

## HOUSING SERVICE – COMPENSATION POLICY

**Area:** Housing Service  
**Department:** HRA Business Support Team  
**Subject:** Compensation Policy

**Procedure Ref:****Owner:** HRA Business Support Team Manager**Date approved:****Effective date:** April 2017

Please state what policy & documents (if any) this procedure is linked to:

- Repairs handbook
- Decant Policy
- Corporate Complaints Policy

Version	Date	Details of amendment	Creator/ amender	Approved by	Next review due
1	7.6.16	Clarity on amount of compensation for Heating and Hot Water  Add disturbance payment information  Clarity on calendar/working days	Mark Johnson	SMT	TBC
2	26.7.16	Remove link to Repairs policy  Add link to Repairs handbook  Add link to Complaints policy  Remove links to flowcharts	Mark Johnson	SMT	TBC

Copies of this document are available upon request and can be obtained in large print or translated into other languages, if required.

## **1. INTRODUCTION**

- 1.1 North West Leicestershire District Council (NWLDC) has drawn-up a procedure to investigate complaints about the standard of service, and to address any apparent failure to follow Council procedures.
- 1.2 This policy describes what may be offered in terms of compensation, when there has been a failure in the delivery of Housing Services which has resulted in inconvenience to a customer, or when the complaint is serious enough to require the payment of compensation.

## **2. WHO THE POLICY APPLIES TO**

- This Policy applies to all current and former tenants, leaseholders, and customers of NWLDC's Housing Service.

## **3. DETAILS OF COMPENSATION PAYMENTS, AND WHEN COMPENSATION WILL BE CONSIDERED**

- 3.1 In most instances, compensation is considered to be a just remedy for inconvenience or distress, and these claims will be considered on a case-by-case basis.

In the majority of cases, however, compensation payments will be made where:

- There has been a failure in standards of service delivery
- Where NWLDC has failed in its repairing obligations as a landlord, or has failed to meet a repairs deadline as specified below
- There has been loss or damage to persons, or personal property where liability is not in dispute. Where liability is in dispute, this should be referred for consideration under the council's Insurance scheme

However, there may be instances where compensation can be considered where a customer complaint has been addressed through the full complaints procedure. NWLDC will not pay compensation if we are unable to achieve our standards due to circumstances beyond our control, for example:

- Exceptional weather conditions
- Accidental damage where NWLDC has not done something wrong – e.g. burst pipes, blocked drains or other events which could not have been predicted and/or were not reported
- Any alteration to the property or its services carried out by the tenant without written permission or to an adequate standard
- Loss or damage caused by tenants, visitors or adjacent occupiers
- The tenant prevents or delays NWLDC delivering a service, or contributes in some other way to the service failure

- The loss of water where a tenant is on a water meter and has not taken adequate steps to mitigate the loss.

### **3.2 Failure in standards of Service Delivery**

A payment of £10 will be made by request where an officer of the Council or one of its contractors has failed to keep a pre-arranged appointment without a minimum of 24 hours notice.

### **3.3 Failure in Landlord's repairing obligations or failure to meet a repairs deadline**

Where a Contractor has made reasonable efforts to gain access without success, or has carried out a temporary repair, then compensation will not be payable. In addition, if the delay in completing the work can be shown to be the tenants' responsibility, compensation will not be paid.

A payment will be made by request where:

- A reported repair is not completed within its specified timescale ( £10 per job number)
  - Emergency/Out of Hours repairs – 24 hours from first reported
  - Urgent repairs – 7 calendar days from first reported
  - Routine repairs – 28 calendar days from first reported
  - Batched repairs – 90 calendar days from first reported
- A tenant has been required to use a dehumidifier for at least 7 calendar days, at £10 per 7 calendar day period
- A tenant has suffered from a loss of heating or hot water (£2 per calendar day for the loss of either facility (a maximum of £4 a day)) from the day it was reported to the council until the day the repair was completed.

### **3.4 Loss or damage to persons, or personal property**

Where liability for damage to persons or personal property is not in dispute, and where damage has occurred to tenants' possessions, either as a result of a failure to deal with a reported repair, or as a direct result of a rectified issue, we will consider claims up to a maximum of £2,500. Claims in excess of this amount may be referred to NWLDC's insurance provider.

In the event of any claim, we would welcome receipts as evidence from the claimant.

### **3.5 Disturbance Payments**

Where NWLDC wishes to undertake major repairs to a property, and the tenant is required to move out temporarily while the work takes place, a disturbance payment may be made. A disturbance payment is intended to ensure that the tenant is no worse off, and no better off than if they had not been obliged to move.

For more information about Disturbance Payments please refer to our Housing Decant Policy. A copy of this policy is available on the Council website or can be posted upon request.

### **3.6 Tenants Home Improvements**

Tenants may make alterations to their home providing that written permission has been given by NWLDC prior to works taking place. It is the tenant's responsibility to obtain any other necessary consents (i.e. planning permission), and to ensure that the work is completed to a high standard and in

accordance with all necessary regulations (e.g. Building Control, Gas Safe, FENSA etc). NWLDC reserves the right to refuse the works prior to being undertaken, and to inspect the works during, and afterwards.

Under “The Secure Tenants of Local Authorities (Compensation for Improvements) Regulations 1994”, compensation can be paid, upon request, at a depreciated value of the original cost which is decided by both the notional life of the improvement and the age of the improvement at the time of the tenants request.

For more information about compensation for home improvements, please refer to our Housing Repairs Handbook . A copy of the handbook is available on the Council website or can be posted upon request.

### **3.7 Time and Trouble**

We consider the extent of inconvenience a complainant has experienced to get a resolution to their problem. The most amount of compensation that can be offered for Time and Trouble is £250. In assessing whether time and trouble compensation is payable relevant factors could include:

- The length of time, including response times by the council, taken to deal with the problem and the complaint itself
- The time and effort required from the complainant
- Any specific difficulty experienced by the complainant in dealing with the council
- The degree of inadequacy of the council’s response to letters, phone calls or visits
- Whether there has been an element of wilful action on the part of the council that has resulted in poor management of the complaint
- The level of minor unquantifiable expenditure incurred by the complainant such as significant post, telephone or travel costs, whether the complainant was acting on behalf of others in pursuing the complaint, as a representative of a tenants’ group for example

## **4. AWARDING AND OFFSETTING COMPENSATION**

Regardless of who investigates the compensation claim, compensation payments must be authorised as follows;

- Up to £200 – Team Leader
- Up to £500 – Team Manager
- £500 - £1,000 – Head of Service
- £1,000+ - Director

Following authorisation, we will write to the claimant and inform them of total award amount. The letter will contain a detailed list of all the factors considered and the costs awarded for each factor. It will also explain that compensation will usually be offset against any arrears the claimant owes to the council unless there are exceptional circumstances. This will be in the order of Housing Rent, Council Tax and Sundry Debts.

Attached with the letter will be a confirmation form that the claimant must sign and return to the Council to confirm agreement of the final award. The Council’s preferred payment method is by BACS and payment will be made within two weeks upon receipt of the award agreement signed by the claimant

## **5. DISPUTES AND APPEALS**

Where a tenant is not satisfied with a decision taken under this policy, they may appeal to the Head of Housing Services.

## **6. MONITORING AND POLICY REVIEW**

Compensation payments are monitored as a means of improving service performance to our customers and to ensure consistency of approach and appropriate use of compensation awards. Service Standards, key performance indicators, audits and customer satisfaction are typical of monitoring systems in use but will vary according to the policy.

We will review this policy based on a three year cycle and if a business need arises. Next scheduled review date will be in May 2019