

# Housing (landlord service) Compensation Procedure

2026

## **CONTENTS**

<b>No.</b>	<b>Section</b>	<b>Page</b>
1	<u>INTRODUCTION</u>	2
2	<u>AIMS AND OBJECTIVES</u>	2
3	<u>CORPORATE COMPLAINTS PROCESS</u>	3
4	<u>TYPES OF COMPENSATION PAYMENT</u>	3
5	<u>COMPENSATION PROCEDURE DURING THE COMPLAINTS PROCESS</u>	5
6	<u>MANDATORY COMPENSATION</u>	6
7	<u>CIRCUMSTANCES WHERE COMPENSATION WILL NOT BE CONSIDERED</u>	6
8	<u>HOW TO MAKE A COMPLAINT</u>	7
9	<u>DATA PROTECTION</u>	7
10	<u>EQUALITY AND DIVERSITY</u>	7
11	<u>MONITORING AND REVIEW</u>	8
	<u>APPENDIX A – COMPENSATION CATEGORIES AND CIRCUMSTANCES WHEN COMPENSATION SHOULD BE AWARDED</u>	9

## **1. INTRODUCTION**

- 1.1. This compensation procedure sets out the process for issuing compensation to a Council tenant or leaseholder, but only applies once a tenant or leaseholder has instigated the Councils' formal complaint procedure, due to experiencing disadvantage, inconvenience or loss, as a result of a service failure by the Housing Service.
- 1.2. While remedies for complaints will normally take the form of putting things right and issuing an apology, it will be appropriate in some circumstances to consider monetary compensation as a form of remedy. This may be alongside the actions taken to put things right (for example, to complete a repair) and should be considered depending on the severity of the service failure and associated impact. Compensation will be issued in compliance with the Council's Corporate Complaints Procedure.
- 1.3. The Housing Ombudsman may also order the Council to pay compensation if they investigate a tenant or leaseholder complaint once it has exhausted the Council's complaints process. Orders of compensation by the Housing Ombudsman are outside the remit of this procedure.
- 1.4. There are also instances where the Housing Service is legally obliged to award compensation, such as for home loss, improvements and under the Right to Repair Scheme. The Decant Policy, Compensation for Improvements Policy and the Housing Repairs and Maintenance Policy include information on these types of compensation (see section 6).
- 1.5. This compensation procedure does not apply to tenants living in temporary accommodation.

## **2. AIMS AND OBJECTIVES**

- 2.1. The key aim of this procedure is to set out the Housing Service's approach to awarding monetary compensation to a Council tenant or leaseholder, but only once they have made a formal complaint to the Council.
- 2.2. The key objectives of this procedure are to:
  - Provide a consistent approach to remedying service failure and awarding compensation which is reasonable and fair
  - Ensure as far as reasonably possible that remedies made by the Housing Service place the tenant or leaseholder back in the position they would be in had the fault not occurred

- Ensure the process of assessing compensation is as simple and efficient as possible
- Make sure that claims are paid quickly and within the guidelines as set out in this procedure, and that payments made are proportionate to the loss/inconvenience caused
- Ensure practical solutions are explored to resolve complaints on a case-by-case basis
- Learn from incidences where compensation is awarded to improve the service.

### **3. CORPORATE COMPLAINTS PROCESS**

- 3.1. The Council's full complaints process can be found within the [Corporate Complaints Procedure](#). The procedure follows a two-stage process. Stage One is where a tenant or leaseholder expresses dissatisfaction. If the tenant or leaseholder remains dissatisfied at the end of Stage One, they may escalate their complaint to Stage Two for a review. Stage Two is the Council's final response under the complaints process.
- 3.2. Compensation may be considered as a remedy at either Stage One or Stage Two of the complaints process. The Council's formal Corporate Complaints Procedure must be followed before an offer of compensation can be made. However, compensation may be considered regardless of whether it has been requested by the complainant.
- 3.3. If the tenant or leaseholder remains dissatisfied after Stage Two of the complaints process, they may ask the Housing Ombudsman to investigate their complaint.
- 3.4. The Local Government and Social Care Ombudsman on the other hand considers complaints about local authorities' wider housing activities, for example, housing allocations, homelessness advice, general housing advice and housing improvement grants. While they do not investigate social housing landlord related complaints, they may on occasion conduct joint investigations with the Housing Ombudsman, where the complaint overlaps both jurisdictions.

### **4. TYPES OF COMPENSATION PAYMENT**

- 4.1. There are four types of compensation payments to tenants and leaseholders:
- Mandatory payments
  - Quantifiable financial loss payments
  - Unquantifiable financial loss payments
  - Discretionary payments

- 4.2. **Mandatory payments** - Compensation may be mandatory in some instances where the Council is legally obliged to make the payment to a tenant or leaseholder. This includes:
- Home Loss and Disturbance payments – in accordance with the Land Compensation Act 1973 as amended by the Planning Act 1991.
  - Right to Repair – in accordance with the Commonhold and Leasehold Reform Act 2002.
  - Right to Compensation for Improvements – in accordance with the Housing Act 1985 and the Secure Tenants of Local Authority Regulations 1994.

More information on mandatory compensation payments can be found in section 6.

- 4.3. **Quantifiable financial loss payments** - Compensation may also be issued in instances where there is a quantifiable financial loss to the tenant or leaseholder, such as increased heating bills due to disrepair, having to pay for alternative accommodation or paying for cleaning or carrying out repairs where the Council has failed to meet its obligations. The process for arranging quantifiable loss payments can be found in section 5.
- 4.4. **Unquantifiable financial loss payments** – In some circumstances it may be evident that there has been significant financial loss to the tenant or leaseholder, but it may not always be possible to quantify this.

For example, there may be instances where items have been damaged, but the tenant or leaseholder has not retained any proof of purchase. Compensation may be issued if the Council is satisfied that, on the balance of probabilities, a tenant or leaseholder has incurred costs or suffered financial loss but has not been able to evidence this. Where it's not possible to provide a reasonable estimate, the Housing Service will pay an amount in recognition of the fact the tenant or leaseholder has incurred costs which would not have arisen but for its maladministration.

- 4.5. **Discretionary payments** - Discretionary payments could also be considered for any distress or inconvenience caused to the tenant or leaseholder. This may include delays in providing a service, failure to meet target response times, loss of use of part of the property or failure to follow our policies and procedures. The process for arranging discretionary payments can be found in section 5.
- 4.6. More information on the compensation payment types and examples of when they might be paid can be found on the [Housing Ombudsman website](#).

4.7. A full list of circumstances where compensation should be awarded is set out in Appendix A.

## **5. COMPENSATION PROCEDURE DURING THE COMPLAINTS PROCESS**

5.1. Where quantifiable loss payment or discretionary payment compensation (outlined in 4.3 and 4.5) is the appropriate form of redress, payments should be fair and proportionate, whilst being applied consistently, and each case should be considered on its individual merits while promoting consistency in the approach.

5.2. The following factors should be considered when determining whether to award compensation:

- The duration and severity of the service failure
- The extent or severity of the service failure
- Accounting for vulnerabilities and any impact that is worsened through disability, old age or the presence of young children.

5.3. If it is decided that compensation is an appropriate form of redress, the full detail of the complaint and the request for compensation must be sent by a Housing Manager to the Deputy Chief Executive for approval. The request should include the factors considered in determining that compensation should be awarded, and the proposed amount of the compensation.

5.4. In compliance with the Corporate Complaints Procedure, the relevant Deputy Chief Executive has delegated authority to pay monetary compensation.

5.5. Any requests for compensation must be processed within the complaint handling timescales, as set out in the Corporate Complaints Procedure, and form part of the complaint decision sent to the complainant, as follows:

- Stage One complaints - within 10 working days from the date of acknowledging the complaint
- Stage Two complaints - within 20 working days from the date of acknowledging the complaint

5.6. If an extension has been applied, this must be no more than 10 working days for Stage One complaints and 20 working days for Stage Two complaints.

5.7. If the request for compensation has been approved by the Deputy Chief Executive, it will be processed internally by the Council's Finance Department who will arrange for the payment to be made to the tenant or leaseholder. The

payment may also be used to offset any housing related debt the tenant or leaseholder has. The Council aims to make payment of compensation within 14 days.

- 5.8. The [Housing Ombudsman](#) provides guidance on remedies that they will use when investigating a complaint. The Housing Service may refer to this guidance when deciding whether to provide compensation.

## **6. MANDATORY COMPENSATION**

- 6.1. There may be some circumstances where it is a statutory requirement to award compensation, as set out in this section.
- 6.2. Home loss compensation is a sum paid to a resident to reflect and recognise the distress and discomfort of having to move out of their home permanently. This is paid in addition to a disturbance allowance or payment, which may be claimed for the actual costs and reasonable expenses that occur as a direct consequence of a decant. The [Decant Policy](#) sets out the process for claiming home loss compensation.
- 6.3. Tenants may also be entitled to claim compensation if a repair is on the list of qualifying repairs which the law states must be completed within certain timescales, if those timescales are not met by the Council under the Right to Repair. This is in accordance with the [Repairs and Maintenance Policy](#), which sets out the various repair categories and response times the Council must comply with.
- 6.4. Secure tenants also have the right to compensation for certain tenant financed improvements which have had the written permission of the Council. The right to compensation for improvements is subject to certain qualifying criteria and regulations. The [Compensation for Improvements Policy](#) sets out the process for assessing and processing a claim.

## **7. CIRCUMSTANCES WHERE COMPENSATION WILL NOT BE CONSIDERED**

- 7.1. Compensation will not be considered in the following cases:
- Claims for personal injury
  - Claims for damage caused by circumstances beyond the Council's control (e.g. through storm or flooding)
  - Problems caused by a third party not working for the Council.

- 7.2. There may also be instances where any damage that has occurred is covered under contents insurance, and therefore compensation should not be considered.
- 7.3. Where damage has been caused directly as a result of the actions or omissions of the Council or contractor working on the Council's behalf, consideration for compensation should be given without the need for the tenant or leaseholder to make a claim at further inconvenience and cost to themselves, and in particular, where the facts are not in dispute.

## **8. HOW TO MAKE A COMPLAINT**

- 8.1. If residents are not satisfied with the service they have received, the Council's [Corporate Complaints Procedure](#) can be followed. Complaints leaflets are also available from the Council offices.
- 8.2. The [Housing Ombudsman](#) can be contacted if further advice and support is needed on making a complaint to the Council.

## **9. DATA PROTECTION**

- 9.1. The UK GDPR and the Data Protection Act 2018 regulate the processing of information relating to individuals, which includes the obtaining, holding, using or disclosing of such information.
- 9.2. The Council needs to collect and use certain types of information about its service users in order to carry out its everyday business and to fulfil its objectives and its statutory functions.
- 9.3. The Council's:
- [Data Protection Policy](#) sets out how it will protect special category and criminal convictions personal data;
  - [Housing Services \(Landlord and Tenant\) Privacy Notice](#) explains that the Council collects personal information to administer its housing (landlord and tenant) services.

## **10. EQUALITY AND DIVERSITY**

- 10.1. The Council is committed to welcoming and valuing diversity, promoting equality of opportunity and tackling unlawful discrimination in accordance with the Equality Act 2010. The Council, in delivering this procedure, will have regard to the Public Sector Equality Duty and ensure that no individual is discriminated against based on their sex, sexual orientation, marital status, pregnancy and maternity, gender reassignment, race, religion, belief, disability or age.

10.2. The Public Sector Equality Duty is a duty on the Council and that responsibility cannot be delegated to a contractor/service provider and is a continuing duty.

**11. MONITORING AND REVIEW**

11.1. This procedure will be monitored and reviewed on a regular basis or whenever there is a fundamental change in legislative or regulatory provisions.

**If you or anybody you know requires this or any other council information in another language, please contact us and we will do our best to provide this for you. Braille, Audio tape and large print versions of this document are available upon request.**



**Tel: 01322 343434**



**Calls are welcome via Relay UK**



**APPENDIX A – Compensation categories and circumstances when compensation should be awarded.**

<b><u>Category</u></b>	<b><u>Level of Compensation</u></b>
Missed appointments where a Housing officer, or our contractor, fail to attend an agreed appointment, arrive late to an appointment by 2 hours or more, or cancel an appointment giving less than 24 hours' notice. Where a resident can demonstrate loss of earnings, we will at Deputy Chief Executive discretion compensate up to the limit for loss of earnings using the established jury duty rate. The resident will need to demonstrate that they cannot work from home, no other household member could reasonably have provided access, and it was necessary to book a full day off work for the day of the appointment.	£20 per appointment  In some cases, if the contractor has failed to attend an agreed appointment, the Council will ask them to compensate.
Failure to deliver a service to published service standards causing minimal impact	£10-£50
Failure to complete repairs within target timescales	£10 + £2 per day up to a maximum of £50
Reimbursement of heating and hot water charges following a service breakdown of more than 3 days (tenants only)	Reimbursement of the weekly heating and hot water charge for the period the service is down (during the heating season only)
Reimbursement of increased electricity costs due to use of a temporary heater usage	£2.50 per heater, per day
Reimbursement of increased electricity costs due to the need to boil water due to breakdown of a boiler	£2 per household member per day
Reimbursement of increased electricity costs due to use of a dehumidifier	£3.50 per unit, per day
Reimbursement of costs following loss of cooking facilities – where alternative accommodation is not offered the Council will offer reimbursement of costs of purchasing prepared food at standard rates per household member.	£7.50 per person per day
Loss of electricity and/or lighting affecting one or more rooms	£5 per day after 2 days of the repair being reported for loss of lighting/electricity to the whole property. £10 per week paid after the first full week from the date reported to the Council where there is partial loss of lighting/electricity.

<p><u>Lift failure</u> Where a lift is unavailable for more than 7 consecutive days and residents do not have access to another lift in the block.</p>	<p>£1 per day for each day after the first 7 consecutive calendar days failure (inclusive of the initial 7 days e.g. eight consecutive days of failure would result in a payment of £8.) A higher rate of £2 per day will be considered for those deemed vulnerable due to mobility issues. In addition, if there has been detrimental impact to a resident who is unable to use the stairs, the Council will assess the impact of the failure on the resident and offer appropriate remedies.</p>
<p><u>Minimal impact complaints</u> Where a resident has just cause to complain and has suffered minimal inconvenience, the Council may make an offer of compensation in recognition of the failure to perform.</p>	<p>£10-£50</p>
<p>Poor communication that results in inconvenience</p>	<p>From £20</p>
<p>Complaints Handling e.g. response outside of the Ombudsman timescales where the resident has not been kept updated, failing to address all points of concern at complaint stage resulting in the need to submit a further complaint.</p>	<p>From £20</p>