

# **Ipswich Borough Council**

## **Housing Services Compensation Policy (July 2022)**

### **Aims and objectives**

The Council is committed to providing high quality services to its tenants and leaseholders but recognises that there are occasions when services may not meet these standards and customers are inconvenienced as a result.

Where something has gone wrong the Council will acknowledge this and set out the actions it has already taken, or intends to take, to put things right. There are a number of remedies available to put a situation right but in some instances, financial compensation may be the only and appropriate form of redress.

This policy aims to provide guidance as to when the Council will consider offering compensation to its tenants and leaseholders. While each case will be considered on its individual merits, this policy aims to promote a consistent approach that is fair and proportionate.

### **Scope**

This policy outlines the circumstances when the Council may compensate a tenant or residential leaseholder of the Council.

Claims for personal injury or negligence will not be dealt with under this policy and should be referred to the Council's Insurers.

Compensation is not a replacement for home contents insurance. Tenants and leaseholders are responsible for arranging their own contents insurance for accidental damage to their belongings.

### **Circumstances in which compensation can be issued**

There are three types of compensation payments:

- Mandatory payments
- Quantifiable loss payments
- Discretionary payments

#### **Mandatory Payments**

These are payments that the Council is required to make by law and include:

- Right to Repair – 'qualifying repairs' costing less than £250 which are not completed within published target times
- Improvements - by secure tenants leaving their home for 'qualifying improvements'
- Home Loss and Disturbance Payments – residents required to move home permanently due to development/demolition, or on a temporary basis

#### **Quantifiable Loss Payments**

These are payments the Council can make where a tenant or leaseholder can demonstrate actual loss. Examples include having to pay for alternative

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accommodation or take away food, paying for cleaning or carrying out repairs where the Council has failed to meet its obligations.

In these circumstances, any such costs must have been reasonably incurred and evidence of such loss should be provided.

### Discretionary Payments

These are payments that the Council may decide to make and could include:

- Poor complaint handling
- Delays in providing a service
- Failure to provide a service that has been charged for
- Temporary loss of amenity
- 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

### Other remedies

In general, other actions may be taken to remedy a complaint either separately from or in conjunction with an offer of compensation. These may include practical actions such as offering to undertake repairs or redecoration which would otherwise not be the Council's responsibility. A flexible approach will be taken where possible, to considering different remedy solutions.

### Situations where compensation will not be considered

Discretionary payments will not be considered for:

- Claims for damage caused by circumstances beyond the Council's control
- Problems caused by a third party not working for the Council
- Circumstances where a tenant or leaseholder prevents or delays, or has contributed in any other way to the failure of the service
- There is a live legal case, or one may be likely

Where damage has been caused directly as a result of the actions or omissions of the Council or a contractor working on its behalf, consideration will be given to reimbursement without the need for the tenant or leaseholder to make a claim at further inconvenience or cost to themselves and in particular, where the facts are not in dispute.

### How compensation will be calculated

Discretionary compensation will be calculated on the level of responsibility for loss incurred or inconvenience caused, along with the impact on the tenant or leaseholder.

- **Low Impact:** The complaint has been upheld but there has not been significant inconvenience or distress caused.
- **Medium impact:** Inconvenience and/or distress has clearly been caused.
- **High impact:** A serious failure either be due to the severity of an event, or a persistent failure over a prolonged period of time, or an unacceptable number of attempts to resolve the issue have failed.

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The matrix below sets out the maximum payments\* due in each circumstance:

<b>Impact</b>				
<b>Responsibility</b>	No Impact	Low Impact	Medium Impact	High Impact
<b>None</b>	£0	£0	£0	£0
<b>Partial</b>	£0	£50	£100	£500
<b>Full</b>	£50	£75	£250	£750

*\*amounts are based on LA best practice/Housing Ombudsman guidance*

### **Process**

Where a complainant has indicated or an IBC employee is of the view that compensation may be appropriate, this should immediately be forwarded to the Housing Business Support Unit (BSU) by email for recording. The Housing BSU team will contact the Service Manager with details.

The relevant Service Manager will then take responsibility for reviewing the matter and if appropriate, will, with the agreement of the Monitoring Officer, propose an amount of compensation based on the impact.

The Service Manager will then communicate the outcome to the resident with the whole process taking no longer than 10 working days.

If compensation is agreed, it will usually be sent directly to the complainant via the Housing BSU team. If they have a debt owed to the Council, the amount will go towards offsetting this, unless the compensation is intended for a specific purpose e.g. to replace a damaged item.

### **Monitoring and reporting**

The Housing Leadership team will monitor the number and level of compensation payments being awarded in order to monitor the effectiveness of the policy.

Quarterly reports detailing compensation payments will be submitted to the Monitoring Officer.

The policy will be reviewed every three years or sooner if there are any significant legislative or regulatory amendments, best practice developments or to address any operational issues identified with the policy.

### **Compensation payments ordered by the Housing Ombudsman**

When a complaint is escalated to the Housing Ombudsman Service, having exhausted the Council's formal complaints process, the Council will pay compensation and/or carry out any works or follow action to comply with the Housing Ombudsman's findings.