, young people and other stakeholders). Through the implementation of this policy, we aim to address situations where we have not met standards and need to restore a customer to the position that they would have been in had the service failure not occurred. This could include where a customer has been adversely impacted due to an action or omission on our part (or a third party working on our behalf), including:
 - a) Inconvenience, distress or detriment
 - b) Loss of amenities including heating, hot water, mains power for an extended period
 - c) Loss of use of part of a property
 - d) Financial loss

We will ensure that compensation remedies (both financial and non-financial) are fair, proportionate and consistent. Each case will be considered on its individual merits and discretion, and common sense will be applied, while promoting consistency. We will ensure value for money by applying the most cost-effective outcome for both residents and the Charity.

3. Where we can, we will seek to avoid matters escalating by simply understanding and putting in place simple remedies.

4. When considering redress, we will consider whether the compensation claim is eligible for a:
 - a) Quantifiable financial loss payment, or
 - b) Unquantifiable financial loss payment, or Discretionary payment, or
 - c) Other remedy

5. These terms are defined below and the [Housing Ombudsman Compensation Policy – Guidance for Landlords](#) will be considered when deciding which category is appropriate if the claim is in relation to our landlord duties.

EQUALITY IMPACT ASSESSMENT

6. We are committed to treating everyone fairly, recognising the protected characteristics set out in the Equalities Legislation. We will act sensitively towards the diverse needs of individuals and communities and will take positive action where appropriate.
7. We make appropriate arrangements where necessary to ensure that customers with distinct communication needs are not unreasonably and disproportionately affected. This could involve providing communications in alternative languages or formats or providing interpretative or transcription assistance where appropriate.
8. We will ensure that anyone living with us, and in particular those under the age of 18, is supported to make a compensation claim and ensure that they are not subject to any reprisal or detriment for making a compensation claim or representation.

DEFINITIONS

9. **Customer:** Refers to all service users whether they be residents in our accommodation (including young people aged 16-17 and anyone living within our supported living and supported lodgings schemes), young people in our clubs, children or family members who use our services or anyone who hires a room or uses any of our Health & Wellbeing or community facilities.
10. **Claimant:** The person who has submitted a compensation claim.
11. **Quantifiable financial loss payments:** Refer to situations where customers can demonstrate an actual, evidenced and unavoidable financial loss incurred as a direct result of our action or omission. This could include:
 - a) Increased heating bills due to disrepair
 - b) Having to pay for alternative accommodation or take away food
 - c) Paying for cleaning or carrying out repairs where we have failed to meet our obligations
 - d) Having paid for a service the customer did not consistently receive

Any such costs must have been reasonably incurred, and evidence of such loss must be provided.

12. **Unquantifiable financial loss payments:** Refers to situations where it is apparent that there has been significant financial loss to the customer because of our action/ omission (or that of a third party working on our behalf), but it is not possible to quantify the actual loss. We will still ask the customer to provide evidence of the costs they have incurred and how they were unavoidable, or the loss they have suffered. However, there may be times when no such evidence is available. This might include where items have been damaged but the customer has not retained any proof of purchase. In such cases, we must satisfy ourselves that, on the balance of probabilities, the customer incurred costs or suffered financial loss but has not been able to evidence this.
13. **Discretionary payments for impact of other service failings:** Refer to payments for time, trouble, distress and inconvenience.
14. **Compensation for complaints handling failure:** Refers to payments offered as a result of our failure to handle a complaint in line with our policy or statutory requirements. When considering such payments, we will consider:

- a) The length of any delay at each stage of the complaints process
- b) any improper refusal/ failure to log a complaint
- c) failure to adequately address points of the complaint
- d) our failure to adequately explain complaint handling failings
- e) time and trouble expended by the customer in chasing complaints responses
- f) unprofessional or unsympathetic complaint responses
- g) impact of complaint handling delays on the resolution of the substantive issue
- h) where landlord related, failure to adhere to the Housing Ombudsman Complaints Handling Code and a determination has been made by the Housing Ombudsman

15. **Remedy solutions** could include:

- a) Apologising
- b) A goodwill gesture (for example a bunch of flowers)
- c) Acknowledging where things have gone wrong
- d) Providing an explanation, assistance or reasons
- e) Taking action if there has been a delay
- f) Reconsidering or changing a decision
- g) Amending a record or adding a correction or addendum
- h) Providing a financial remedy
- i) Changing policies, procedures or practices
- j) A combination of several of the above

16. There are other remedies available to put a situation right but, in some instances, financial compensation may be the only appropriate form of redress.

17. **Ombudsman determinations:** This is compensation that has been awarded following an investigation by the Housing Ombudsman. We will comply with any Housing Ombudsman determinations that find that compensation is payable.

18. **Refunds:** Pay back (money), typically to a customer who has not received goods or services bought from the Charity. We review and make decisions about all refund requests in accordance with the current Terms and Conditions governing the sale of the purchase (e.g. memberships, courses, series of lessons, childcare, party or other activity bookings). These are the terms to which the customer agreed at the time of purchase. Customers are asked to check in the relevant terms and conditions to see whether their situation is one for which a refund is due. Refunds are not covered by this document – please refer to our separate Refunds Policy & Procedure.

EXCLUSIONS

19. Some types of compensation claims cannot be pursued through the Compensation process, for example:

- a) Refunds as set out above
- b) Claims for personal injury
- c) Claims for damage caused by circumstances beyond our control (e.g. through storm or flooding)
- d) Problems caused by a third party (such as a facility hirer for example) not working for us
- e) Problems caused by the customer, a member of their household or a visitor
- f) Claims that are (or should be) covered by a resident's home contents insurance
- g) Loss of earnings or annual leave
- h) Where the compensation is subject to a tribunal or legal proceedings

MAKING A COMPENSATION CLAIM

COMPENSATION CLAIMS

20. A compensation claim can be raised in any of the following ways and with any member of staff:
 - a) Completing a complaint form and handing it in at a reception in one of the YMCA SPG sites
 - b) By email to complaints@ymcaspg.org
 - c) By letter to the Complaints Officer, YMCA St Paul's Group, 49 Victoria Road, Surbiton, KT6 4NG
 - d) Completing the complaints form on the YMCA St Paul's Group website: [Make A Complaint](#)
 - e) Verbally to a member of staff who will support the customer to complete a form online
21. A summary, step by step guide to the compensation policy will be made available in an easy read format in key locations around our sites and on our website. Where a customer might require assistance in completing a form, assistance can be provided by a member of staff or by a third party such as the Citizens Advice Bureau.
22. A summary of this policy and a full copy will be made available on our website.
23. The officer reviewing the complaint will consider whether the matter triggers the compensation claim procedure. If there are any questions over the most appropriate steps to take, then the advice of the Company Secretary will be sought.
24. Where damage has been caused directly as a result of the actions or omissions of us as a landlord or contractor working on our behalf, consideration should be given to reimbursement without the need for the customer to make a claim at further inconvenience and cost to themselves, and in particular, where the facts are not in dispute.

COMPENSATION CLAIMS PROCEDURE

25. A compensation claim may be made by a current or former customer, a prospective customer, a third party affected by our actions, or an MP, Councillor or third party acting on their behalf with their permission.
26. A compensation claim must be lodged within 28 working days of the occurrence in relation to which the compensation claim is being made, although discretion will be applied if there are exceptional circumstances which prevented the claimant from submitting a claim within that time frame.

Stage 1: Compensation claim

27. A compensation claim will first be investigated at stage one of our complaints procedure. YMCA will progress a compensation claim in a fair and transparent manner:
 - a) Within **5 working days** we will acknowledge receipt of the compensation claim and provide an indication of when a substantive response to the compensation claim might be given. If we consider the matter cannot be pursued through the complaints process, then we will confirm that at this stage. The day we receive the compensation claim is day 0, unless the compensation claim is received outside of our core working hours (9.00am – 5.00pm). In this instance, the date received will be logged as the following working day and counted as day zero.

- b) After acknowledging the compensation claim (above) we will contact the claimant (where appropriate) to arrange to meet and review the compensation claim and gather further information. We will also meet with members of staff and stakeholders as necessary to agree a response.
 - c) No person who is the subject of a compensation claim or representation will be asked to take part in any part of the compensation investigation or consideration, except at the informal resolution stage, if it is considered appropriate.
 - a) After arranging to meet the claimant (or acknowledging the compensation claim if no meeting is proposed) we will write to the complainant setting out our findings and if necessary, offering resolution. We will aim to respond with a decision **within 10 working days** of the compensation claim being acknowledged. Our response will clearly set out the description of the compensation claim, the decision made (whether it has been upheld/partially upheld/not upheld) and the reasons why, details of any remedies to put things right and any outstanding actions. It will also provide details of how to escalate the matter if unsatisfied.
 - b) If this time limit cannot be met, we will write to the claimant within 10 working days of acknowledgement, explaining the reason for the delay, providing a revised date (which should not exceed a further 10 working days without good reason) and giving details of the Housing Ombudsman or OFSTED (where relevant).
28. If the claimant is not satisfied with the response to the compensation claim, they will have 10 working days in which to appeal. The procedure for making an appeal will be set out in the compensation response and an appeal must be made within 10 working days. If no appeal is forthcoming, then the compensation claim will be considered to be closed. We will, however, exercise discretion and review requests to escalate after this time on a case-by-case basis.

Stage 2: Appeal Against Decision

- 29. If the customer is not satisfied with the outcome of Stage 1 of the procedure, or feels that the procedure has not been followed, the next stage is to progress to stage 2 of our complaints process.
- 30. Within **5 working days** we will acknowledge receipt of the request to escalate to stage 2.
- 31. We will respond with a decision **within 20 working days** of the stage 2 compensation claim being acknowledged. Our response will clearly set out the description of the compensation claim, the reasons for our decision, details of any remedies to put things right and any outstanding actions.
- 32. If this time limit cannot be met, we will write to the claimant within 20 working days of acknowledgement, explaining the reason for the delay and providing a revised date (which should not exceed a further 20 days without good reason) and providing details for the Housing Ombudsman or OFSTED (where relevant).
- 33. If the claimant is unhappy with our proposed final outcome or our handling of the claim, they may be able to escalate externally via one of the agencies below:

Housing Ombudsman

- 34. Where the claim relates to landlord services then the complaint may be passed directly to the Housing Ombudsman if the claim has passed through all the internal procedures for considering complaints against the landlord. Residents can, however, contact the Housing Ombudsman at any

point during the process. They cannot investigate the complaint whilst it is going through the internal procedure but they may help facilitate a resolution. They can be contacted at: Housing Ombudsman Service, PO Box 152, Liverpool L33 7WQ

<https://www.housing-ombudsman.org.uk/residents/make-a-complaint/>

OFSTED: Early Years/ Registered Childcare provision

35. As above, any parent/carer at any time can submit a complaint to OFSTED about any aspect of our registered childcare provision. OFSTED will consider and investigate all complaints received. They can be contacted at: OFSTED, Piccadilly Gate, Store Street, Manchester M1 2WD Tel: 0300 123 4666

<https://www.gov.uk/government/organisations/ofsted/about/complaints-procedure>

OFSTED: Young People's Supported Accommodation

36. Where the complaint relates to young people's accommodation, complaints can be submitted to OFSTED if they have been through our internal procedures for considering complaints. They can be contacted at: OFSTED, Piccadilly Gate, Store Street, Manchester M1 2WD, Tel: 0300 123 1231

<https://www.gov.uk/government/publications/whistleblowing-about-childrens-social-care-services-to-ofsted/sharing-concerns-and-information-with-ofsted-about-childrens-social-care-services>

Compensation

37. We will consider all forms of remedy and decide which are the most appropriate given the individual circumstances of the case. Any remedy offered will reflect the impact on the customer as a result of any fault identified.
38. Any remedy offer will clearly explain our decision making, and set out what will happen and by when, in agreement with the customer, if appropriate. Any remedy proposed will be followed through to completion.
39. We will take responsibility for any detriment or damage caused to a customer or their property and belonging by a third party (contractor) working on our behalf.

Discretionary payments of impact of other service failings

40. Discretionary payments will be considered where our actions have resulted in, for example:
- Delays in providing a service e.g. in undertaking a repair
 - Failure to fully provide a service that has been charged for
 - Temporary loss of amenity
 - Failure to meet target response times without good reason/unless unavoidable/not communicated
 - Loss of use of a significant part of the property
 - Failure to follow policy and procedure
 - Failure to meet a Service Standard
 - The impact on an individual due to a specific characteristic, for example age or disability

41. The value of discretionary payments will be assessed depending on the severity of any service failure and associated impact as shown in the following table:

Severity of service failure	Severity of associated impact	Indicative Compensation Value	Which manager(s) the compensation claim should be reported to
Minor	Complaint has been upheld and there has been minor inconvenience or distress caused. This could include disappointment, loss of confidence or minor delays in addressing the complaint	Up to £50 Apology Learning	Service or Property Manager
Moderate	Inconvenience and/or distress has clearly been caused as a result of a failure in service. E.g failure to follow YMCA's Complaints Policy to investigate a complaint or poor handling of the complaint. There was a complaints handling failure on our part which adversely affected the customer. Significant physical or emotional impact on the customer.	Usually between £50 - £250	Head of Service
Severe	Many customers affected at the same time / block level issue. Individual where statutory / regulatory breach has happened and not already been picked up and addressed. Severe physical or emotional impact on the customer.	Up to £500	Relevant Director

42. If a financial remedy is appropriate, when deciding on the amount of compensation the factors we will take into account may include:
- a) The duration of any avoidable distress or inconvenience
 - b) The seriousness of any other unfair impact
 - c) Actions by the complainant or our actions which either mitigated or contributed to actual financial loss, distress, inconvenience or unfair impact
 - d) The level of rent or service charge (for resident customers)
 - e) The levels of compensation for similar cases paid by the Housing Ombudsman (for resident customers)
43. If financial compensation is offered, any money owed by a resident, for example current or former rent arrears, will be deducted from the payment. There may be some limited circumstances where this will be re-considered, such as if the arrears are in dispute, the arrears are the subject of the

complaint or where the resident has incurred additional 'out of pocket' expenses because of a service failure on our part.

44. Financial remedies will only be paid by bank transfer, we will aim to do this within 20 working days of receiving acceptance of the financial remedy.
45. It is worth noting that claims in relation to damage of personal belongings in residential rooms are usually considered under discretionary payment claims, as all residents are advised to protect their belongings via content insurance. There may however be times, where the organisation or a contractor's action or lack of action may have contributed to the cause for the damage, such as flooding from water pipes, and a discretionary payment may still be felt appropriate.

DATA PROTECTION AND INFORMATION SHARING

46. We will share relevant information with appropriate agencies in line with Data Protection Legislation that governs when and how we can share personal information.

STAFF TRAINING

47. We will use anonymised compensation claims to support staff with training in delivering the Compensation Policy & Procedure.

REPORTING AND MONITORING

48. We will use compensation claims as an opportunity to learn and implement remedies to prevent future reoccurrences of key issues where appropriate. When closed, compensation claims will be analysed to:
 - a) Assess whether the service standards set out in this policy have been met
 - b) Assess quality of response to compensation claims
 - c) Assess that appropriate action has been taken within reasonable response times
 - d) Assess whether the policy has been applied fairly and consistently
 - e) Identify any lessons to be learnt and service improvements made
 - f) Decide on any necessary communication to staff and customers
 - g) Identify any required amendments to this policy and associated procedures
49. We will routinely monitor our performance in implementing this policy and report outcomes to the Member Responsible for Complaints, Resident Representative Committee and Executive Team.
50. The Board will consider the impact of very serious compensation remedies on the risk register.
51. The Director of Operations will review this Policy at least every two years to ensure it is effective and complies with current legislation and good practice. Any changes that are required will be progressed as necessary.

REPORTING RESPONSIBILITIES

52. The Board has appointed a Member Responsible for Complaints (MRC).
53. The MRC will scrutinise and review compensation claim reports and performance prior to consideration by the Board as part of the complaints reporting process. They will be responsible for ensuring the governing body receives regular information that provides insight on the Charity's



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compensation claim handling performance and helps create a culture of openness and transparency in this area.

54. The Group Director of Operations will be the lead Executive for compensation claim handling. However, each Executive Director will be responsible for responding to compensation claims in their areas of responsibility.
55. The Director of Operations will produce quarterly and annual complaints reports to the MRC, Resident Representative Committee and Board which will include information on number of compensation claims received and awarded. This will sit alongside reporting on Tenant Satisfaction Measures.
56. The Executive Assistant to the Group Director of Operations will hold the Complaints Officer designation.
57. As an integral part of the review process we will engage with customers in the review of this Policy.

APPENDIX 1 – Compensation Claim Flowchart

COMPENSATION CLAIM PROCESS FLOWCHART

