



# Compensation and Remedies Policy

## Key policy details

Item	Details
Reference:	Compensation and Remedies 2026
Status:	Draft
Originator:	Nichola Oliver, Customer Services Team Manager
Owner:	Director of Resources
Version No:	1
Date:	June 2026

## Approvals

Item	Date of Approval	Version No.
Consulted with Corporate Leadership Team (CLT) and Legal Services	30 April 2026	1
Reviewed by Corporate Scrutiny Committee	18 June 2026	1
Approved by Cabinet	23 June 2026	

## Policy Location

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

## Equality Impact Assessment (EIA)

Completed by	Completion date
Customer Services Team Manager	7.5.2026

## Revision history

Version Control	Revision Date	Summary of Changes
[Insert version no.]	[Insert date of revised version]	[Insert amendments made to previous version]

## 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.

## Distribution

Title	Date of Issue	Version No.
[Insert e.g. distributed to Cabinet, on Website etc].		

## 1. Purpose of this Policy

The purpose of this policy is to clearly set out the Council's approach to providing redress where there is evidence that service standards have not been met. The Council recognises that, in some circumstances, its actions, omissions or delays may have contributed to inconvenience, distress, financial loss or other forms of detriment. Where this is identified, the Council will seek to put matters right in a fair, timely and proportionate manner. This may include:

- Rectifying the issue or service failure as a priority
- Issuing an appropriate and meaningful apology
- Implementing measures to prevent recurrence
- Providing financial compensation where appropriate

The Council's aim is to seek, where reasonably practicable, to put matters right in a fair and proportionate way, taking account of the circumstances of each case.

## 2. Scope of the Policy and Who It Covers

This policy applies to all Council services and to individuals who interact with those services. This includes, but is not limited to:

- Housing Tenants and leaseholders
- Housing applicants
- Residents and service users
- Individuals affected by actions of contractors or third parties operating on behalf of the Council.

### Legal Basis:

- All services: the Council may pay compensation where maladministration has, or may have, caused injustice (Local Government Act 2000, section 92).
- All services: Decisions are guided by good practice principles set out by the Local Government and Social Care Ombudsman (LGSCO)
- Housing services: Decisions are guided by the statutory frameworks and good practice principles set out by the Housing Ombudsman.

### Exclusions:

This policy does not cover:

- Commercial contract disputes including commercial tenancies
- Internal Human Resources (HR) grievances or employment matters
- Council owned vehicle related incidents or damage, which follow separate processes
- Any other type of complaint not covered by the Council's Complaints Policy

### 3. Principles

The Council's approach to compensation and remedies is founded on the following principles:

- Fair and proportionate: The Council will look at each case on its facts and make a reasoned decision that fits the impact.
- Put things right: The Council will consider practical fixes first, and compensation where needed.
- Learn and improve: The Council will record cases, spot patterns and improve services to prevent repeat issues.
- Resident-focused and case-by-case: The Council will avoid "one-size-fits-all" amounts; the calculation will be explained and tailored to circumstances.
- Accessible and inclusive: known vulnerabilities are considered and information is provided in accessible formats on request.

### 4. When the Council Will Consider Redress

The Council will consider providing redress where there has been:

- Service failure or where there is evidence that service standards have not been met and this has resulted in some level of detriment (financial loss, distress, or inconvenience).
- Repairs/amenities issues (Housing): failure to meet repair obligations or reasonable timescales; prolonged loss of essential services (heating, hot water, power); repeated missed appointments.
- Poor complaint handling causing additional impact or delay.
- Damage or loss to belongings where the Council's liability is not in dispute; very large claims may be handled by insurers.

The Council will also consider non- financial remedies such as doing further works, redecoration, or service improvements, either instead of or alongside any payment.

### 5. When Compensation May Not Be Appropriate

Compensation is unlikely to be appropriate when:

- The matter relates to personal injury (these must be processed via the Council's insurance)
- The issue arose from factors beyond the Council's control, such as severe weather or actions of utility providers
- The resident refused access or failed to take reasonable steps to mitigate loss
- There has been 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.

- The works relate to any alteration to a property or its services carried out by the tenant without written permission or to an adequate standard which were, therefore, unforeseeable.
- There has been loss or damage caused by tenants, visitors or adjacent occupiers
- There has been a loss of water, where a tenant is on a water meter and has not taken adequate steps to mitigate the loss.
- Compensation would duplicate an award or recovery already received elsewhere.

## 6. Distinction Between Compensation and Insurance Claims

### Internal Compensation Claims:

Used for redress related to:

- Service failure
- Distress, inconvenience, time and trouble
- Minor, evidenced expenses

These payments do not constitute an admission of legal liability and are made in line with the Council's discretionary powers.

### Insurance and or Legal Claims:

Required where:

- Personal injury has occurred
- Significant property damage exists
- There is potential evidence of negligence

Such cases are referred promptly to the Council's Finance (Insurance) team.

## 7. Evidence and what is asked of residents

Reasonable evidence of loss should be provided where appropriate (for example, receipts, bank statements, photos, expert reports). If evidence cannot be provided, the Council will assess on the balance of probabilities. Residents are expected to allow reasonable access for inspections/repairs and to mitigate their loss. Personal injury and some damage claims may be handled by insurers.

### Evidence Requirements

To ensure robust decision making, the following evidence may be required:

For Compensation:

- Chronology of events
- Evidence of service failure

- Impact assessment
- Receipts or proof of unavoidable expenditure
- Information relating to vulnerability or personal circumstances

For Insurance Claims:

- Incident details
- Photographs
- Witness statements
- Asset and maintenance records

The Council will assess each case on the available information and exercise reasonable judgement in determining what evidence is sufficient.

## 8. Types of Remedies and compensation

Remedies may include, but are not limited to:

### 8.1 Practical Actions and Apologies

The Council will put problems right as quickly as possible, apologise, and improve its processes if needed.

### 8.2 Mandatory/Statutory Payments

Including:

- Home Loss and Disturbance payments: Where the Council wishes to undertake major repairs to a Council 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.
- Right to Repair (secure/flexible/introductory tenants): If a qualifying repair is not completed within the required legal timescales and a second appointed contractor also fails to attend or complete the work, the tenant may be eligible for a compensation payment in line with the Right to Repair scheme. Qualifying repairs include, but are not limited to, total loss of power or water, unsafe electrical sockets, leaking roofs, blocked drains, and failures to heating or hot water systems. The applicable timescales for completion depend on the nature of the repair and may range from one to several working days
- Tenant Home Improvement: Tenants may make alterations to their home providing that written permission has been given by the Council's Housing Service 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.

### 8.3 Quantifiable Losses

Documented financial losses such as unavoidable expenses or exceptional delays leading to interest payments. The Council reimburses evidenced, reasonable, unavoidable costs that have been incurred because of Council failings (for example, alternative heating costs, temporary accommodation, reasonable redecoration if “make good” was not adequate).

### 8.4 Unquantifiable Losses

Payments based on professional judgement where exact evidence is unavailable. If loss is likely but the tenant cannot evidence every detail (for example, damaged items without receipts), the Council may make a reasonable estimate on the balance of probabilities. Any such assessment will be reasonable, evidence-informed and proportionate to the circumstances.

### 8.5 Distress, Inconvenience, Time and Trouble

The Council recognises avoidable impact and effort caused by delays, poor communication, or complaint-handling failures. The Council uses banded ranges (minor → severe), informed by Ombudsman practice, and tailored to individual circumstances,

### 8.6 Loss of use of rooms or home (Housing)

Where the Council’s maladministration has materially restricted a resident’s ability to use a room or the home for its intended purpose, the Council may consider an award to reflect the loss of use for the relevant period.

The relevant period will usually run from the date the issue was first reported, allowing for a reasonable period to complete the repair or resolve the matter, until the works are completed or the situation is otherwise determined.

In assessing any award, the Council will take account of:

- the nature, function, and importance of the room or facilities affected.
- the extent and duration of the restriction on use.
- the overall impact on the household, including any mitigating measures available; and
- the individual circumstances of the resident.

Any award for loss of use will be fair, reasonable, and proportionate to the circumstances of the case, and will not exceed the equivalent of the full rent for the affected period. Where appropriate, a separate award may also be made to recognise distress and inconvenience arising from the Council’s failure.

### 8.7 Specific compensation for non-provision of key services (Housing)

Where the Council’s maladministration leads to loss of heating, hot water, or power, or missed appointments, the Council will apply the Housing Ombudsman’s approach to “specific compensation orders.”

## 9. Complaint Handling Failures

Compensation may be awarded when the Council’s complaints process has not been delivered to an acceptable standard, including:

- Minor delays
- Repeated or avoidable delays

- Significant delay
- Serious procedural failure

Assessments will have regard to Ombudsman guidance and the circumstances of each case.

#### 10. Vulnerability and Equality Considerations

Where the Council is aware of a resident's vulnerability or additional needs, this may be reflected in the level of compensation offered.

All decision making will comply with the Council's equality duties.

#### 11. Disrepair Claims (Prelitigation)

Where a disrepair claim has been initiated but is not yet subject to legal proceedings, the Council will continue its complaint investigation. Compensation assessments must still be undertaken and outcomes shared with Legal Services.

#### 12. Ombudsman Decisions

Where the Housing Ombudsman or Local Government and Social Care Ombudsman issues a compensation or remedy order, the Council will seek to comply with Ombudsman determinations within the required timescales.

#### 13. Decision Making, Authorisation and Payments

Decision quality: Every decision will set out what went wrong, the evidence used, the impact on the resident, options the Council considered, how the Council calculated any compensation, and what the Council learned.

Up to £200	Team Leader
£201–£500	Team Manager
£501–£1,000	Head of Service
£1,001+	Strategic Director

Offsetting and payment: Where lawful and appropriate, the Council may offset awards against verified Council debts or any other compensation payments outside of this Policy such as disrepair unless exceptional circumstances apply. The Council usually pay by BACS within 14 days of acceptance.

No request needed: If the Council identifies a failure and resulting detriment, the Council may offer compensation proactively, so that the resident does not have to ask first.

#### 14. Complaints, appeals and decants

Complaints: These can be made by following the Council's complaints process. For Housing complaints, the Council follows the Housing Ombudsman's Complaint Handling Code and

remedies approach; for all other Council services, the Local Government and Social Care Ombudsman (LGSCO) is the final stage if a complainant remains dissatisfied after the Council's process is exhausted.

Decants and disturbance: If a tenant must move temporarily or permanently for major works or regeneration, the Council will follow its Decant Policy and Home Loss/Disturbance rules under national legislation.

#### 15. Record Keeping, Monitoring and Learning

The Council will maintain a centralised log of compensation decisions, undertake regular trend analysis and monitor compliance to drive service improvements.

#### 16 Publication and Review

This policy will be published on the Council's website and made available in accessible formats on request.

It will be reviewed every three years or sooner if required due to changes in legislation or Ombudsman guidance.