

REPORT TITLE: HOUSING SERVICES POLICY FOR COMPENSATION AND REIMBURSEMENT

21 JUNE 2022

REPORT OF PORTFOLIO HOLDER: Cllr Paula Ferguson, Cabinet Member for Community and Housing

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WARD(S): ALL WARDS

PURPOSE

The Housing White Paper, A New Charter for Social Housing includes a number of statements regarding how registered providers should manage complaints in relation to landlord services, including a clear and consistent approach to putting things right when they go wrong and to compensation payments.

Whilst there is a clear aim to ensure that services are delivered “right first time”, on occasion things can go wrong and it is considered that a clear policy of when compensation may be appropriate, and to what level, would help to ensure a consistent approach to payments of compensation or reimbursement for service failures to tenants and leaseholders is adopted by all housing teams.

A link to the proposed Compensation and Reimbursement Policy document is included in Appendix 1

RECOMMENDATIONS:

1. That the Policy Committee review the draft Compensation and Reimbursement Policy in the Appendix and comment on:
  - a. The appropriateness of the proposed policy
  - b. The levels of specific awards
  - c. Any other factors which should be included within the policy.



## 1 RESOURCE IMPLICATIONS

- 1.1 Compensation payments are already made in relation to both statutory duties where payment levels are determined by legislation and for areas where there is no statutory obligation to pay compensation but where a “goodwill” payment is considered to be appropriate. Whilst there should be no additional resource implications associated with the adoption of the proposed policy, there is a risk that the publication of a policy will result in an increase in claims.

## 2 SUPPORTING INFORMATION:

### Introduction.

- 2.1 Winchester City Council is committed to providing a high-quality service to all our customers; however, there can be occasions when services do not meet our high standards and customers are inconvenienced.
- 2.2 Section 92 of the Local Government Act 2000 gives councils the ability to remedy injustice arising from poor service. The proposed policy in the appendix to this report sets out how this will be administered.
- 2.3 The Council's aim will always be to put the complainant back in the position that would have existed if the service lapse had not occurred, insofar as reasonably possible. Where a complaint is justified, an apology may be sufficient to correct inconvenience caused. However, it is recognised that where a complainant has suffered loss or injustice, other remedial action may also need to be considered, including financial compensation. The purpose of this policy is to provide officers with guidance to ensure that any compensation and reimbursement payments, both statutory and discretionary, are dealt with fairly and with equality.

### Details of Proposal.

- 2.4 Over the last six months the Council has paid around £4.4K in compensation or reimbursement to tenants due to service delivery failures. This has mainly been as a result of heating and hot water issues and are attributable to several different external factors, such as the pandemic affecting contractor resources (both front and back office) and the availability of materials.
- 2.5 Steps have been taken to mitigate these factors for the future; however issues of compensation for service delivery failure have been dealt with by the officer managing the service, with no formal guidance on the levels of compensation that would be appropriate in each circumstance. This can potentially lead to inequality in how these cases are treated when compared against each other.
- 2.6 Whilst each case will be assessed individually, the application of this policy provides a consistent approach to resolving claims for compensation to make sure that:

- a) Problems are resolved quickly and efficiently.
  - b) The compensation and reimbursement process is reasonable, fair, and treats each case with equal consideration.
  - c) Financial awards, made within clear guidelines, are in proportion with loss and/or inconvenience caused, are fair and consistent, and safeguard public funds. Where no detriment occurs, no compensation will be paid.
  - d) No compensation or reimbursement would be paid for issues where the Council has no liability (e.g. items where the tenants or leaseholders have a liability to maintain).
- 2.7 The guidance and figures set out in the proposed policy for non-statutory claims have been arrived at in consultation with other housing providers. Statutory claims for compensation will always be handled in line with current legislation.
- 2.8 Missed Contractor Appointments – The Gas Servicing and Heating repairs contract let last year included a new clause in relation to the contractor paying compensation of £15 for missed appointments (when it was the fault of the contractor). Other term maintenance contracts do not include such a clause and so compensation for missed appointments is only proposed for heating and gas servicing work. When other maintenance contracts are re-let, a similar clause will be considered at that time.

### Conclusion

- 2.7 The proposed Compensation policy seeks to provide greater clarity and transparency on how the Council handles the issue of compensation payments to its tenants and leaseholders and sets out clearer definitions and circumstances in which the Council may refuse to compensate.

### Consultation

- 2.9 Committee members' views are sought on the proposed policy. TACT was consulted on the draft policy at the support group meeting on the 9<sup>th</sup> June 2022 and are in broad support; however discussions are ongoing. The main feedback we have received has been a query as to whether or not the amount stipulated for missed appointments was enough (3.01.01) and requested this could be raised to £25 for those residents that can prove that they have taken time off work in order to be at home for the appointment. This is under review and will be decided upon before the policy is formally adopted.

3 OTHER OPTIONS CONSIDERED AND REJECTED

- 3.1 To not adopt a Compensation Policy is rejected as it leaves the Council with the possibility of treating cases unfairly and leaves the Council open to challenge.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

None

Other Background Documents:-

None

APPENDICES:

Appendix 1

Link to Compensation Policy Document.

<http://sharepoint/sites/housing/PropertyServices/Property%20Services%20Policies%20and%20Procedures/Housing%20Services%20Compensation%20Policy.docx>