L&G

Compensation Policy

1. This policy will apply to the following entities:

Legal & General Affordable Homes Limited
Legal & General Affordable Homes (AR) LLP
Legal & General Affordable Homes (Capital) Limited
Legal & General Affordable Homes (Development 3) Limited
Legal & General Affordable Homes (Investment 1) Limited
Legal & General Affordable Homes (Investment 2) Limited
Legal & General Affordable Homes (Investment 3) Limited

2. Policy Introduction

Legal & General Affordable Homes (L&G) is committed to providing a high standard of customer service. However, we recognise that there may be occasions when things go wrong and customers experience inconvenience, disadvantage or loss as a result of our actions or service failures. In these circumstances, compensation may be an appropriate way of putting things right.

This policy sets out L&G's approach to awarding compensation and aims to ensure a fair, consistent and transparent approach for all customers. It applies to both L&G and its service delivery partners and is aligned to the Housing Ombudsman's principles and guidance on remedies and compensation.

3. Purpose

The purpose of this policy is to set out the circumstances in which L&G may award compensation to customers, including where there is a statutory or regulatory obligation to do so. The policy aims to ensure compensation is considered fairly, consistently and proportionately, taking account of the individual circumstances of each case.

4. Aims and Principles

The aims of this Compensation Policy are to ensure that:

- Our approach is fair, open, and transparent, and reflects best practice and legislative requirements.
- Customers, colleagues and partners understand when compensation may be awarded and how it is assessed.
- Compensation is calculated consistently and fairly across all cases.
- Clear guidance is provided on the circumstances in which compensation may be considered and the process for requesting it.

5. Legislation, Regulation, Guidance and Best Practice

L&G's approach to compensation is underpinned by our commitment to treat customers fairly, respectfully and to put things right when service failures occur.

The Regulator of Social Housing's Consumer Standards require registered providers to treat tenants and prospective tenants with fairness and respect, and this principle informs how we deliver services and consider compensation.

As a member of the Housing Ombudsman Service, we follow the Ombudsman's expectations and guidance when assessing compensation. In particular, we have regard to:

- Housing Ombudsman Complaint Handling Code

- Housing Ombudsman Guidance on Remedies

These documents help ensure that compensation is fair, proportionate and reflects the impact any service failure has had on the customer.

Where compensation relates to the loss of a home, L&G will also have regard to the provisions of the Land Compensation Act 1973 (Home Loss Payments) and any statutory entitlements that may apply.

6. Definition of Compensation

Compensation is a payment made to recognise when we have not met our statutory, contractual or service obligations and where an apology, explanation or other action alone is not enough to put things right.

Any compensation awarded will be fair, proportionate and consistent with the impact experienced by the customer. In deciding whether compensation is appropriate, we will consider the individual circumstances of each case and apply the principles set out in the Housing Ombudsman's Guidance on Remedies.

Compensation will be assessed on a case-by-case basis and awarded in a way that is fair to customers while ensuring responsible use of resources.

7. Types of Compensation

- **Home Loss**

Customers may be entitled to a statutory home loss payment where they are required to permanently move from their home due to redevelopment, demolition or another qualifying reason. To be eligible, the customer must normally have lived in the property as their only or principal home for at least 12 months.

L&G will make home loss payments in accordance with the relevant legislation and government guidance. The amount payable is set and reviewed by the Government.

- **Permanent or Temporary Moves – Disturbance Payments**

Where a customer is required to move permanently or temporarily, L&G may provide a disturbance payment to cover reasonable costs incurred as a result of the move.

For permanent moves, this may include reasonable removal and relocation expenses. Any payment will take account of the circumstances of the move, relevant statutory requirements and any other financial assistance being provided.

For temporary moves, we may cover reasonable costs such as:

- Removal and transportation of belongings
- Storage charges
- Reconnection of utilities and services
- Other reasonable expenses directly related to the temporary move

Eligibility and the level of any disturbance payment will be assessed on a case-by-case basis.

- **Loss or Lack of Services**

Where we have failed to provide a service, or where the quality of service has fallen below the standard customers can reasonably expect, we may consider compensation for the inconvenience, distress or financial loss caused.

For example, if a loss of heating results in additional costs for alternative heating, increased energy usage or the use of equipment such as dehumidifiers, we may reimburse reasonable expenses incurred. Customers may be asked to provide evidence, such as receipts or utility bills, to support their claim.

Any compensation awarded will reflect the circumstances of the case, the impact on the customer and the evidence provided.

- **Discretionary Compensation**

In addition to statutory compensation, L&G may award discretionary compensation, including gestures of goodwill, where it is appropriate to recognise the impact of a service failure on a customer.

Discretionary compensation will normally only be considered where there has been:

- A proven financial loss incurred as a direct result of a service failure, delay or error.
- Avoidable inconvenience, distress, detriment or unfair impact caused by a service failure or poor service.
- Unreasonable delays in providing a service where this has had a tangible impact on the customer.
- Time and trouble experienced by a customer in pursuing a matter that should have been resolved sooner.
- A failure to meet our service standards, policies or agreed commitments.

Any discretionary compensation will be assessed on a case-by-case basis, taking account of the circumstances of the case, the impact on the customer and the principles set out in the Housing Ombudsman's Guidance on Remedies. Compensation will be fair, proportionate and consistent with the level of service failure identified.

8. Compensation Amount

The amount of compensation awarded will depend on the severity of the service failure and the impact it has had on the customer. When assessing compensation, L&G will follow the principles set out in the Housing Ombudsman's Guidance on Remedies.

Compensation Range	Typical Circumstances
Up to £50	Where a service failure has occurred and caused minor inconvenience, upset or distress.
£50 - £350	Where there has been a clear service failure that has caused inconvenience, distress or avoidable time and trouble. This may include poor complaint handling, failure to follow policy, delays in responding or failures to appropriately investigate a complaint. Repeated low-level failures may result in higher compensation where the cumulative impact is greater.
£350 - £750	Where there has been a serious service failure, a prolonged delay, repeated failures over an extended period, or multiple unsuccessful attempts to resolve an issue. The level of compensation may take account of the stress, frustration, uncertainty and inconvenience experienced by the customer.
£750 and above	Reserved for cases involving severe maladministration or significant service failure where there has been a serious and long-term impact on the customer. This may include substantial distress, inconvenience, financial loss or physical or emotional impact. Compensation at this level must be approved by the relevant Service Manager or Head of Service, with a clear record of the decision-making process retained.

When determining the appropriate level of compensation, we will consider:

- The severity of the service failure.
- The length of time the issue remained unresolved.
- The impact on the customer and their household.
- Any financial loss incurred.
- The level of distress, inconvenience, time and trouble experienced.
- Any vulnerabilities or individual circumstances that may have increased the impact.

Compensation Offers

Any compensation offer will remain open for acceptance for three months from the date it is made. If the offer is not accepted within this period, it will be treated as declined.

If a customer is unhappy with a compensation offer made as part of a complaint, they should contact us within the three-month period so that the decision can be reviewed.

Circumstances Where Compensation May Not Be Payable

There are situations where compensation may not be appropriate. These include, but are not limited to:

- Circumstances outside our control, including events caused by third parties, such as a leak originating from a neighbouring property.
- Delays or failures where access has not been provided for inspections, repairs or other agreed works.
- Loss of gas, electricity or water supplies that are outside L&G's control.
- Loss or damage that should reasonably be covered by a customer's contents insurance. We strongly recommend that customers maintain appropriate insurance cover for their belongings.
- Claims relating to personal injury, which should be pursued through the appropriate legal process.
- Damage arising from unforeseen structural failures where a claim may be more appropriately dealt with through building insurance.
- Loss or damage caused by a customer, household member or visitor, including delays resulting from a failure to report repairs promptly or keep agreed appointments.
- Claims for loss of earnings, annual leave or time taken off work to attend appointments, as providing reasonable access is a requirement of tenancy and lease agreements.
- Disrepair claims that are being managed through legal representatives or Court proceedings.

Each case will be assessed on its individual circumstances, and the decision to award compensation will always take account of the specific facts, supporting evidence and impact on the customer.

9. Related Policies & Information

- Complaints Policy
- Repairs Policy
- Defects Policy
- Decant Policy
- Vulnerability Policy
- Housing Ombudsman Service - [Housing Ombudsman Service - Remedies Policy]

10. Equality and Diversity

L&G considers the diverse needs of its customers when delivering landlord services. We expect all employees, and partners working on behalf of L&G to treat all customers with fairness and respect.

The specific needs of customers are considered when delivering services against this policy and at times this may require taking a different approach to ensure customers are not disadvantaged due to their diverse needs. This will include utilising information L&G holds about its customers and tailoring now customers are to communicate and engage with L&G services to eliminate any barriers for access and reporting.

Accountable Director	Director of Customer, Property and Platform
Approval Date	July 2026
Review Date	July 2028 (or more frequently subject to any changes in regulatory, legislative and/or areas of best practise where a review is required sooner than the planned review date)