



# Compensation Policy

Item	Details
Reference:	TBC
Status:	Draft
Originator:	David Scruton, Housing Strategy and Systems Team Manager
Owner:	Head of Housing
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## Key policy details

### Approvals

Item	Date of Approval	Version No.
Consulted with tenants and residents	n/a	4.1
Reviewed by Community Scrutiny Committee	4.4.23	4.1
Approved by [insert]		

The Head of Housing, in consultation with the Portfolio Holder has the authority to make the following changes

- Minor amendments as a result of changes in national policy and changes to local priorities

### Policy Location

This policy can be found on the council's website.

### Revision history

Version Control	Revision Date	Summary of Changes
4.1	March 2024	Amendments to reflect direction from ombudsman. In particular removal of indicative amounts and emphasis that each case is considered based on individual circumstances
4.2	April 2024	Clarification that compensation is not reliant on a request from the customer

### Policy Review Plans

This policy is subject to a scheduled review once every three years or earlier if there is a change in legislation or local policy that requires it.

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## 1. Policy Summary

- 1.1 North West Leicestershire District Council (NWLDC) is committed to providing high-quality services but recognises that there may be, on occasion, scenarios that result in our service failing or falling below the standards set out in our policies. On occasions such as this and where the tenant has been disadvantaged or suffers financial loss and liability is accepted by the Council, compensation may be appropriate.
- 1.2 This policy sets out the grounds and basis upon which compensation may be awarded and is applicable to all tenants of the Council.
- 1.3 The Council will adopt a tenant focused approach using a variety of remedies to ensure the situation is corrected, in some instances it is recognised that financial compensation may be appropriate as a form of redress.

## 2. Policy Objectives

- 2.1 This policy applies to all Council tenants and where appropriate leaseholders and other customers.
- 2.2 The policy provides a framework that allows for consistent, justifiable, and transparent decision making in relation to compensation payments.
- 2.3 Through the consistent application of this policy, the Council will ensure that all application payments are fair and proportionate in relation to the individual circumstances of the case.
- 2.4 Whilst this policy focuses on consistency, the Council also recognises that a flexible approach to appropriate compensation will be needed because of the unique nature of each case. Each claim will be considered individually on its merits having regard to all factors.
- 2.5 The Council will liaise with and adhere to compensation reviews and recommendations made by the Housing Ombudsman and this policy is intended to compliment the work of the ombudsman.

## 3. Policy Scope

- 3.1 The Council will consider the following types of compensation within this Policy.
  - Quantifiable Loss Payments where people can demonstrate actual loss.
  - Time and trouble payments, these are discretionary payments, for time, trouble, distress, and inconvenience.
  - Mandatory payments such as missed appointment payments or failure to complete a repair within the specified parameters.

## 4. Compensation and Payments

- 4.1 Compensation is considered to be a remedy for inconvenience or distress caused by a service failure, and claims will be considered on a case-by-case basis.

Compensation payments will be considered where:

- There has been a failure in standards of service delivery.
- Where the Council 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.
- Disturbance payments made to tenancy holders to compensate for reasonable expenses in moving from their home as a consequence of repairs being required. For more information see Decant Policy.

#### 4.2 Quantifiable Loss payments

Examples of quantifiable loss could include: -

- A missed appointment, without prior notice, by Council staff or one of its contractors.
- Increased heating bills due to repairs required.
- Not completing a repair within the specified timescale.
- Loss of heating or hot water that continues after 24 hours.
- Additional electricity bills associated with running a dehumidifier.

This list is not exhaustive and each case will be considered on its merits.

The Council will not pay compensation if the failure to achieve service standards is due to circumstances beyond its control, for example: -

- The fault being that of a third party such as a utility company, electricity, water and gas, but not including our contractors.
- Severe weather conditions.
- Accidental damage where the Council has done nothing wrong and the repairs required are not able to have been predicted and are not due to an act or omissions by the Council, e.g. burst pipes.
- Where the tenant has frustrated our ability to carry out repairs
- Works in relation to any alteration to the property or its services carried out by the tenant without written permission or to an adequate standard which were therefore unforeseeable
- Loss or damage caused by tenants, visitors or adjacent occupiers
- The loss of water where a tenant is on a water meter and has not taken adequate steps to mitigate the loss.

#### 4.3 Failure in standards of Service Delivery

A payment of 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. This will be a payment based on notional disturbance unless a tenant can demonstrate extenuating circumstances.

#### 4.4 Failure in Landlord's repair 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 tenant's responsibility, compensation will not be paid.

A payment can be made by where:

- A reported repair is not completed within its specified timescale as set out in the repairs policy. This will be a payment based on the impact the failure to rectify the repair will have on the tenant in question.
- A tenant has been required to use a dehumidifier for at least seven calendar days, at an amount to reflect the likely cost to the tenant

- A tenant has suffered from a loss of heating or hot water. An amount will be calculated based on the impact on the tenant to include any likely additional costs incurred such as having to repeatedly boil a kettle.

#### 4.5 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, the Council will ensure that compensation is made.

Claims in excess of £2,500 will normally be referred to the Council's insurance provider.

In the event of any claim, the Council will seek evidence to justify the value of the loss such as receipts or other evidence.

- 4.6 When a service failure has been identified, Council staff will discuss the option for compensation with the effected tenant(s) along with other options for redress. Wherever possible an outcome acceptable to the tenant(s) will be agreed.

#### 4.7 Disturbance Payments

Where the Council 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. These do not form part of the compensation policy and are covered elsewhere.

#### 4.8 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). The Council reserves the right to refuse the works prior to being undertaken, and to inspect the works during, and afterwards.

When a tenant leaves their home, under "The Secure Tenants of Local Authorities (Compensation for Improvements) Regulations 1994", compensation for improvements they have made can be paid, upon request. The value of the compensation is determined through an assessment process laid down in the regulations.

The Council will provide tenants with details of the regulations on request.

#### 4.9 Time and Trouble

When calculating time and trouble payments the Council consider the extent of inconvenience a complainant has experienced to get a resolution to their problem. 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

## 5. Payments in kind

- 5.1 Whilst in many circumstances a financial payment will be the most convenient method of compensation there will be occasions where it is agreed that payment in kind is more appropriate. Therefore, the Council will liaise with the customer to identify how to most appropriately compensate them for our service failure. The Council may for example carry out additional work in their home that would normally be rechargeable rather than make a payment.

## 6. Responsible Party

The Strategy and Systems Team Manager is responsible for the operational delivery of services in accordance with this policy.

## 7. Authorisation and Payment

Compensation payments must be authorised by an appropriate person. These are based on the level of payment agreed and set out below

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

Following authorisation, the Council 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. 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/Housing Benefit Overpayment and Sundry Debts.

Attached with the letter will be a form that the claimant must sign and return to the Council to confirm agreement of the final award. The Council will normally make payments by BACS credit directly to a bank account within two weeks of receipt of the confirmation agreement signed by the claimant.

## 8. Compliments and Complaints

- 8.1 Tenants' views are actively encouraged, and all tenants have the opportunity to provide feedback regarding the service they have received.
- 8.2 All complaints received in respect of the service covered by this policy will be determined whether they are a complaint or a request of service.
- 8.3 Complaints will be dealt with in accordance to the Council Complaints Policy.
- 8.4 Both compliments and complaints have equal merit to help improve the services the Council deliver and identify good working practices to share with others.
- 8.5 Compliments and complaints information is collected by officers that are not directly involved front line delivery of the Housing Service.

## 9. Implementation and Monitoring

- 9.1 The Strategic Director is responsible for implementing and monitoring of this policy.
- 9.2 This Policy will be reviewed every three years (from the date approved), to ensure its continuous suitability, adequacy and effectiveness. An intermediate review may be required by the introduction of new legislation, regulatory or operational changes.
- 9.3 The relevant working group(s) have been consulted in the development of this policy and will be consulted with for all future changes or revisions.
- 9.4 Housing Service managers are responsible for making sure that all relevant employees are aware of the contents and responsibilities of this policy.

## 10. Right to Review

- 10.1 Tenants may request access to information relevant to information under the Freedom of Information Act 2000.
- 10.2 Tenants who do not feel that this policy has been applied correctly are entitled to make a complaint through the Council's complaints process.

## Equality Analysis

### Completion of Equality Impact Assessment (EIA) Form

Has an EIA form been completed as part of creating / reviewing / amending this policy?	Please tick:  Yes <input checked="" type="checkbox"/>  No <input type="checkbox"/>
If yes, where can a copy of the EIA form be found?	Available on request
If no, please confirm why an EIA was not required?	[Insert reason why form not completed]