



Compensation and Redress Policy

1. Introduction

- 1.1 The Policy sets out guidance on applying a remedy, including the payment of compensation, for any officer investigating a complaint on behalf of Medway Housing.
- 1.2 The council is committed to providing a high quality of service at all times to all its customers. We aim to provide high quality services in all areas of our activities and to resolve any issues before the need to make a claim for compensation arises. However we recognise that there are times when our services do not meet the high standards we set ourselves and as a result customers become inconvenienced. The Council will consider claims outside of the scope of this policy, in conjunction with claims of negligence via the Councils Risk Management and Insurance Team.
- 1.3 This policy should be read in conjunction with the Councils corporate Complaints procedure which may be used by customers where service failures arise.

2. Purpose

- 2.1 The purpose of this policy is to ensure that;
 - 2.1.1 Practical solutions, not just compensation are explored fully to resolve a solution
 - 2.1.2 Where financial payments are appropriate, they are proportionate to the loss or inconvenience caused
 - 2.1.3 All customers making a claim are treated in a fair and equitable way
 - 2.1.4 Any financial payments are considered against clear guideline.
- 2.2 Offering compensation can help reduce dissatisfaction and resolve the complaint; however other outcomes must also be considered. The consideration of whether compensation is appropriate and the decision will be recorded with each complaint received.

3. Scope

- 3.1 This policy applies to all tenure and occupancy types.

4. Legislation and Guidance

4.1 External

- 4.1.1 Local Government Act 1999
- 4.1.2 The right to repair compensation
- 4.1.3 Local Government and Housing Act 1989

- 4.1.4 The Secure Tenants of Local Authorities (Compensation for Improvements) Regulations 1994
- 4.1.5 Housing Act 1996
- 4.1.6 Data Protection Act 1998
- 4.1.7 Localism Act 2011
- 4.1.8 Home, disturbance and Loss of Amenity
- 4.1.9 Land Compensation Act 1991

4.2 Internal

- 4.2.1 Corporate Complaints Procedure
- 4.2.2 Medway Council Tenancy Agreement(s)

5. Appendices

- 5.1 Appendix A - Qualifying repairs for statutory right to repair scheme.
- 5.2 Appendix B - Improvements residents can make to their home for which they may be able to receive compensation.

6. Policy

- 6.1 Before financial awards are approved consideration will be given to a range of remedies that may be appropriate. It is good practice to consult with the complainant to find out how they would like things put right. The following list is not exhaustive, but 'putting things right' could include:
 - 6.1.1 An apology
 - 6.1.2 An explanation giving a full answer to all points raised in the complaint
 - 6.1.3 An assurance that every effort will be made to ensure the same thing does not happen again. This must be matched by action and monitoring of the complaint
 - 6.1.4 Action taken to put things right – demonstrable action to show that complaint has been taken seriously
 - 6.1.5 A review of policies and procedures
 - 6.1.6 Staff guidance or training
 - 6.1.7 Appropriate disciplinary action
 - 6.1.8 Financial compensation
- 6.2 In certain circumstances where Medway Council fails to perform or delivers an unsatisfactory service that a resident has paid for Medway Council will consider paying compensation.
- 6.3 **How much compensation will we pay?**
- 6.4 Notwithstanding any statutory legislation which governs the amount of compensation the Council should pay set out below are the guidelines on the amount of compensation and circumstances where it will be paid
- 6.5 **Failure to provide a service where a service charge has been paid.**
- 6.6 If we fail to provide a service to you for more than 14 days (or the number of days appropriate for a particular service) the level of the compensation will be the same amount that you paid for the service for the length of time that we failed to provide it, plus a single payment of £10.

6.7 If you cannot use a room in your home.

6.8 We will pay you compensation if we have not carried out work that is needed and your room is unsuitable for living in within our advertised standards. This only applies if you have not caused damage to the room yourself, and you have allowed us to carry out the work. The payment will be calculated by dividing the number of rooms in your home by the amount of full rent you pay. E.G. if your rent is £50 a week and you have five rooms in total we would divide £50 by 5 giving £10 a room per week that it is not usable.

6.9 We may offer you temporary housing. This is instead of compensation.

6.10 Failure to complete repairs – Right to Repair

6.11 The Council will honour the Right to Repair provisions of section 121 of the Leasehold Reform and the Housing and Urban Development Act 1993.

6.12 The Council is required to comply with the right to repair scheme, which gives residents a right to be compensated if certain small, urgent or emergency repairs likely to affect their health, safety and security costing less than £250 are not carried out within specific time limits. These are defined as ‘qualifying repairs’ under regulations issued under the above acts. Details of the right to repair will be published in the tenants’ handbook.

6.13 Where the Council fails to carry out any qualifying repairs within the prescribed timescales and reasonable access has been provided, compensation will be paid at a rate of £10 for the first day, and £2 for every subsequent days the repairs are not carried out up to a maximum of £50. Payment will not be made if the resident has failed to allow access to the contractor or the repair is not completed because of matters outside of the Councils control i.e. extreme weather conditions. Appendix A – provide details of qualifying repairs.

6.14 Right to compensation for improvements

6.15 Residents can claim to compensation for certain specified improvements which they have carried out during their tenancy. They will only qualify for compensation if they have submitted three estimates from bona fide contractors, have received written permission from the Council for the work to be undertaken and the work undertaken is to an acceptable standard and inspected by the Council. If improvements are made without supplying three estimates and receiving the prior written approval of the Council compensation will not be payable.

6.16 Account is taken of the notional life of the improvement and any compensation applicable is paid only when the tenancy comes to an end. This does not include residents who exercise the right to buy or right to acquire as compensation is expressly precluded in such circumstances.

6.17 Certain restrictions apply to entitlement to the payment of compensation. These include that it would not be payable when

entitlement would be less than £50, or where a tenancy has ended because the resident has exercised the right to buy, or a possession order for the property has been awarded by the Council. There is an upper limit of £3000 for any one improvement.

6.18 Improvements that residents can make to their home for which they may receive compensation are detailed in Appendix B.

6.19 Serious disturbance and inconvenience during major work.

6.20 In most cases, the Council will plan major work and agree a disturbance allowance' (an amount of money we give the customer because we have disturbed your planned day-to-day activities) with you before the work takes place. We will pay you compensation if you are affected by unplanned work or emergency work that causes serious disturbance.

6.21 This will be calculated based on the length of the disruption, the impact it has had on the use of facilities such as heating and hot water.

6.22 Home loss payments/disturbance payments

6.23 In some cases, residents may qualify for a home loss payment. This is payable where:-

6.23.1 The move is a permanent one, and;

6.23.2 The move is necessitated by the redevelopment or demolition of the property (not simply major repairs) and;

6.23.3 The resident has lived in the property as their only or principal home for a minimum of one year immediately before the move, and;

6.23.4 The claim must be made in writing

6.24 The amount available under home loss payment is determined by Government regulations.

6.25 Disturbance payments are paid to renting residents who have to move temporarily (decanting) or permanently to cover the costs of moving whilst a property is being redeveloped, or undergoing major repairs/works that cannot reasonably be completed with the resident in occupation.

6.26 Length of time for making a payment

6.27 Subject to the Investigating Officer agreeing that compensation should be paid the Council will ensure that payment is forwarded to the claimant within 28 calendar days of the investigation being completed.

6.28 Outstanding debt to the Council

6.29 Where there is an outstanding debt owed to the Council i.e. rent or service charge arrears any compensation payment will in the first instance be made against the debt. Any remaining monies will then be forwarded to the claimant.

6.30 Other payments/costs incurred by complaint

6.31 As part of the investigation the Officer will consider all other costs incurred by the customer. These may be legal costs, independent consultant fees or costs in remedying a problem for which the Council

should have resolved and were given the adequate opportunity to resolve.

6.32 Authorisation of compensation payments

6.33 Authorisation levels for compensation are as follows:-

6.33.1 Up to £5,000 - Head of Service

6.33.2 Up to £5,000 - £10,000 Director

6.33.3 Over £10,000 - Cabinet

6.34 Housing Ombudsman

6.35 This compensation policy does not apply where a resident has made a claim for compensation via the Housing Ombudsman. In such cases the Council, where appropriate, will pay compensation as directed by the Ombudsman.

6.36 Household Insurance

6.37 In all cases the Council will need to be satisfied that the customer should not be submitting a claim against their own household insurance. Where such a claim should be pursued the Council will not consider a claim for compensation.

6.38 How to make a claim

6.39 Ideally all claims should be made in writing from the claimant or their nominated representative, with where appropriate supporting documented evidence i.e. photographs.

6.40 All claims will be acknowledged by the Council within 5 working days of receipt advising the customer of the name of the investigating officer.

6.41 All claims for compensation will be replied to within 10 working days.

6.42 Where further investigations are needed and this timescale cannot be met the customer will be advised and a target date advised by which a reply will be provided.

7. Role, Responsibilities and Authority

7.1 The Assistant Director of Physical and Cultural Regeneration retains the overall responsibility for the implementation of this policy.

7.2 The Head of Housing Management is responsible for the operational delivery of this policy and the associated procedures. This includes responsibility for monitoring and reviewing, staff awareness and training, policy development and communication to tenants.

8. Monitoring, Review and Evaluation

8.1 This policy will accompany the Council's corporate complaints procedure.

8.2 Payments of compensation and redress will be documented and monitored through the compensation policy. Regular monitoring will take place to ensure that Housing Services is dealing with applications for compensation for improvement work in line with this policy.

- 8.3 The results will be used by Housing Services to inform future policy review in this area and drive up service standards. All reviews will consider whether:
- 8.3.1 the current policy adheres to legislative and regulatory requirements, and reflects current good practice;
 - 8.3.2 the aims and objectives of the policy being met;
 - 8.3.3 the current policy outcomes meet the needs and aspirations of our diverse customer base;
 - 8.3.4 service users are aware of and understand the policy and believe it to be consistent and fair;
 - 8.3.5 the service offers value for money;
 - 8.3.6 partnership arrangements are working effectively.
- 8.4 This policy will be reviewed on a biennial basis or in line with legislative or regulatory changes.

Cross References: Customer Charter, Complaints Procedure, Right to Compensation for Improvements Policy
Lead Officer: Head of Housing Management
This version: February 2017
Next review: February 2019

Appendix A

Qualifying repairs for statutory Right to Repair scheme.

Repair prescribed period in working days

Total loss of electric power	1
Partial loss of electric power	3
Unsafe power or lighting socket or electrical fitting	1
Total loss of water supply	1
Partial loss of water supply	3
Total or partial loss of gas supply	1
Blocked flue to open fire or boiler	1
Total or partial loss of space or water heating between 31st October and 1st May	1
Total or partial loss of space or water heating between 30th April and 1st November	3
Blocked or leaking foul drain, soil stack, or (where there is no other working toilet in the dwelling-house) toilet pan	1
Toilet not flushing (where there is no other working toilet in the dwelling-house)	1
Blocked sink, bath or basin	3
Tap which cannot be turned	3
Leaking from water or heating pipe, tank or cistern	1
Leaking roof	7
Insecure external window, door or lock	1
Loose or detached banister or hand rail	3
Rotten timber flooring or stair tread	3
Door entry phone not working	7
Mechanical extractor fan in internal kitchen or bathroom not working	7

Appendix B

Improvements residents can make to their home for which they may be able to receive compensation.

Items on which compensation is payable and notional life.

Type of improvement	Notional life
Bath or shower	12
Wash-hand basin.	12
Toilet	12
Kitchen sink	10
Storage cupboards in the bathroom or kitchen	10
Work surfaces for food preparation	10
Space or water heating	12
Thermostatic radiator valves	7
Insulation of pipes, water tank or cylinder	10
Loft insulation	20
Cavity wall insulation	20
Draught proofing of external doors or windows	8
Double glazing or other external window replacement or secondary glazing	20
Rewiring or the provision of power and lighting or other electrical fittings(including smoke detectors)	15
Any object which improves the security of the dwelling-house, but excluding burglar alarms	10