

<b>Document Name</b>	Compensation Policy – Housing Services
<b>Effective Date</b>	August 2022
<b>Date for Review</b>	To be reviewed every three years or in response to changes in relevant legislation and /or other Newark and Sherwood District Council policies, procedures and agreements.
<b>Version Number</b>	1
<b>Approved by</b>	Portfolio Holder - Homes and Health
<b>Responsible Business Manager</b>	Business Manager - Customer Services

## **1.0 Overview**

- 1.1 Newark and Sherwood District Council has a [Customer Feedback Policy](#) which explains how we will use and respond to customer feedback, i.e. compliments, comments, suggestions and complaints. It also sets out the process for dealing with complaints and what you can expect to happen when you make a complaint in line with either the Local Government & Social Care Ombudsman or the Housing Ombudsman principles and guidance.
- 1.2 In the event of compensation being required, this policy gives the framework used to calculate compensation where it is set out in legislation or there has been a failure in the delivery of Housing Services, regardless of whether the complaint process has been initiated or not.

## **2.0 Aims and Objectives**

- 2.1 This aim of this policy is to inform tenants of their appropriate entitlement to both statutory and, where applicable, enhanced rights as defined by the Council.
- 2.2 The objective of the policy is to ensure that the Council complies with the requirements of relevant legislation and to ensure tenants are fully informed of their statutory rights to compensation and the defined compensation criteria for repeat service failure.
- 2.3 To achieve this, the Council will
- Be clear about the responsibilities of the landlord and tenant
  - Deliver a consistent and equitable policy for our tenants
  - Enable compensation claims to be made in a variety of ways
  - Make best use of learnings to continually improve services

## **3.0 Consumer Standards**

- 3.1 The Regulator of Social Housing (RSH) has a set of economic and consumer standards that we as landlords must comply with. The consumer standards are:

<b>Consumer Standard</b>	<b>Sets expectations for social housing landlords to...</b>
Home Standard	To provide tenants with quality accommodation and a cost-effective repairs and maintenance service.
Tenancy Standard	To let their homes to tenants in a fair, transparent and efficient way.
Neighbourhood & Community Standard	To keep the neighbourhoods and communal areas associated with the homes they own clean and safe, co-operate with partners to promote the wellbeing of the local area and help prevent and tackle anti-social behaviour.
Tenant Involvement & Empowerment Standard	To provide choices, information and communication that is appropriate to the diverse needs of their tenants, a clear approach to complaints and a wide range opportunities for them to have influence and be involved.

#### 4.0 **Compensation**

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. There are three types of compensation payments;

#### 4.2 **Mandatory**

- **Home Loss** – may be available to tenants who have lived in their home for a minimum of 12 months and are required to move home permanently as a result of redevelopment or demolition of their home.
- **Disturbance payments**– may be available to tenants who are required to move to another property temporarily or to tenants who have lived in their home for less than 12 months and are required to move home permanently.
- **Improvements** – compensation for improvement payments may be made to tenants (when they are moving out) for improvements they have made to their home (after 1 April 1994). This does not apply to fixed term tenancies.
- **Right to repair** – Compensation may be available for specific, qualifying repairs which cost less than £250 when they have not been completed within set timescales.
- **Disrepair** – Where it is proven that a statutory repairing duty has been breached and is based on quantifiable loss, for example: increased heating bills, increased water bills, having to pay for alternative accommodation, compensation may be due.

These are separate policies and are not dealt with here.

#### 4.3 **Quantifiable Loss**

Quantifiable loss payments will be made where tenants personal items or property have been damaged as a result of work carried out by or on behalf of the Council in their home. Examples could include ornaments and carpets. Where personal items cannot be replaced like for like, e.g. a family heirloom, this should be taken into account when awarding compensation and considering the tenants own contents insurance arrangements

#### 4.2.3 **Discretionary**

Discretionary compensation is made as a gesture of goodwill and not because the law requires the Council to pay compensation. As a general rule, discretionary payments will only be considered where no practical actions would remedy the adverse effect cause by the service failure.

- **Unreasonable delays** – where the Council has missed timescales for a service and the tenant has incurred additional costs, incurred stress or inconvenience as a result of Council failure, e.g. a tenant who has been left without heating for more than 72 hours or missed appointments without prior notice or exceptionally good reason or the tenant has lost use of a room(s) for an extended period due to a repair not being carried out within timescales or being left in a poor condition.
- **Poor service** – failure to deliver a service within reasonable timescales. This can also include where there has been proven repeated failure to keep a

tenant informed of progress relating to their case e.g. updates on an anti-social behaviour issue or an ongoing complaint.

## **5.0 Amount of Compensation Payable**

- 5.1 The amount of compensation paid to a tenant will reflect the level of inconvenience, disturbance and distress caused by not getting things right sooner and the extent to which the Council is solely responsible. The Council will also take into account the time taken to resolve the problem and whether this is excessive.
- 5.2 The level of compensation will be reasonable, justifiable and proportionate to the situation it is being paid in respect of.

## **6.0 Exceptions to the Policy**

- 6.1 There are some circumstances where compensation will not be considered under this policy. These include:
- Claims for personal injury. These are dealt with through another policy.
  - Claims for problems or damage caused by circumstances beyond the Council's control e.g. storm or flooding damage, pandemics.
  - Problems or damage caused by a third party, not employed or contracted by the Council.
  - Any alteration to the property carried out by the tenant without written permission or built to an adequate standard.
  - Where the tenant prevents or delays the Council in delivering a service, or contributes in some other way to the service failure.
  - The cost of loss of water (water bill) where a tenant is on a water meter and has not taken adequate steps to mitigate the water loss.
  - Loss or damage caused by tenants, visitors or adjacent occupiers including lifestyle choices.
  - Damage which is covered under tenant's contents insurance. Where there is an excess to pay, this will be considered.

## **7.0 Claims Application and Payment Process**

- 7.1 Compensation will be assessed in conjunction with administering the Customer Feedback Policy, by the officer dealing with the complaint / comment and where applicable, include the offer of compensation within the complaint response.
- 7.2 The response will set out the requirement for the tenant to contact the officer to state whether or not they accept or want to appeal the compensation amount within 10 working days of the offer being made.
- 7.3 Any offer of compensation will usually be reduced by any debts owed to Newark and Sherwood District Council for housing benefit, council tax and rent arrears unless relating to reimbursement of financial losses.

7.4 Payment will usually be made directly to the tenant by bank transfer unless an alternative payment arrangement is required.

7.5 Where a service failure has affected more than one property, the Business Manager, Housing Maintenance and Asset Management has the discretion to offer compensation to any additional tenants impacted by the service failure. In these cases, the Business Manager will contact the tenant and follow the process as stated in 7.2 – 7.4.

## **8.0 Review of the Policy**

8.1 A report will be presented to Senior Leadership Team and Tenant Engagement Board to summarise application of the policy including compensation figure awarded and the number of properties involved together with the learning outcomes and how services have been improved as a result.

8.2 The policy will be reviewed every three years or in response to changes in relevant legislation or other Council policies, procedures and agreements.

## **9.0 Equalities**

9.1 This policy has been subject to an Equality Impact Assessment.