Tenant and Leaseholder Compensation Policy

Department: Housing and Environment

Policy date/last update: August 2025

Contents

1. Scope

1.1 Ealing Council is committed to consistently providing a high-quality service to all our tenants and leaseholders. We understand that failure to do that can cause inconvenience and distress and we'll always aim to put things right through our Complaints Policy. As part of our complaints resolution process, we'll consider whether to offer you compensation in accordance with this policy. There may also be occasions when compensation is appropriate that can be determined outside of the complaints' resolution process.

1.2 This policy applies to social housing tenants and leaseholders for whom we are the building freeholder (referred to as "tenant(s)" throughout the policy). It explains when we'll consider a compensation payment when something goes wrong. It also explains when we'll offer statutory compensation payments which you may be entitled to in certain circumstances.

1.3 The terms 'you' and 'your' in this policy mean anyone listed in 1.2. The terms 'we', 'our' and 'us' mean Ealing Council.

1.4 There are 3 types of compensation payments:
- mandatory (statutory and contractual)
- quantifiable loss payments (where you can demonstrate actual loss)
- discretionary payments (for time and trouble/distress and inconvenience)

2. Aims and objectives

2.1 The purpose of this policy is to set out the instances where compensation may be payable. The policy will provide a clear, fair, and consistent approach to awarding compensation where service failures have caused loss, distress, or inconvenience to residents. Compensation payments are made in line with the Housing Ombudsman Service Remedies Guidance. This policy aims to:

- clearly set out the circumstances in which compensation will be paid
- ensure fairness and consistency when calculating compensation
- provide guidance on how and when compensation can be claimed

2.2 Our priority is to resolve and address service failures, we will not automatically offer compensation in every instance.

3. Legislative and regulatory context

3.1 This policy takes into account the council's statutory requirements as at the date of implementation, including:

- The Home Loss Payment (Prescribed Amounts) Regulations 2023
- The Secure Tenants of Local Housing Authorities (Right to Repair) Regulations 1994
- Landlord and Tenant Act 1985

3.2 As a registered provider of social housing, Ealing Council complies with the requirements of the Housing Ombudsman Service, including the Complaints Handling Code. The Housing Ombudsman Service requires us to have appropriate processes and remedies in place to allow us to put things right. This policy is a part of Ealing Council's remedies as part of its complaints resolution process. As such, it should be read in conjunction with our Complaints Policy.

4. Principles

4.1 Statutory provisions and/or Ombudsman guidance will be used to apply other compensation payments including the Right to Repair, Compensation for Improvements, and Home Loss and Disturbance payments, or act as benchmarks to calculate the level of compensation.

4.2 The following principles will be applied in deciding compensation:

- how quickly we acknowledged that something went wrong, offered an apology, and put it right
- whether the matter should be processed via insurance
- whether financial loss is directly attributable to the acknowledged service failure
- whether loss, where reasonable, is supported by receipts, bills, accounts, or other documents
- whether the matter/complaints or compensation issues are being dealt with through any legal or court action

4.3 Compensation will not be payable:

- for personal injury or other public liability insurance claims
- where the loss of service is attributable to damage or misuse by the tenant, or circumstances beyond our control e.g., loss of utility supplies
- for claims that should be covered through a home contents insurance policy, which you are responsible to obtain. This includes damage to your belongings (including floor coverings) through leaks, flood, or fire
- where the loss is due to lack of action, neglect, wilful damage, or misuse by you, your household, or a guest
- where the loss has resulted from unauthorised works
- for issues subject to legal proceedings or disrepair claims
- for loss or damage caused by a third party unrelated to Ealing Council. For example, a utility company, or another resident or visitor
- access has been refused, or contractors have not been able to arrange access to carry out repairs
- when we’ve fulfilled our statutory and contractual obligations
- for loss of earnings or annual leave
- for communal repairs/amenities (e.g. communal lighting, intercom systems, playground/parking spaces, this list isn’t an exhaustive list) we may consider a discretionary payment

for the impact, and the overall effort you've personally made to ensure the repair/s are carried out)

- if there are exceptional reasons for the delay such as inclement weather or specific parts for a repair are not immediately available

5. Compensation review process

5.1 Any compensation claims should be raised through the complaints process and no later than 1 calendar month of the date of a complaint's response letter, at either stage 1 or stage

Compensation claims will be considered on their individual merits taking account of:

- the length of time taken to resolve the issue
- any exceptional worry, distress, time and trouble or inconvenience caused by the sequence of events
- having to live in unreasonable conditions because of a failure to complete repairs within reasonable timescales

5.2 We'll make any compensation offers within 20 working days of the date we receive your claim and make payment within 10 workings day of your acceptance of the offer.

5.3 Any compensation payment made will be regarded as full and final settlement of any complaint, dispute or claim. It may, with the tenant's agreement, be credited to the tenant's rent account and be used to offset any arrears or money owed. Tenants will be asked to sign a compensation acceptance form prior to the issuing of a compensation payment. Compensation will ordinarily be paid via cheque but can be paid via bank transfer on request.

5.4 Compensation payments can also be agreed without the tenant needing to make a compensation claim.

5.5 Eligibility for compensation payments, in accordance with this policy, will be automatically considered as part of the investigation and resolution of every complaint. If a tenant feels they ought to be compensated and a compensation offer has not been made, they can request compensation by:

- including the specific request and reasons as part of their complaint
- discussing this with a complaints resolution officer during the period of the investigation into their complaint
- contacting us by email, telephone, face-to-face or post within 1 calendar month of the date of their complaints' response letter

5.6 We'll consider each case individually and calculate compensation according to what's fair in the circumstances. As part of our investigation, we may request supporting information from you. Failing to provide the necessary information could affect the outcome of the investigation.

6. Types of compensation

6.1 Types of compensation payment are listed below:

6.2 ***Mandatory payments*** – these apply to a disturbance or home loss, where payments will be made to compensate you when you lose the right to rent your home, or to compensate reasonable expenses when you're being re-housed, either on a temporary or permanent basis. They also apply to the right to repair, when we've failed to carry out a repair in a timely way. Mandatory payments are described in more detail in appendix 1.

6.3 ***Quantifiable loss payments*** – these can relate to damage or loss of items such as furniture, carpet or personal belongings which you can be compensated for due to a failure of our service. In some circumstances we can also reimburse personal expenses if they result from our failure, this might include higher energy or water bills, when these are directly due to our failure to act.

6.4 ***Discretionary payments*** – these recognise the inconvenience or loss caused by the service failure and our delay in resolving it. They are an acknowledgement of the distress or inconvenience this may cause. Typically, we will consider discretionary payments based on two criteria: one being the length of time which the failure lasted for and the second being a payment based on an assessment of the impact on you, in line with the table in appendix 2.

6.5 Each case will be considered on its own merits using a judgement considering the scale above and comparison to similar cases to encourage consistency. We may consider amounts above these on a case-by-case basis.

6.6 We understand that sometimes a non-financial remedy may be better for you. This could include undertaking a repair that would otherwise be your responsibility, vouchers or a donation to a charity of your choice.

6.7 Damage to tenants' personal items will not be covered as this should be covered under tenant's contents insurance.

6.8 <u>Quantifiable loss compensation</u>

6.9 If you want to claim compensation for loss or damage of any item(s), you'll need to keep the item until the claim has been settled (if possible) and provide us with details and the sum you wish to claim in writing. We reserve the right to obtain an independent valuation of the damaged item and to obtain quotations for the cost of cleaning, repairing, or replacing the item. We'll send the information to our insurers who will investigate the claim where appropriate on an individual basis. The compensation payable will be calculated considering the full circumstances of the case and the age and condition of the lost or damaged item(s).

6.10 In some circumstances we can also reimburse personal expenses if they result from our failure, this might include increased energy or water bills where they directly result from our mistake. In these situations, it is helpful if you can let us know as early as possible prior to making payments. We would also seek to see bills to demonstrate the increased expense.

6.11 We would not advise you to pay for services such as employing your own contractor in the expectation that you will be able to reclaim these costs. In rare circumstances we will consider this option if a discussion has taken place and written agreement by us has been provided to you.

6.12 This policy is not intended to replace or compensate a tenant for not having a home contents insurance policy, which is the tenant's responsibility to have in place. Tenants are encouraged to take out comprehensive household contents insurance to ensure that they're covered for any situations where we're not liable. Tenants will be expected to make a claim on their home contents insurance where it is deemed reasonable to do so.

7. Right to review

7.1 If a tenant disagrees with the compensation offered, they should set out their reasons and contact us in one of the ways set out in 5.4, above within 20 working days of receiving their compensation offer. If this does not resolve the situation to a tenant's satisfaction, then they can escalate their complaint in accordance with our Complaints Policy and including by contacting the Housing Ombudsman Service. However, we can review an offer of compensation at any stage of our process.

7.2 Should a tenant refer a complaint to the Housing Ombudsman Service who subsequently recommends a compensation payment be made, we will consider and comply with any orders and recommendation made by the Housing Ombudsman Service. It is the Ombudsman's position that compensation awards that it makes should be treated separately from any existing financial arrangements between the landlord and resident and should not be offset against arrears. We will follow this guidance in respect of any Housing Ombudsman Service determinations.

8. Monitoring, compliance and review

8.1 This policy will be reviewed annually or sooner if there are changes to legislation, best practice or internal arrangements which mean it may no longer be valid, or in the event of a relevant major incident.

8.2 The application of this policy and the consistency of payments made under it will be periodically reviewed. We will publish this information on our website at a minimum frequency of annually, as part of our Annual Complaints and Improvement report.

9. Diversity and inclusion

9.1 The provisions of this policy have been developed with regard to statutory requirements for compensation and the guidance provided by the Housing Ombudsman Service.

9.2 The application of the policy will be monitored on an ongoing basis to ensure its equal application across similar claim types and across all protected characteristics.

10. Linked policies

10.1 This policy should be read in conjunction with the following, linked policies:

- Complaints Policy

- Damp and Mould Policy
- Disrepair Policy
- Home Adaptations Policy
- Repairs and Maintenance Policy
- Decant Policy

Appendix 1 - mandatory payments

Home loss payments - We'll make a home loss payment to you if we need you to move from your home permanently. The level of payment is set out in the Home Loss Payment Regulations. You can find out more about these payments on the Government website: The Home Loss Payments (Prescribed Amounts) (England) Regulations 2023

Disturbance payments - We'll make a disturbance payment to you to compensate you for any reasonable out of pocket expenses you incur where we've required you to move out of your property through no fault of your own. You can find out more about these payments in our Decant Policy.

Right to Repair (Compensation for repairs that affect health and safety and security) - Tenants with secure tenancies have the 'Right to Repair' to ensure the completion of certain repairs quickly and easily. Small, urgent repairs are covered, which if not carried out within a specified period, are likely to cause damage to tenants' health, safety, or security.

To qualify:

- the repair must be an emergency or urgent repair that affects health and safety or your security
- we must be responsible for the repair
- the value of the repair must be less than £250
- we must have failed to carry out a repair within the target time and failed to do so again after a further request by you

Qualifying repairs can include:

- total or partial loss of electrical power
- unsafe power, lighting socket or electrical fitting
- total or partial loss of water supply
- total or partial loss of gas or oil supply

- blocked flue to open fire or boiler
- total or partial loss of space or water heating
- blocked or leaking foul drain, soil stack or (where there is no other working toilet in the dwelling house) toilet pan
- toilet not flushing (where there is no other toilet in the house)
- blocked sink, bath, or basin
- tap which cannot be turned
- leaking from water or heating pipe, tank, or cistern
- leaking roof
- insecure external window, door, or lock
- loose or detached banister or handrail
- rotten timber flooring or stair tread
- door entry phone not working
- mechanical extractor fan in internal kitchen or bathroom not working.

You can claim a one-off payment of £10, and an additional £2 per day for each day the repair remains outstanding up to a maximum of £50.

We will not pay compensation if any of the following conditions apply:

- the repair was needed because of damage caused by you, a member of your household or a visitor to your home
- you had not told us that the repair was needed
- you did not give us access to your home or try to make an appointment with us or our contractor
- our contractor could not obtain the parts to complete the work or additional work was needed and you had been advised of the situation
- we made safe or limited further damage

- our contractor was unable to complete the works for health and safety reasons

Appendix 2 – compensation on guide according to impact on resident

Level of redress	Likely associated finding	Impact on resident	Circumstances
£50 - £100	Service failure	Minimal Short duration May not have significantly affected the overall outcome for the resident Might include distress and inconvenience, time and trouble, disappointment, loss of confidence and delay in resolving matters	Minor failure by the landlord in service provided and the landlord did not appropriately acknowledge or fully resolve. The landlord may have may have made an offer of action/compensation, but it does not accurately reflect the detriment to the resident or is not proportionate to the failings identified by the findings.
£100-£600	Maladministration	No permanent impact	There was a failure which adversely affected the resident. The landlord has failed to acknowledge its failings and has made no attempt to put things right. The landlord has acknowledged failings and/or made some attempt to put things right but failed to address the detriment to the resident and/or the offer was not

			proportionate to the failings identified by our investigation.
£600-£1,000	Maladministration/severe maladministration	Significant impact Physical and/or emotional	There was failure which had a significant impact on the resident. The circumstances for maladministration apply and the redress needed to put things right is substantial. The circumstances for severe maladministration apply but the redress needed to put things right is at the lower end of that scale.
£1,000+	Severe maladministration	Severe long-term impact	The landlord's response to the failures (if any) exacerbated the situation and further undermined the landlord/resident relationship. The landlord repeatedly failed to provide a service, put things right and learn from outcomes. The failures accumulated over a significant period of time (however this will not necessarily be the case as a single significant service failure may be sufficient).