



Compensation Policy

Council Housing

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1.0 Introduction

Enfield Council is committed to excellent customer service, however we recognise that on occasion things can go wrong. This policy sets out when we will consider compensation and the criteria required in those circumstances. It also sets out how the Council Housing Service at Enfield Council (LBE) will approach managing compensation claims irrespective of tenure.

If services fall below acceptable standards, we will follow the Housing Ombudsman guidelines and try to make things right quickly and efficiently to resolve any issues before the need for a compensation payment arises. Other options we may consider before offering compensation include apologies, providing any services wrongly denied or withdrawn, or a review of processes to ensure that failure is not repeated. Where compensation is deemed appropriate, it will be proportionate to the inconvenience or loss suffered and all customers will be treated equally and fairly.

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;
- outline the degree of service failure that necessitates compensation;
- ensure compensation payments are properly assessed, monitored and controlled;
- promote consistency in the application of this policy;
- 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.

2.0 Key terms and definitions

2.1 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

2.2 A habitable room is any room in a residential unit used for or which is able to be used for living, cooking, sleeping or eating.

3.0 How we assess compensation claims

3.1 There are three types of compensation payment covered in this policy. Mandatory payments are those which Enfield Council are required to make and include home loss and payments under the Right to Repair scheme. Information about this scheme is available here: <https://www.gov.uk/repair-council-property>

3.2 Quantifiable loss payments are payments where residents have demonstrated they have experienced an actual loss which could include repairs where Enfield Council has been contacted about the repair and failed to meet obligations. These costs must have been

reasonably incurred.

3.3 Discretionary payments are made to compensate for time and inconvenience. These situations include poor complaint handling and temporary loss of amenities.

3.4 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;
- Whether we have already provided non-financial compensation e.g. goodwill gesture
- An assessment of whether the loss or inconvenience could be reconciled in any other manner by the resident (for example contents insurance);
- Any known costs that have been reasonably incurred by the resident;
- 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;
 - The time taken to resolve the matter;
- Evidence provided (including but not limited to photos, correspondence, emails, receipts.)

4.0 How we calculate the value of payments

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

5.0 When we will not consider compensation

5.1 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.

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

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

- Where the fault is caused by a third party or is something we are not responsible for;
- Where the tenant has contents 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. The terms and conditions of tenancy are provided in the tenancy agreement;
- Personal injury claims;
- Circumstances beyond our control i.e. storm damage or flooding from extreme weather;
- Impact of reasonable property improvements made to our properties e.g. retrofitting;
- 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;
- If certain repair work causes damage to a resident's decorations. We will always attempt to make good, and if we are unable to exactly match existing decorations 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 works or maintenance is the tenant's responsibility as outlined the tenancy agreement: https://www.enfield.gov.uk/_data/assets/pdf_file/0028/4978/tenancy-agreement-2014-council-housing.pdf
- When there is insufficient or no evidence of the claim.

5.4 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 will not be considered under this policy.

5.5 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 relevant 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.

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

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

6.2 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.

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

7.1 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:

8.0 Failure to Repair

8.1 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.

8.2 Compensation for failure to repair would only apply where the fault is structural or communal. Internal repairs are only covered by this policy where the fault is caused by an external defect the Council is responsible for.

For detailed guidance on the repairs timescales and responsibilities please refer to the Repairs and Maintenance Policy Council Housing available at:

https://www.enfield.gov.uk/_data/assets/pdf_file/0026/41678/Repairs-and-maintenance-policy-Council-housing.pdf

9.0 Failure to keep appointments

9.1 Where repairs appointments are repeatedly missed by the Council or its contractors, the Council will consider compensation in recognition of the inconvenience caused.

9.2 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.

10.0 Habitable room loss

- 10.1 Where LBE assesses a habitable room or property to be un-inhabitable due to damage or condition the resident will be paid compensation.
- 10.2 If only partial loss of the room is experienced, the percentage of compensation will be adjusted, accordingly.
- 10.3 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.
- 10.4 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 according to the habitable rooms table below, between the 1 May until 31 October, only.

11.0 Payment to Leasehold owners

- 11.1 The general compensation section applies for service failures, failure to keep appointments, and complaints handling.
- 11.2 Service charges paid for a specific service that we provide may be fully or partly refunded if evidence proves that we are responsible for the service and it was not provided. This will only be assessed following the issuing of Service Charge Actuals in any given financial year.

12.0 Damage to property

- 12.1 Residents can 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.
- 12.2 Residents must inform us of a claim for damage within 90 days of the damage or loss having been incurred.
- 12.3 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.
- 12.4 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.
- 12.5 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.
- 12.6 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.
- 12.7 If a tenant's possessions have been damaged by damp and mould, the tenant should be advised to claim on their content's insurance. If the tenant does not have contents insurance and LBE was negligent in the upkeep of the property, we will pay compensation to replace furniture at 2nd hand value rates.

13.0 Nuisance and Anti-Social behaviour

- 13.1 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 and/or ASB and the Council has failed to meet its published service standards. These standards are outlined in the Enfield Council Anti-Social Behaviour Policy.

- 13.2 Tenants are entitled to claim reasonable living expenses incurred in escaping the nuisance on production of receipts. This only applies where 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”.
- 13.3 Compensation for nuisance and/or ASB will be paid in line with the General Compensation scale.
- 13.4 Compensation will not be paid in the following circumstances, where residents:
 - Failed to provide us with any information requested, including monitoring diaries, evidence of the nuisance and/or ASB;
 - Contributed to or have been involved in the nuisance and/or ASB
 - Caused an unreasonable delay in any part of the process;
 - Have been abusive or threatening to our staff.

14.0 Authorisation:

- 14.1 Compensation payments are not subject to the Council’s AP1 Spend Control Process. All compensation payments are managed separately and automatically assigned to the relevant approver based on the service’s cost centre.
- 14.2 Heads of Service will review payments between £500 and £1000.
- 14.3 Directors will review payments over £1000.

15.0 Compensation payment process:

- 15.1 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 on tenants. Claimants will be notified of the outcome and any further actions required from them.
- 15.2 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.
- 15.3 Payments will be paid directly to the resident by bank transfer. Where the resident does not provide bank details, alternate methods of payment will be provided.
- 15.4 The resident will be provided with a choice to receive the payment directly or to have their compensation off-set against any arrears or debts owed to the council.
- 15.5 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.
- 15.6 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.
- 15.7 If agreement on a compensatory amount is not reached, the case will escalate to Stage Two (according to our Complaints Policy) and a final Stage Two response will be sent confirming the final amount of compensation being provided.
- 15.8 Any payments will be made and credited no later than 30 working days from the date of the compensation acceptance form being received.
- 15.9 Compensation payments are full and final settlements. Cases will be closed unless new

circumstances arise.

16.0 Monitoring and Governance

16.1 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 Director of Council Housing.

16.2 We will monitor any compensation paid to residents using the Compensation Code '51127'

Appendix A

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

Inhabitable rooms

Room	% of weekly rent	Period after which pension 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

17.0 Relevant legislation and regulatory compliance

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

- Land Compensation Act 1973 (as amended)
- The Secure Tenants of Local Housing Authorities (Right to Repair) Regulations 1994
- Housing Ombudsman Compensation Policy – Guidance for landlords
- Section 92 Local Government Act 2000
- The Secure Tenants of Local Housing Authorities (Compensation for Improvements) Regulations
- Housing Ombudsman Remedies Guidance September 2022

18.0 Relevant Enfield Policies and Strategies

- Enfield Tenancy Policy
- Enfield Housing Repairs, Maintenance and Planned Works Policy
- Enfield Council Complaints Policy
- Enfield Tenancy Handbook
- Enfield Anti-social Behaviour Policy
- Enfield Council Plan
- Enfield Housing and Good Growth Strategy