

Compensation Policy

Council Housing

	Name	Role	Date
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Document Title:	Compensation policy – Council Housing		
Version Number:	3	Date of Next Review:	April 2024

1.0 Scope

This policy sets out how the Council Housing Service at Enfield Council (LBE) will approach managing compensation claims irrespective of tenure.

Whilst LBE aims to provide a good and reliable service to all its customers and to resolve any issues before the need for a compensation payment arises, if services fail our agreed service standards, then we will seek to resolve the service failure and provide compensation where appropriate.

2.0 Policy Aims & Objectives

The aims of this policy are to ensure;

- circumstances under which compensation can be paid and/or goodwill gestures made are communicated to Council officers;
- to outline the degree of service failure that necessitates compensation;
- ensure compensation payments are properly assessed, monitored and controlled
- promote consistency in application of this policy;
- to clarify the process managers should take when dealing with a complaint or compensation claim.
- recognise that compensation claims need to be considered on the merits and circumstances of individual cases, within a framework of control, to ensure a clear, fair and transparent approach to compensation for all residents.

3.0 Key terms and definitions

A service failure for the purposes of this policy is defined as an event whereby a resident has experienced a; loss or has incurred costs due to a failure on our behalf. This includes:

- a temporary loss of amenities including heating, hot water, mains water and power within our control
- inability to use part of a dwelling
- a failure to meet agreed standards of service
- poor complaint handling
- failure to provide a service

4.0 Relevant legislation and regulatory compliance

We will ensure that we compensate our residents in accordance with relevant legislation which includes the following:

- Land Compensation Act 1973 (as amended)
- Section 124 of the Housing Act 1988 and Sections 153A, 153B and 138C, Part V of the
- Housing Act 1985 (the Right to Buy).
- The Secure Tenants of Local Housing Authorities (Right to Repair) Regulations –
- Statutory Instrument 1994 No. 133
- The Secure Tenants of Local Housing Authorities (Compensation for

- Improvements) Regulations – Statutory Instrument 1994 No. 613
- Housing Ombudsman Remedies Guidance – September 2022

5.0 How we assess compensation claims

In assessing a claim for compensation, the following factors will be considered:

- The severity of the time, trouble and inconvenience suffered and whether this was reasonably foreseeable by us;
- We have already provided non-financial compensation e.g. repairs carried out;
- An assessment of whether the loss or inconvenience could be reconciled in any other manner by the resident (for example building insurance);
- Any known costs that have been reasonably incurred;
- Consideration of the household vulnerabilities, including age or disability, where we are aware of these vulnerabilities;
- Recognition of any failure to follow LBEs policies and procedures; and
- The time taken to resolve the matter.

6.0 How we calculate the value of payments

Detailed information on how to calculate the compensation that should be offered is contained within Appendix A.

7.0 When we will not consider compensation

We may consider practical action to resolve a dispute to remedy an adverse effect that has been caused by the service failure instead of providing financial compensation.

We may make a goodwill gesture where appropriate in some circumstances to accompany an apology. This may include shopping vouchers, flowers or chocolates

We will not make compensation payments in the below listed circumstances:

- Where the fault is caused by a third party or is something, we are not responsible for;
- Where a claim can be made on home contents or buildings insurance* ;
- Where the incident was caused because of negligence by the resident or their failure to comply with the terms of their tenancy or lease such as not providing access to contractors to complete work required or informing the Council;
- Personal injury claims;
- Circumstances beyond our control i.e storm damage or flooding from extreme weather;
- Impact because of reasonable property improvements made to our properties;
- Where there is, or has been, a payment ordered by a court or competent tribunal in respect of the same issue;
- Where work is required at a property and full communication of an action plan has been provided in advance and we have kept to this plan;
- Certain repair work may damage a resident's decorations. We will always attempt to make good, and if we are unable to exactly match existing decoration's we would not offer additional compensation;

- We will not reimburse the costs of water lost in draining down to make a repair, or electricity for power tools;
- We do not compensate residents for loss of earnings;
- We do not reimburse residents if they decide to employ a repair contractor prior to giving the LBE the opportunity to rectify matters first

Where a resident is taking legal action against LBE which involves a compensation claim the case will be managed by our Legal Services team and not considered under this policy.

Where we receive a compensation claim against a third party, such as a contractor working on our behalf where damage or personal injury has occurred due to their negligence, we will actively enforce any contractual provisions and, where appropriate, may assist in the submission of a claim.

*Residents are expected to take out adequate home contents insurance for their furniture decoration and personal possessions to insure them against accidental damage, loss, fire or water damage etc.

8.0 General compensation (applicable to all service failures) for time trouble and inconvenience/distress caused

If residents have suffered distress, frustration or anxiety regarding a service failure over a considerable period it is appropriate to pay compensation in recognition of this.

Each individual case should be assessed based on the length of time the service failure was not addressed, the severity of the impact and the vulnerability of the tenant.

9.0 Failure to respond to Complaints in accordance with the Councils corporate policy

Where it is identified that the Council has not adhered to its own policy or procedures with regards to the handling of residents complains, compensation will be paid as follows:

10.0 Failure to Repair (not applicable to leaseholders)

Compensation payments will only be applicable where we have failed to complete any repairs in accordance with our published repairs policy and the cause of the delay was at the sole fault of the Council.

For detailed guidance on the repairs timescales and responsibilities please refer to the Repairs and Maintenance Policy Council Housing available https://www.enfield.gov.uk/_data/assets/pdf_file/0018/29430/Repairs-and-maintenance-policy-Council-housing.pdf

11.0 Failure to keep appointments

Where repairs appointments are repeatedly missed the Council will consider compensation in recognition of the inconvenience caused

Tenants will not be eligible for compensation if the tenant was advised that the appointment would not be kept 24 hours before the appointment and an alternative appointment was arranged within 7 working days.

More detailed guidance on the compensation values for inconvenience are set out in Appendix A.

12.0 Habitable room loss

Where LBE assess a habitable room or property to be uninhabitable due to damage or condition the resident will be paid compensation

If only partial loss of the room is experienced, the percentage of compensation will be adjusted, accordingly.

If full enjoyment of the property is lost, the above percentages will be aggregated, based on the number of rooms, within the home, up to a total of 100% of the weekly rent.

Where access to a resident's gardens is required for the erection of scaffolding or other access equipment, compensation will be paid for lack of enjoyment as per the table above, between the 1 May until 31 October, only.

13.0 Payment to Leasehold owners

The general compensation section applies for service failures, failure to keep appointments, and complaints handling.

Service charges paid for a specific service that we provide may be fully or part refunded if evidence is proven that we are responsible for the service and it was not provided. This will only be assessed following issuing Service Charge Actuals any given financial year.

14.0 Damage to property

Residents may claim compensation for accidental damage to their property caused by our contractors, up to the value of £500. Any claims over this amount will be assessed by an independent insurance assessor.

Residents must inform us of a claim for damage within 90 days of the damage or loss having been incurred.

All claims will be acknowledged within 5 working days and assessed within 10 working days of receipt unless further actions are required to take place before compensation can be considered.

Only in exceptional circumstances, supported by appropriate evidence regarding any delay in making the claim, will we consider a claim after the 90-day period and this will be assessed on a case by case basis and entirely at our discretion.

If our contractors damage or break resident's possessions they will seek to replace them item like for like, if a replacement item cannot be found our contractors will cover the cost of replacement.

Where decorations or floor finishes are damaged as a result of repair work, the Council will provide a decorations disturbance allowance of £50 per room.

If a tenant's possessions have been damaged by damp and mould, the tenant should be advised to claim on their content's insurance. In extreme cases, if the tenant does not have contents insurance and LBE has been found negligent in the upkeep of the property, we will pay compensation to replace furniture at 2nd hand value rates.

15.0 Nuisance and Anti-Social behaviour

Financial compensation for accommodation and subsistence may be appropriate in extreme circumstances, where a tenant has been driven from their home to stay with family and friends as a result of nuisance or ASB and the Council has failed to meet its published service standards.

Tenants are entitled to claim reasonable living expenses incurred in escaping the nuisance on production of receipts. This is caveated on the basis that there is evidence that there is a clear case of unreasonable nuisance and the police service support the view that the tenant was "at risk".

Compensation for nuisance and ASB will be paid in line with the General Compensation scale.

Compensation will not be paid in the following circumstances, where residents:

- failed to provide us with any information requested, including monitoring diaries, evidencing the nuisance or ASB;
- caused an unreasonable delay in any part of the process;
- have been abusive or threatening to our staff.

16.0 Authorisation limits:

Payment Amount	Officer
Up to £500	Team Manager
Between £500- £1000	Head of Service
Over £1000	Director

17.0 Compensation payment process:

All claims for compensation will need to be assessed as part of the corporate complaints process unless there is likely to be a significant financial impact to tenants

Offers of compensation will usually be made only once all remedial actions or repairs have been completed. This enables us to understand completely any adverse impact on the complainant and ensure this is reflected in our calculations. In accepting a compensation payment, a resident is acknowledging that the matter is resolved.

Payments will be off set against any debts owed to the Council and the remainder (if any) will be paid directly to the resident by cheque.

If the resident is dissatisfied with the level of discretionary compensation offered, they can appeal within 10 working days. In such circumstances the resident will be asked to specify what they consider is an acceptable amount of compensation and their reasons for requesting it. Following this the offer will be reviewed although it does not necessarily mean that any changes will be made to the initial offer.

If an appeal is not received within 10 working days the case will be closed but the offer of compensation as it stands, will remain valid for a total of 30 days from the date of the written offer being made. After 30 days, the offer will be withdrawn.

If agreement on a compensatory amount is not reached, the case will escalate to Stage Two (as per our Complaints Policy) and a final stage two response will be sent confirming the final amount of compensation being provided.

Any payments will be made and credited no later than 30 working days from the date of the compensation acceptance form being received

18.0 Monitoring and Governance

This policy will be reviewed by the Council every 12 months unless there is a change in legislation or regulation in which case the policy will be reviewed within 3 months of the legislation or regulation coming into effect. All compensation payments will be monitored by the Head of Housing Management.

For time trouble and inconvenience/distress caused

Value Threshold	Reason
£50-£100	Recommended for minimal service failures
£100 - £600	Recommended where maladministration adversely affected the resident but with no permanent impact or where a significant service failure occurred
£600 - £1000	Recommended where significant impact and severe maladministration occurred.
£1000+	Recommended for severe maladministration and long term impact.

Failure to respond to Complaints in accordance with the Councils corporate policy

Value Threshold	Reason
Up to £25	Failure to adhere to complaint policy and processed, including timescales
£25-£50	Failure to adhere to complaint policy and process including timescales; where thorough investigation of the complaint resulting in extensive follow up and effort by the resident to progress.
£51 - £75	Evidence of significant service failure in regards to the handling or investigation of the complaint, results in a significant impact on the resident.

Loss of Amenities

Daily compensation for loss of heating (where additional costs for running temporary electric heaters apply)

- £7.30 per day for the winter period Jan to end of March
- £3.66 per day for Spring period 1 April to 31 May
- £1.83 for the summer period 1 June to 31 August
- £3.66 per day for Autumn period 1 September to 31 October
- £7.30 per day Winter period 1 November to 31 December

Daily compensation for loss of hot water (where no other provision is available):

- £1.50 – no seasonal adjustment required

In habitable rooms

Room	% of weekly rent	Period after which compensation is payable
Kitchen	25%	48 hours
Bathroom (where no alternative provision is available)	25%	48 hours
Bedroom	10%	48 hours
Living Room	10%	48 hours
Garden	5%	1 week