



LONDON BOROUGH OF
HARROW

**Housing Services – Compensation
Policy
April 2024**

1. Introduction

- 1.1 Housing Services is committed to providing a high-quality service at all times to our customers. However, we recognise that there are occasions when our services falls below our expected standards and, as a result, customers may be inconvenienced.
- 1.2 As a part of our commitment to learning from complaints we will endeavour to offer a suitable remedy at an early stage to customers. This may include compensation.
- 1.3 This policy should be read in conjunction with the [corporate complaints policy](#).

2. Aims

- 2.1 The policy is to ensure:
 - a consistent, equitable and proportionate response to requests for discretionary compensation received, while recognising that each claim needs to be considered on the merits and particular circumstances of the cases
 - compensation as a social landlord we are obliged to make are assessed correctly.
 - that compensation payments are properly assessed, monitored and controlled.

3. Purpose

- 3.1 This policy sets out guidance on applying a remedy, including the payment of compensation, for any officer investigating a compensation claim received by Housing. Compensation will be awarded in line with the [Housing Ombudsman's policy and guidance on remedies](#).
- 3.2 This policy applies to residents that receive a service provided by Housing Services.
- 3.3 This policy covers service failures such as:
 - Failure to complete repairs within an allotted time
 - Failure to keep appointments
 - Failure to meet service standards
 - Alleged damage to personal items during a visit/repair
 - Loss of facilities within the home such as heat, water, cooking and bathing
 - Home loss and disturbance

The above is not an exhaustive list.

4. Pre compensation – Remedies

- 4.1 Before considering payment of compensation the investigating officer should always consider whether any alternative actions could provide all or part of a suitable remedy.
- 4.2 The investigating officer should consider obtaining the view of the complainant on an appropriate remedy to resolve the complaint which could be as simple as an apology or ensuring some repairs are completed promptly.
- 4.3 Remedies should be offered where the actions of Housing Services or their contractors may have led to a complaint escalation, or where the customer was subject to distress.
- 4.4 The investigating officer should discuss and confirm in writing the remedy with their line manager.
- 4.5 Remedies to be considered before resorting to payment of compensation:
 - Apology
 - Provide service to remedy issue (such as effecting repairs within a stipulated time frame)
 - Review working procedure
 - Review policies
 - Staff training or guidance
 - Staff disciplinary action

5. Determining compensation

- 5.1 Any compensation claims should be raised within 1 calendar month of the situation they relate to, and will be considered on a case-by-case basis, taking the following into account:
 - Underlying cause of the problem or complaint – what has gone wrong
 - Handling of the customer's case (failure to follow policy and procedure)
 - Current service standards for resolving an issue.
 - The length of time taken to resolve the issue
 - Actions that can be taken to put things right
 - The customer's desired outcome
 - Evidence of damage presented by the customer, and associated costs
 - Any other impact on the customer e.g. distress, time and trouble or inconvenience caused
 - Unreasonable time taken to resolve a situation
 - On the advice or recommendation from the Local Government & Social Care Ombudsman or the Housing Ombudsman

5.2 If none of the remedies in section 4.5 can remedy the situation then consideration of financial compensation or refund may be necessary. This may take the form of:

- Reimbursement of costs or loss of earnings
- Rent refund
- Arrears balance negotiation
- Vouchers
- Additional or non-essential improvements to property

5.3 The following should be applied when calculating compensation:

- Acknowledgement of service failure with report of actions to remedy the issue
- Offer of a pre compensation remedy
- Whether the matter should be processed via insurance
- Whether financial loss can be attributed to the acknowledged service failure.

5.5 The investigating officer should discuss and confirm, in writing, the proposed compensation offered to the resident with a senior housing manager and the prospective budget holder responsible for the account the compensation will be paid from.

5.6 Any compensation payment made will be regarded as full and final settlement of the customer's complaint, dispute or claim and an agreement must be sought before awarding any compensation.

5.7 Once a remedy or compensation has been arranged and agreed with the customer, confirmation of the remedy or compensation must be sent to the customer and recorded on the customer's file.

5.8 If there is damage to a resident's possessions caused accidentally by contractors then a contractor's representative will carry out an investigation and agree if compensation is awarded or is managed through their own liability insurance provisions. Contractors will have an option for a resident to sign a waiver.

5.9 Examples that fall outside of the compensation policy:

- Mandatory payments required by legislation.
- Any compensation awarded as part of a determination from the Housing Ombudsman or the Local Government and Social Care Ombudsman
- Costs incurred by the tenant following legal challenge or court hearing.
- Determination of level of Rent or service charges which must be raised via the relevant forum such as the First Tier Tribunal.
- Delays to repairs where the resident seeking compensation has failed to provide reasonable access.
- Delays to repairs due to the need to obtain spare parts that we would not expect a contractor to have in stock and where residents have been kept informed of the timescales involved.

- Extra work is required, and the contractor has kept residents informed of the timescales involved.
- Where the fault is caused by a third party or is something that the Council is not responsible for, and we can demonstrate that we have taken all reasonable action to resolve the matter e.g.leaks from a leaseholder's plumbing into the flat below.
- Problem or service failure has caused little or no problem to the customer or has been resolved within a specified period as set out in the repairs charter or current service standards relating to the service.
- Access has been refused or contractors have not been able to arrange access to carry out repairs. In which case, the resident will be recharged for any abortive costs as per our recharge policy.
- We have met statutory or contractual obligations.
- Loss or damage has been caused by a third party, e.g., gas, electricity and water suppliers.
- Loss or damage has been caused by the customer, a member of their household, or a visitor.
- Damage or loss is a consequence of work carried out by the customer or where there has been unauthorised works.
- In some circumstances where there has been a breach of the Tenancy Agreement or Lease by the customer.
- Legal action is being taken in relation to the specific issue, either by us or the customer or where the matter is being processed via an insurance claim.
- Customer(s), household members or their visitors have acted unreasonably.
- There are exceptional reasons for the delay such as inclement weather or specific parts for a repair are not immediately available.
- Specific loss of income or pay for time off work.
- The issue is caused by antisocial behaviour or misuse of facilities or services (for example, vandalism or misuse of lifts or gates), customer negligence or the customer failing to comply with the terms of the tenancy agreement or lease.

The above is not an exhaustive list.

7. Mandatory payments required by legislation

7.1 The council is bound by legislation when determining some types of compensation payments. This, in addition to good practice, will be used to calculate, where appropriate compensation levels. These are explained, in detail, in the appendices.

7.2 Legislative framework

- Right to compensation for home improvements
- Home loss, disturbance and Loss of Amenity
- Local Government and Housing Act 1989
- Local Government Act 1999
- Housing Act 1996
- Data Protection Act 1998

8. How much compensation will we pay?

8.1 Any statutory legislation which governs the amount of compensation the Council should pay, is set out in the appendices are guidelines on the amount of compensation and circumstances where it will be paid.

8.2 Compensation cost guidance

Compensation is assessed on an individual case by case basis, and the table is provided as a baseline only.

Where there has been a loss to an amenity such heating and hot water that is provided by the Council and charged as a service charge the tenant will be reimbursed in full.

Assessing the impact of a service failure and vulnerability

When assessing compensation payments, the Council should consider what impact a service failure has had on the resident and their household, considering any relevant vulnerabilities.

This includes whether a vulnerability has made it harder for the household member to cope compared to others. It is therefore important that residents are asked for this information as part of their complaint.

Examples of vulnerability where a resident may have been significantly impacted and where additional compensation maybe awarded because of the impact caused may include:

- Poor management of anti-social behaviour where a complainant has a mental health condition may make the situation harder to cope with.
- Residents with young children (for example an extended period in temporary accommodation because of repair delays) may cause significant inconvenience and upset.
- Delayed repair response/completion may have a disproportionate impact on a resident because it impacts a health condition/disability).

Summary of payments

Circumstance	Baseline compensation amount
Service falls below standard	£10
Poor complaint handling	Up to £50
Damage to property	Value of repair or like for like replacement of damaged property upon evidence
Extensive delay in complaint resolution	£15 if the complaint is found to be justified
Customer suggestion to improve the service	Voucher payment of £10
Loss of facilities e.g. kitchen or bathroom	Alternative means provided or 10% rent reduction for the period, providing the customer has not been decanted
Additional payment to cover running costs of heaters or dehumidifiers	£8 per day during heating season only
Loss of cooking and bathing facilities	Alternative facilities provided
No evidence of service provision; customer requests refund of service charge	Refund of disputed element of service charge

9. Right to Review

- 9.1 If a customer disagrees with the amount of compensation offered, they should set out their reasons within 10 working days of the offer. The review will be carried out by a senior housing manager.
- 9.2 If the customer's compensation amount is part of a determination from the Housing Ombudsman or the Local Government and Social Care Ombudsman, we will comply with the determination. Customers should refer to the respective ombudsman to review any compensation offer that has been determined by the ombudsman.

10. Monitoring the policy

- 10.1 This policy will accompany the Council's corporate complaints procedure and Housing Complaint Policy. Payments of compensation will be documented by the Housing Customer Service & Engagement Manager and monitored through the compensation policy by senior managers in each department.
- 10.2 We will monitor the number of complaints that resulted in a payment of compensation, on a quarterly and yearly basis and report this in our Complaints Annual Report.

Appendices

Appendix 1

Housing Ombudsman

Compensation

There are two types of compensation; payments that the landlord is obliged to make and discretionary compensation, which is a payment the landlord chooses to make. It is important to remember that whichever type you are asking for or has been offered compensation is not a punishment or the same as 'damages' that a court might award.

If you are a local authority or housing association tenant there are certain grounds on which you may be entitled to compensation from your landlord:

Home Loss

Home loss payments may be made to tenants or owner-occupiers who have lived in their property for a minimum of twelve months and are required to move home permanently as a result of redevelopment or demolition of their home.

Disturbance

Disturbance payments may be made to people who are required to move to another property temporarily or to people who have lived at a property less than twelve months and are required to move home permanently. This payment is for reasonable moving costs.

Improvements

If your tenancy is ending and you completed improvements to your property after 1 April 1994 you may be entitled to compensation for those improvements. This does not apply to fixed-term tenancies.

Right to Repair

The Right to Repair scheme covers specific repairs, known as 'qualifying repairs' which cost less than £250 and should be done within a set time limit. If your landlord does not carry them out within that time you may be entitled to compensation. Your landlord can tell you if your repair is a 'qualifying repair'.

To find out whether you might qualify for any of these payments contact your landlord for further information.

Payment for damage to your property/belongings

It is usually a landlord's responsibility to insure the building and a tenant's responsibility to insure the contents of their home. If damage has occurred to your property and you think you may want to make a claim to the landlord's insurer the best place to start is by looking at your landlord's repairs and compensation policies. If you want to pursue a claim ask your landlord for details on how to do so.

Discretionary Compensation

Landlords are expected to have a compensation policy which provides guidance on when it will consider offering compensation or a 'goodwill gesture'. If you are asking for compensation or if you have been offered a payment and you are unsure whether to accept it you may find it helpful to consider your landlord's approach to such payments by looking at its policy. If you decide to accept compensation from your landlord this does not prevent you from contacting the Ombudsman. When we look at a complaint involving compensation we will consider whether it was a reasonable offer in the circumstances of the case, including whether it was consistent with the landlord's policy.

We can't tell you whether to accept an offer, this is your decision; you may want to talk it through with someone you trust but it may help to know that the Ombudsman only orders compensation when he has found that there has been maladministration. The amount depends on the circumstances of the case and is usually for time and trouble bringing a complaint or for distress and inconvenience experienced by the complainant.

Financial Controls

The Council are required to comply with financial legislation and regulations around anti-fraud and money laundering when processing financial transactions. As such, when making refunds, we are required to pay back into the account that accrued any overpayment.

Where we otherwise make payments, we are required to pay into beneficiaries' accounts and require supporting documentation to verify the beneficiary details, such as a recent (within 3 months) bank statement, confirming the beneficiary address and bank details (sort code and account no.), a cheque/paying-in slip or photo of a bank card where the name and bank accounts/ sort code are shown.

Monitoring and learning

We will use the learning from compensation cases and complaints to seek information about service failures to continuously improve our service to our residents.

Compensation awards incurred through this policy will be monitored quarterly and reported to Housing Senior Management Team and the lead Member for Housing as part of the HRA monthly report. Cabinet Members.

In addition, an annual review of this policy will be undertaken by the Housing Complaints and Service Improvement Team to incorporate legislative, regulatory requirements and best practice developments.

Communication

We will provide information on this policy and how we calculate compensation on our website.

Data Protection

Where information needs to be shared with our officers and partners to resolve a complaint or to deal with a compensation award, this will be in line with data protection requirements:

- Data is processed lawfully, fairly and in a transparent manner.
- Data is collected for a specific and legitimate purpose and not used for anything other than this stated purpose.
- Data is relevant and limited to whatever the requirements are for which the data is processed.

Appendix 2

Shelter

Housing disrepair compensation claims

You can ask your landlord to pay you compensation if disrepair caused damage to your health or your belongings.

Who you can claim from

Ask your landlord to compensate you. You can take them to court if they don't pay.
What you can claim for

You can make a claim for compensation if repair problems in your home:

- made you or someone in your household ill
- damaged your belongings
- caused you inconvenience

You can also claim compensation if you haven't been able to use your home in the normal way because of repair problems.

You can't claim compensation if you haven't reported the repairs problems to your landlord.

Find out more about a landlord's responsibility for repairs.

Compensation for your belongings

You can claim compensation for items of yours that were damaged or destroyed because of your landlord's failure to carry out repairs. For example clothing and bedding ruined by mould or furniture damaged by water leaks.

You can also claim compensation for your belongings that were damaged or broken by repair work.

You can claim the cost of replacing items that were damaged or destroyed. This might only be the second-hand value of the goods, unless it's not possible or reasonable to buy second-hand replacements.

Damage to health

You can claim compensation if you or anyone in your household was injured or made ill (or more ill) as a result of the landlord's failure to carry out repairs. The health problems can be physical or mental.

The amount of damages you can claim depends on how ill you were and how long the illness lasted.

If you were unable to work you could claim for loss of earnings and for any extra care you needed.

Inconvenience

You can claim compensation if you've suffered inconvenience or have not been able to use your home in the normal way as a result of:

- the landlord's failure to repair your home
- significant disruption during the repair work

How much compensation you can get depends on the level of disrepair, the rent you pay and the repair problem's effect on you and your family.

Reduction of rent

You can claim a reduction or refund of rent if you haven't been able to use part or all of your home because of the disrepair.

The amount you can ask for depends on how much of your home can't be lived in. If you can only use half of your home, the court may decide that your rent should be reduced or refunded by 50%.

Taking court action to claim compensation

You can't take court action for compensation unless you report the repair problem to your landlord during your tenancy.

You can start court action to claim compensation during your tenancy or up to 6 years after it ends.

If you start your claim during your tenancy, you can also ask the court to order your landlord to do repair works.

Appendix 3

Right to repair scheme

Key advice

Your council can tell you which repairs are covered by the scheme
You can get up to £50 compensation if the work is not done on time

Councils tenants can ask the council to carry out small repairs quickly under the right to repair scheme.

Council tenants can use the right to repair schemes for small repair jobs. The repair must cost less than £250 to carry out.

The right to repair scheme covers certain repairs. Tenants must allow the council's contractor to carry out the work.

The repairs must be done within a certain time limit. You are entitled to claim compensation they are not.

Contact your council for details of their scheme including a full list of the repairs that are included.

Use the Gov.uk local council finder to find contact details for your council.
Repairs covered by the right to repair scheme.

Qualifying repairs include:

- Unsafe power, lighting sockets or electrical fittings
- Blocked flues to fires or boilers
- Toilets that won't flush
- Blocked sinks, baths or basins
- Loose or broken banisters or handrails

The scheme also covers leaking roofs and leaking or flooding from pipes, tanks or cisterns.

Repairs not covered under the right to repair scheme

Councils don't charge tenants for qualifying repairs done under the right to repair scheme.

But your council may charge you if it decides you're responsible for the repair.

This could be for:

- repair of broken glass in windows and doors (unless it was caused by criminal damage such as burglary)
- replacement of lost keys

- repair of locks where damage was caused by misuse
- replacements or repairs needed because something was damaged or broken through misuse

How to report repairs to your landlord

Councils should have a system for reporting and dealing with repairs. Many councils have an online reporting repairs form. Most have a telephone number to call.

When you report a qualifying repair, your landlord should:

- tell you how long it should take to fix
- explain your rights under the right to repair scheme
- give you the contact details of the contractor who'll be doing the repair
- let you know a time and date to be home to let the contractor in

Tell your landlord if you know you're not going to be home when the contractor arrives. Try to make alternative arrangements.

The repair work will be cancelled if you're not home at the arranged time to let in the contractor. You'll need to start the procedure again.

How long repairs take under the scheme

All work on a qualifying repair has to be carried out within one, three or seven working days, depending on how urgent the problem is.

1 working day for repairs to be done if:

- you have no water or electricity
- you have no gas or the supply is reduced
- windows or doors are not secure (for example following a burglary)
- there is a leak from a pipe, tank or cistern
- the flue to an open fire or boiler is blocked
- the heating or hot water are not working between 31 October and 1 May
- the sewage drain or soil stack are blocked or you only have one toilet and it can't be flushed
- electrical lighting or other fittings are unsafe

3 working day for repairs to be done if :

- there is a partial loss of water or electricity
- the heating or hot water aren't working between 1 May and 31 October
- a sink, bath or basin is blocked
- a tap can't be turned
- you have a loose banister or handrail or rotten wood on the floor or stair treads

7 working days working day for repairs to be done if:

- the roof is leaking
- a door entry phone isn't working
- an extractor fan is broken

Compensation if repairs aren't done in time

If the contractor doesn't turn up to do the work by the last day of the time limit, let the council know. They should make arrangements for another contractor to do the work.

You are usually entitled to £10 compensation if the second contractor doesn't do the repairs by the time limit. For every extra day's delay, you get another £2, up to a maximum of £50.

If you have rent arrears, the amount isn't paid to you - it's deducted from your arrears instead.

You probably can't claim compensation if the repair work is cancelled because of unforeseen circumstances such as extreme weather.

You won't get compensation if the repairs didn't happen because you didn't report the repair or don't allow access to your home.