



Housing Services

Compensation Policy 2024 - 2027

Version Control

Version Detail	Changes	Approval	Date
1. Final Draft	-	Internal	17/07/2024
2. Post-Consultation Submission to Cabinet		Head of Service	
3. Cabinet Approved Version		Cabinet	

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1 Introduction

- 1.1 This policy sets out the approach taken by Cannock Chase Council (the Council) in assessing the circumstances, and the amount payable, for compensation to which tenants and leaseholders are entitled.
- 1.2 Compensation may be paid under the following circumstances:-
 - The Council is at fault for not providing services as specified under service standards to which Housing Services are directly responsible.
 - Approved improvements are carried out by tenants during their tenancy and compensation may be payable when the tenancy ends.
 - Right –to-repair legislation has not been met.
 - Tenants are unduly affected by major refurbishments or improvements carried out to their homes.
- 1.3 In the majority of cases where the Council identifies a fault or failing, an apology, alongside rectification of the issue which caused the complaint to be made, will be entirely sufficient. However, there may be some cases where the Council considers it appropriate to offer compensation in addition.
- 1.4 Compensation may not always be of a financial nature, it can also be made by way of repair, replacement or a gesture of goodwill. Compensation may be considered where no practical action can be agreed with the tenant / leaseholder to provide all or part of the remedy.

2 Key Principles

- 2.1 We aim to provide a high-quality service for our tenants/leaseholders; however we acknowledge that sometimes mistakes are made. If tenants and leaseholders are dissatisfied with our service and wish to complain about our lack of action, or standard of our work, we will deal with their complaint quickly, fairly and appropriately within the framework of our Corporate Customer Feedback and Complaints Procedure.
- 2.2 The key principles of the Compensation Policy are:
 - To ensure a clear, fair and transparent approach to compensation for all tenants / leaseholders;
 - To outline the degree of service failure that necessitates compensation;
 - To make clear what actions tenants / leaseholders needed to have taken to be eligible for compensation;
 - To clarify the process managers should take when dealing with a complaint or compensation claim.
- 2.4 As per the Housing Ombudsman guidance we set out the circumstances in which compensation will be issued. There are generally three types of

compensation payment:

- mandatory (such as statutory home loss payments) - see section 7.
- quantifiable loss payments (where people can demonstrate actual loss) - see section 8.
- discretionary payments (for time and trouble/distress and inconvenience) - see section 9.

3 Legal and Regulatory Compliance

3.1 We will ensure that we compensate our tenants/leaseholders in accordance with relevant legislation which includes but is not limited to the following:-

- Land Compensation Act 1973 (as amended)
- Home Loss Payments (Prescribed Amounts) (England) Regulations 2023
- Section 124 of the Housing Act 1988 and Sections 153A, 153B and 138C of the Housing Act 1985
- Section 99A and Part V of the Housing Act 1985 (the Right to Buy)
- The Secure Tenants of Local Housing Authorities (Right to Repair) Regulations 1994 (as amended)
- The Secure Tenants of Local Housing Authorities (Compensation for Improvements) Regulations 1994
- Section 92 Local Government Act 2000.

3.2 This policy should be read in conjunction with Cannock Chase Council's Corporate Customer Feedback and Complaints Procedure.

3.3 The Compensation Policy will be delivered within the resources of the Housing Revenue Account. All compensation payments to be determined within the dedicated budget.

4 Equalities Statement

4.1 Cannock Chase Council will ensure that this policy is applied fairly and consistently to all tenants and leaseholders. The Council will not directly or indirectly discriminate against any person or groups of people because of their gender, race, religion, age, disability, sexual orientation and marital status. The policy has been subject to an Equality Impact Assessment and found to have neutral impacts on the protected characteristics groups. When applying this policy, the Council will act sensitively towards the diverse needs of individuals

and communities.

5 Assessment Criteria

- 5.1 This policy is intended to provide general guidance only. Each complaint or individual claim for compensation will be considered on its own particular merits against the statutory and policy framework.
- 5.2 Managers should assess each complaint or claim in line with this policy and make a written offer of compensation, which is considered to be the final settlement of the matter and will not constitute an admission of legal liability.
- 5.3 If the tenant / leaseholder accepts the amount of compensation offered, they will be required to sign a disclaimer stipulating that they consider the complaint or claim as closed and have accepted the payment in full and final settlement of the claim.
- 5.4 Where appropriate, claims will be checked against outstanding debts to the Council, this includes (but not exclusive to) sundry debts, recharges, current and former rent arrears, Council Tax. Payments will then be offset against any debts owed to the Council and the remainder (if any) will be paid directly to the tenant.
- 5.5 If a tenant / leaseholder wishes to appeal the decision made regarding compensation they can do so in writing to the Head of Service within 28 days of receiving an offer.

6 Policy exclusions and when compensation will not be paid

- 6.1 This policy does not cover the following:

a). Insurance claims

Substantial claims against the organisation, our agents or contractors will be dealt with through relevant employers or public liability insurance in force at the time of the incident, and means they may be handled directly by insurers and/or legal advisors.

Personal injury claims will always be referred to our insurers for investigation and are out of scope of this policy.

b). Disrepair claims

A disrepair claim may be made through a solicitor if we have failed to remedy a repair after we have been notified there is a problem. We will always attempt to resolve disrepair issues by following our complaints process to achieve an early

and appropriate resolution for residents and to reduce the need for legal action.

Any claims which are not resolved in this way and progress through legal channels are not dealt with under this policy. See our Disrepair Policy for more information.

c). Legal claims raised by contractors, suppliers or other third parties

Legal claims raised by contractors, suppliers or other third parties under the terms of a legal agreement will be managed in line with the legal agreement and/or other relevant legislation. These will be managed by our legal team, taking advice from our lawyers where required.

6.2 There will be circumstances when compensation will not normally be considered. These include circumstances where:

- the loss or damage is caused by you or made worse by your inaction. This includes failure to report a repair promptly or to keep an appointment.
- loss or damage was caused by another household member or visitor to their property.
- the problem or service failure has caused little or no issues for you.
- we could not gain access to your home to carry out the required work or you failed to cooperate with us.
- additional works are required, and we have kept you informed of these.
- we could not have foreseen the issue and we have not been negligent.
- we acted reasonably to mitigate any loss or damage.
- the service or facility is unavailable because of vandalism, severe weather conditions or other actions outside of our control for example a pandemic or times of local or national disruption.
- damage is caused by circumstances beyond the Council's control (e.g. through storm or flooding), includes service failure or damage that is the result of extreme or unforeseen conditions, such as extreme weather.
- evidence of the damage to goods or loss is not available or provided.
- the loss or damage arises from an alteration or repair to the property or its facilities which you have carried out or arranged yourself, such as an incorrectly installed shower.
- we have to remove/dismantle/damage a fixed item installed by yourself, with or without our approval, to access essential services - i.e. a bath panel to access a pipework leak.
- the loss or damage is the fault of another customer or neighbouring occupier; their leaking washing machine for example.
- the loss or damage is due to the acts or negligence of a third party, such as a contractor who is not acting on our behalf.
- the loss of supply of gas, electricity or water that is outside of the

- Council's control, such as a failure by the utility provider.
- we have acted reasonably and complied with our legal and contractual liabilities.
- we have made, or offered, reasonable alternative arrangements, temporary accommodation for example.
- damage is covered under a resident's contents insurance.
- personal possessions are lost, stolen or damaged through no fault of the Council or its contractors.
- where a claim is made for a service you are not entitled to.
- you have started, or previously completed, legal proceedings or instructed a Solicitor against us, the Council will not be responsible for the costs incurred in doing so or be responsible for legal costs as part of the compensation.
- we will not provide replacement on a new for old basis.
- claims for personal injury.
- claims for loss of income/time off work.
- loss of rental income.

7 Statutory Compensation

7.1 Home Loss Payments

7.1.1 Home loss payments are awarded to tenants who are required to permanently leave their home through no fault of their own, for example via a permanent decant or transfer move.

7.1.2 A lump sum payment (the prescribed flat rate) of £8,100 (on or after 1 October 2023), in line with the regulatory guidance will be paid to the tenant. In the case of a joint tenancy, the payment will be split between both tenants if requested. All payments will be authorised by the Head of Service.

7.2 Disturbance Payments

7.2.1 Disturbance payments are made to tenants who are required to move out of their property by the Council as a temporary measure to enable it to improve or redevelop the property. The payment should cover the reasonable expenses associated with the move, in order that the tenant is not out of pocket.

7.2.2 A lump sum payment may not reflect individual circumstances therefore we will seek to meet reasonable and appropriate expenses, to include:

- Furniture removal;
- A packing service for vulnerable tenants or tenants who have mobility restrictions;
- Lifting and refitting of carpets/flooring and curtains and/ or replacement if deemed necessary;
- Disconnection and reconnection of electricity, gas, telephone, and

- fitted appliances;
- 3 months postal re-direction.

7.3 Right to Compensation for Improvements

7.3.1 Customers who are a secure tenant with the Council are entitled to compensation for certain improvements they have made, following a move from their property. When a customer, who is a secure tenant, moves from their property, they may be entitled to compensation if:

- they have carried out a qualifying improvement to their property; and
- they have obtained the written consent of the Council.

7.3.2 Further details on the Right to Compensation for Improvements is contained within the Housing Services Repairs Handbook and available on the website.

8 Quantifiable loss payments

8.1 Each complaint or individual claim for compensation will be considered on its own particular merits, however where there is a quantifiable loss a financial compensation offer will be made, in accordance with Annex 1.

These instances could include:

- increased heating bills due to disrepair,
- having to pay for alternative accommodation or take away food,
- paying for cleaning or carrying out repairs where a landlord has failed to meet its obligations.

8.2 If it is the first reporting of the incident or the complainant/claimant has not allowed the Council the opportunity to put things right prior to making the complaint/claim then the claim is null and void.

8.3 Any such costs must be evidenced, have been reasonably incurred and proof of such loss be provided.

For the replacement of lost or damaged possessions, tenants will need to provide the following within 7 calendar days:

- Evidence of the damage - this may include the damaged items themselves, but photos would usually suffice.
- Proof of ownership and the value of the lost or damaged item. For example, photos, instruction booklets or receipts.

8.4 Further details are contained in Annex 1, which contains examples of further quantifiable loss payments and their circumstances.

8.5 This policy is not intended to replace or compensate for the lack of contents Insurance. Where payment is due, it will be made at the current value, not the value the item was purchased at. It is the tenant's responsibility to insure their

possessions against accidental damage e.g. to address damage following flooding.

9 Discretionary Compensation

- 9.1 Cannock Chase Council may, on a case-by-case basis, consider making a monetary payment as a gesture of goodwill where other service delivery failings cause exceptional inconvenience, stress, disturbance or annoyance.

This could include for incidents of:

- poor complaint handling
- delays in providing a service e.g. in undertaking a repair
- failure to provide a service that has been charged for
- temporary loss of amenity (other than central heating as covered in section 10)
- failure to meet target response times
- loss of use of part of the property
- failure to follow policy and procedure
- unreasonable time taken to resolve a situation

We may decide that through our actions or inaction, we have caused a tenant to experience stress, upset or inconvenience and as such may look to compensate them for this. We do not compensate for loss of earnings, but may consider, for example, that if a customer had to take time off work, that this was an inconvenience. If a goodwill gesture is offered managers should aim to tailor it to the individual and base each offer on the particular circumstances of the case.

- 9.2 In some circumstances, it may be appropriate to offer a combination of recompense which includes work to a tenant's home and a financial compensation payment, but only if this is acceptable and agreed by the tenant in advance as part of their complaint resolution.

Therefore, compensation may be in the form of one or more of the following:

- An apology
- Specific action(s) by the Council
- Review of policy or procedures
- Gesture of goodwill
- Financial compensation.

We reserve the right to choose, sometimes even without acceptance of fault, to offer recompense.

- 9.3 Compensation will be paid at the discretion of the appropriate section or Service Manager in accordance with this policy. Further details are contained in the table of compensation offers at Annex 1, and will generally follow the below

table for discretionary compensation offers.

Impact/Duration	Minor Impact	Moderate Impact	Severe Impact
Up to 1 week	£25-50	£75-150	£200
Up to 2 weeks	£75-100	£150-200	£250-500
Over 2 weeks	£150-200	£250-500	£500+

- 9.4 Whilst the level of compensation offered will be determined on a case-by-case basis and by the Manager dealing with the case, when determining an offer the Council will give due consideration to the Housing Ombudsman's guidance for financial remedies when making complaint determinations (as detailed at: <https://www.housing-ombudsman.org.uk/centre-for-learning/key-topics/our-orders/ombudsmans-policy-and-guidance-on-remedies/>)
- 9.5 If financial compensation is considered appropriate by the Investigating Officer, any outstanding debt to the Council including arrears and rechargeable repairs may be deducted from the amount of compensation awarded. Any remaining balance will aim to be paid directly to the tenant by BACS transfer within 14 calendar days on credit to the rent account.
- 9.6 As previously stated, this policy does not cover payments to settle claims for personal injury. These are dealt with separately by Cannock Chase Council's insurers. Any such claim will be referred to the Insurance department.

10 Service Failures by Contractors

- 10.1 Contractors providing services on behalf of the Council will also be expected to follow this policy and adhere to the Council's Complaints Procedure where required.
- 10.2 Where a contractor has failed to deliver their service(s) they are completely responsible for compensation in line with the agreed service arrangements or arrangements outlined within the contract between the Council and the Contractor.

11 Acceptance of Offers, Appeals & Review.

- 11.1 Where the Council makes an offer following a claim for compensation, the customer will be invited to indicate their acceptance of the offer made in writing. The customer will sign a declaration of their acceptance indicating the offer is full and final in agreement to the settlement of their complaint or claim.
- 11.2 If a customer requests for the offer to be reviewed, this will be considered by an

alternative decision maker i.e. if a Service Manager offered then the Head of Service will review, if Head of Service offered then an alternative Head of Service would review. The outcome of this review will constitute the final internal decision. A decision letter will be issued confirming the customer's rights to seek assistance via the relevant Ombudsman.

- 11.3 Where an offer of compensation is made as part of the Council's offered resolution to a Stage 1 complaint, the customer will have the right to request a review of the decision made or of the compensation offered; this will be confirmed in the Council's decision letter.
- 11.4 If a customer requests a review of the decision made or the compensation offered as a result of a Stage 1 complaint, this will be considered by a different officer under the Council's Stage 2 process, as confirmed in the Council's Complaints Procedure. The outcome of this review will constitute the final internal decision; the Stage 2 decision letter will confirm the customer's rights to seek assistance via the relevant Ombudsman.

12 Performance Monitoring

- 12.1 Performance in relation to the implementation of this policy will be monitored through the Housing Services' Performance Framework, to include details of all payments awarded, these include:
- Reason for payment
 - Amount
 - Date paid
 - Authorising Officer
- 12.2 A central record of all compensation awards including gestures of goodwill such as flowers, vouchers etc. will be kept by the Service Improvement Team.
- 12.3 We will monitor our performance in acting and learning from complaints and amounts payable in compensation will feed into this.

13 Policy Review

- 12.1 This Policy will be reviewed annually in order to incorporate legislative, regulatory or best practice developments. The Council will also make policy or procedural amendments as and when new services or systems are introduced; and any substantial reviews will be undertaken by consultation with the tenant-

led Housing Improvement Panel, or Housing Board.

14 Contact

14.1 For comments or complaints about a service or to request compensation please contact the Service Improvement Team:

- Telephone: 01543 462621
- Send us an email to housingformalenquiries@cannockchasedc.gov.uk
- Post: Service Improvement Team, Cannock Chase Council, Civic Centre, Beecroft Road, Cannock, Staffordshire, WS11 1BG
- More information on-line at www.cannockchasedc.gov.uk

15 Policy Update

Last updated: 17/07/2024

Approved: **Cabinet 26/09/2024 (TBC)**

Next document review by: 15/08/2025

Annex 1

CCDC Housing Services Compensation Offers

Complaint Area / Example	Considerations / Criteria	Levels of compensation																			
<p>Discretionary Payments (as detailed in para 9.3)</p>	<p>Gestures of goodwill where service delivery failings cause exceptional inconvenience, stress, disturbance or annoyance.</p> <p>This may also be used in exceptional circumstances when the rest of the framework does not cover the issues. The amount maybe exceeded where applicable.</p>	<p>Discretionary payments considered in line with the below:</p> <table border="1" data-bbox="1144 643 2098 834"> <thead> <tr> <th data-bbox="1144 643 1413 719">Impact/Duration</th> <th data-bbox="1413 643 1637 719">Minor Impact</th> <th data-bbox="1637 643 1861 719">Moderate Impact</th> <th data-bbox="1861 643 2098 719">Severe Impact</th> </tr> </thead> <tbody> <tr> <td data-bbox="1144 719 1413 754">Up to 1 week</td> <td data-bbox="1413 719 1637 754">£25-50</td> <td data-bbox="1637 719 1861 754">£75-150</td> <td data-bbox="1861 719 2098 754">£200</td> </tr> <tr> <td data-bbox="1144 754 1413 790">Up to 2 weeks</td> <td data-bbox="1413 754 1637 790">£75-100</td> <td data-bbox="1637 754 1861 790">£150-200</td> <td data-bbox="1861 754 2098 790">£250-500</td> </tr> <tr> <td data-bbox="1144 790 1413 834">Over 2 weeks</td> <td data-bbox="1413 790 1637 834">£150-200</td> <td data-bbox="1637 790 1861 834">£250-500</td> <td data-bbox="1861 790 2098 834">£500+</td> </tr> </tbody> </table> <p>If over £500 Head of Service or Director would need to approve.</p>				Impact/Duration	Minor Impact	Moderate Impact	Severe Impact	Up to 1 week	£25-50	£75-150	£200	Up to 2 weeks	£75-100	£150-200	£250-500	Over 2 weeks	£150-200	£250-500	£500+
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<p>Loss of use of any bedroom or living room</p>	<p>Where a room cannot be used, the total number of rooms will be divided by the current rent. Compensation will then be paid as a percentage of habitable rooms. The resulting figure is the amount of compensation for each complete week the room is unavailable.</p>	<p>Main Room - 20% of the weekly rent after 7 days Subsequent Rooms - 10% of the weekly rent after 7 days Where alternative accommodation has been sought and paid for it would need to be evidenced as being required. In most cases, Housing Services should be contacted prior to any decision to seek alternative accommodation.</p>																			

<p>Loss of kitchen / access to cooking facilities</p>	<p>Where, as a result of repairs (not upgrade works), the tenant/s lose complete use of their kitchen, CCDC will also consider paying an allowance to contribute towards the cost of meals and drinking water if impacted.</p>	<p>Loss of Kitchen - 25% of the weekly rent after 48 hrs with no access to cooking facilities. £15 per day per person meal allowance if impacted.</p>
<p>Total loss of washing/bathing facilities e.g. baths, showers and sinks</p>	<p>Where, as a result of repairs (not upgrade works), the tenant/s lose complete use of their bathroom, CCDC will consider paying an allowance to contribute towards the cost of meals and drinking water if impacted.</p>	<p>Loss of Bathroom – no other WC: 25% of the weekly rent after 48 hours Loss of Bathroom – separate WC available: 15% of the weekly rent after 48 hours</p>
<p>Loss of amenities e.g. electricity, heating and/or hot water</p>	<p>Where a failure to complete a repair within the agreed timescale, that is CCDC's or our contractor's responsibility, which has resulted in the resident not having full use of the utilities for an unreasonable period.</p>	<p>As per section 10, compensation would be paid in accordance with the Contractor's service arrangements or contract with the Council.</p>
<p>Increased utility costs</p>	<p>Outside of Section 10, failure to complete a repair that is CCDC's responsibility: CCDC is unable to complete a repair without the use of specialist equipment such as dehumidifiers, or: A customer is advised to use equipment such as a</p>	<p>CCDC will compensate for proven additional electricity used, where it has directly provided the equipment (not when provided by Contractor, as per Section 10). 1) Temporary heater - £5.00 per day per heater 2) Dehumidifier - £5.00 a day per unit</p>

	dehumidifier to resolve or remedy a repair.	
Making good decorations or belongings e.g. if they have been damaged or disturbed due to a repair (this is subject to investigation once the repair has been completed)	Where this is the fault of CCDC or it's contractors, we will cover the costs of such damage, if it can be proven to be negligence or poor-quality workmanship, costs will be covered or redecoration completed by CCDC.	Compensation will be determined following inspection by CCDC. We will also consider depreciation. Evidence of costs incurred will be required.
Failure to provide a service which is subject to a service charge	We would not award a payment if reasonable alternative arrangements to cover the service have been successfully implemented, or if only part of the service has not been delivered. e.g. if one light in a scheme is not repaired but others remain working, then no compensation would be considered.	If we fail to provide a service which a leaseholder has told us about, for which they pay a service charge, they may be entitled to receive compensation. Compensation will be the amount equivalent to the cost charged for the service they did not receive. The amount will be deducted from the next years charges and this will be provided to all those affected and not just the complainant.
Incorrect handling of an application for RTB	This is set out in the Housing Act 1985 and subsequent guidance is provided by the DCLG. There is a process which the complainant	Within the legislative guidance, the tenant/s can start to claim rent back from the start of the delay to the end of the delay. The total amount of rent is deducted from the sales price.

	<p>needs to follow, and a set level of recompense.</p> <p>This can be found at http://righttobuy.communities.gov.uk</p>	<p>No compensation is payable in this instance, although CCDC may consider an exceptional circumstances award of compensation, if appropriate, up to a maximum of £50.</p>
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NB: Discretion may be considered for any other categories/reasons not listed above, subject to the HRA Compensation Policy.

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