



# Housing Compensation Policy

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# 1. Accessibility of document

Our aim is to make our services easy to use and accessible for everyone.

We will take steps to make any reasonable adjustments needed for you to contact us, access our policies, or any requests to provide responses in other formats.

Depending on the individual's needs, these might include:

- Using larger print, or a specific colour contrast
- Giving more time than usual to provide information or comments on a complaint
- Using the telephone rather than written communication
- Communicating with a person through their representative or advocate
- Arranging a single point of contact
- Having an 'easy read' version of the document

If you would like to contact us about reasonable adjustments or alternative formats, please email [edi@dacorum.gov.uk](mailto:edi@dacorum.gov.uk) or call us on **01442 228000**

If you prefer to write to us, send your letter to:

**Equality, Diversity and Inclusion Team**  
**Dacorum Borough Council**  
**The Forum, Marlowes, Hemel Hempstead**  
**Hertfordshire**  
**HP1 1DN**

You can find information on Advocacy support here:

<https://www.dacorum.gov.uk/home/do-it-online/contact-us/advocacy-support>

# Policy Overview

## 2 What is the aim of the policy?

We, Dacorum Borough Council (DBC) aim to provide excellent services to all our residents. In some circumstances, when mistakes happen, we may offer compensation to put these right as quickly as possible to restore a person to the position they would have been in had the service failure not occurred.

The aim of this policy is to ensure that we have a fair and consistent approach to offering redress and awarding compensation.

## 3 Who and what does the policy impact?

This policy supports the formal complaints policy. It impacts complainants and all Dacorum Officers both managing the complaint and the initial service delivery.

The policy outlines the course of action and criteria required in such circumstances and where we will consider compensation for service failures. The policy also details the statutory payments we make, but not requests for reimbursement for damaged items or personal injury (liability claims) which are managed separately by the insurance team.

## 4 How does the policy comply with the law and other requirements?

The legislation and policies listed below will be taken into consideration when implementing this policy:

- [Housing Act 1985](#)
- [Equality Act 2010](#)
- [Landlord & Tenant Act 1927](#)
- [Health and Safety at Work Act 1974](#)
- [Local Authorities \(Compensation & improvements\) Regulations 1994](#)
- The Localism Act 2011
- Social Housing Regulatory Act 2023

## 5 Supporting Policies or Procedures

Procedures / Guidance / Impact Assessments	Dependent Policies / Strategies
Tenant Handbook	Asset Management Strategy
Complaints	Complaints policy

## **6 EDI Statement**

The council is committed to promoting equality of opportunity in housing services and has procedures in place to ensure that all Applicants and Tenants are treated fairly and without unlawful discrimination.

## **7 Policy Statement**

When things go wrong, we aim to put things right as quickly as possible.

We will consider an offer of compensation when an apology alone will not suffice, and we recognise the impact the service loss or failure has had on the customer.

Compensation may be considered when we fail to follow our own policies and procedures or there is a service failure.

When an offer of compensation is made, the complainant must respond to the offer within 14 days and accept it within one month.

If money is owed to DBC's Housing and Property Services (and the arrears are not covered by Housing Benefit or Universal Credit), we will credit any compensation to the rent / service charge account, unless an existing arrangement is in place and being adhered to.

We make any discretionary offers of compensation without prejudice and generally as a gesture of goodwill. They do not signify the acceptance of legal responsibility or liability on the part of DBC. Therefore all such payments made under this policy will be issued as full and final settlement for the associated complaint or issue.

This Policy applies to all current & former tenants, leaseholders and customers of DBC's Housing Service.

## **8 Features of compensation**

Compensation may be statutory (i.e. the law obliges us) or discretionary (e.g the circumstances dictate it is the right thing to do).

Compensation will be awarded in a way that fair, appropriate and proportionate, as well as representing value for money in the way we manage our resources.

Compensation will not be made solely to cover up service failures. Where we have failed to provide a service, we would seek to learn lessons from our mistakes and put things right for the future.

Customers are responsible for arranging their own home contents insurance for accidental damage to their belongings. Compensation is not a replacement for home contents insurance, although if the complaint believes DBC is liable for any damage then this will be investigated by the Insurance team.

## **9 Mandatory Compensation**

### **Home loss**

Home loss payments may be made to tenants or owner-occupiers who have lived in their property for a minimum of 12 months and are required to move home permanently as a result of redevelopment or demolition of their home. Home loss payment is only payable where a displacement (move) is compulsory. The amounts of compensation are set in statute.

### **Disturbance**

Disturbance payments may be made to secure tenants who are required to move to another property temporarily or to people who have lived at a property less than 12 months and are required to move home permanently. This payment is for reasonable moving costs.

Disturbance payments cover 'reasonable expenses' incurred by the entitled person during moving.

### **Improvements**

If a secure tenancy has ended and the tenant completed improvements to the property after 1 April 1994 they may be entitled to compensation for those improvements.

The right to compensation for improvements is subject to certain qualifying criteria and regulations contained in The Secure Tenants of Local Authorities (Compensation for Improvements) Regulations 1994 Statutory Instrument 1994 No. 613.

In order to qualify for compensation, the customer must have:

- Requested and obtained, in writing, the Council's permission before carrying out the work.
- Retained all invoices relating to the work in order to determine the compensation payment.
- Where appropriate, provide evidence of having official permission(s) needed such as planning permission, building control, listed building consent etc.
- Request compensation during the last 28 days of the tenancy or within 14 days after the tenancy ends.

Qualifying improvements will be compensated by calculations based on a formula set by Government and will be paid on a sliding scale according to the expected life expectancy of the improvement.

We will not pay compensation to a customer that we are evicting due to breach of tenancy conditions, where a customer exercises their right to buy, where there is a mutual exchange, or where a new tenancy is granted at the same property to the qualifying tenant.

The Secure Tenants of Local Housing Authorities (Right to Repair) Regulations 1994

The Right to Repair Regulations covers specific repairs, known as ‘Qualifying Repairs’ which cost less than £250 and should be done within a set time limit by Dacorum Borough Council for its Secure Tenants. If these are not carried out within that time you may be entitled to compensation.

## 10 Discretionary Compensation

In certain circumstances DBC offers discretionary compensation. The table below shows suggested ranges of compensation levels that caseworkers may take into consideration when deciding whether an order of compensation should be made to recognise a particular adverse effect and impact on a resident. This is not a prescriptive list and should never be treated as such – in particular it is important that our staff consider the cumulative impact of a Council or its contractor’s failures in a case.

Level of redress	Impact on resident	Circumstances
£50- £100	Minimal  Short duration  May not have significantly affected the overall outcome for the resident  Might include upset and inconvenience, time and trouble, disappointment, loss of confidence, and delays in getting matters resolved.	There was minor failure by DBC in the service it provided and it did not appropriately acknowledge these and/or fully put them right.  DBC may have made an offer of action/compensation but it does not quite reflect the detriment to the resident and/or is not quite proportionate to the failings identified by our investigation.
£100- £600	No permanent impact	There was a failure which adversely affected the resident.  DBC has failed to acknowledge its failings and/or has made no attempt to put things right.  Or  DBC 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.
£500 - £1000	Significant impact physical and/or emotional impact	<p>There was a failure which had a significant impact on the resident.</p> <p>The circumstances for maladministration apply and the redress needed to put things right is substantial</p> <p>Or</p> <p>The circumstances for severe maladministration apply but the redress needed to put things right is at the lower end of that scale.</p>
£1000 +	Severe long-term impact	<p>There have been serious failings.</p> <p>There was a single significant failure in service or a series of significant failures which have had a seriously detrimental impact on the resident.</p> <p>The Landlords' response to the failures (if any) exacerbated the situation and further undermined the landlord/resident relationship.</p> <p>The Landlord repeatedly failed to provide the same service which had a seriously detrimental impact on the resident; demonstrating a failure to provide a service, put things right and learn from outcomes.</p> <p>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).</p>

DBC will not compensate any customer for a fault or loss of service that is caused by their misuse, negligence or damage; or where spare parts are not readily available; or the service is stopped for essential pre-arranged works to take place.

## **11 Failure to deliver communal services**

Where there has been a loss of communal service or facility, we will fully or partly refund services charges to all customers, regardless of whether individual claims are made. This will be in situations where DBC has failed to take reasonable action to resolve the issue in the particular circumstances. This will apply equally to Leaseholders, unless the lease already allows for this.



## **12 Compensation as part of complaint resolution**

Compensation may be considered at any stage of the DBC complaints process. The complaints policy promotes a swift resolution. As part of our approach to resolving complaints DBC may offer compensation if any of the following apply:

- Following investigation of the complaint, it is found that a service has seriously or consistently failed.
- Services had not been delivered appropriately or within acceptable timescales.
- Other methods to resolve the complaint, such as an apology and/or explanation are not considered sufficient, or our previous responses have been inadequate.
- DBC has taken an unreasonable amount of time to resolve the issues complained about.
- DBC had dealt poorly with the complaint handling.
- The DBC policy or procedure had not been followed.
- DBC had failed to provide a service that had been paid for.

Each case will be considered on its own merits. Any discretionary payments will generally be of low value and are part of restoring positive customer relations.

Some complaints may result in a goodwill gesture for incidents where monetary compensation would not be appropriate.

## **13 Quantifiable loss payments**

Some issues resulting in a complaint may have meant loss has been incurred by the complainant. This could include things such as increased heating bills due to disrepair, having to pay for take away food if the kitchen was out of action, or taking time off work and DBC staff or contractors not attending etc.

DBC would generally require supporting information to consider any quantifiable loss being claimed. For Leasehold properties we will only accept a claim from the Leaseholder, not anyone the property is let to, and any compensation will be in line with the service charges the Leaseholder is liable for.

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

The Ombudsman can provide fair and proportionate remedies to complaints where maladministration or service failure has been identified. There is a wide range of proportionate remedies, including both non-financial remedies and compensation. We would comply with any finding, unless we have specific Council agreement not to do so.

### **Resident's actions and circumstances - mitigating/aggravating factors:**

Mitigating factors - We also consider any extent to which the resident's actions might have contributed to the situation in which they found themselves, in other words whether they exacerbated or failed to minimise the impact. Equally, the resident may have been proactive in seeking to minimise the impact of the situation on them. All these factors may mitigate or minimise the level of award ('mitigating factors').

Examples of when the resident's own actions mitigate the extent of the compensation being considered might include:

- Failure to communicate clearly with landlord.
- Failure to bring individual matters to landlord's attention within reasonable Time.
- Refusing help to make coherent complaint.
- Failing to respond to contact from landlord.
- Repeatedly refusing to allow landlord access to inspect the property and assess the extent of works needed (where relevant).
- Pursuing a complaint in an unreasonable or excessive way.

**Aggravating factors** - Our awards should also recognise the fact that the emotional impact experienced by an individual resident is unique to them. Not all residents will experience the same emotional impact in response to the same instance of maladministration. This might be due to their particular circumstances, or as a result of a vulnerability ('aggravating factors'). Consideration of any aggravating factors could justify an increased award to reflect the specific impact on the resident.

Examples of aggravating factors could include:

- Resident's mental health condition (for example mishandling of ASB aggravates existing condition).
- Resident with young children (for example an extended period in temporary accommodation as a result of repair delays causes significant inconvenience and upset).
- Resident's disability (for example the daily impact of emergency decant as result of failure to comply with repairing obligations).
- Resident with responsibility for dependant with disability (for example delayed repair response could have disproportionate impact).
- Any previous history of mishandling by the landlord of the resident's tenancy.

The above lists are not exhaustive, and complaints may include elements from more than one category.

There may be occasions where the nature of the failures places the complaint within one range, but the number and duration of the failures cause an impact which justifies a higher

amount of compensation. In summary, deciding the compensation that should be paid in an individual case will be a judgement based on the individual elements of the case, the number of failings, and any aggravating/mitigating factors.

## **15 Requests for a review of a compensation decision**

Where the compensation claim relates to a complaint, then any review of the level of compensation will be addressed through the complaints process. If the compensation request was not part of a complaint, then a review would become a Stage 1 complaint on that specific issue.

## **16 Make a claim**

We have a two-stage complaints process and residents are encouraged to use this process to request compensation.

## **17 Formal redress**

Complaints about DBC's housing service which are unable to be resolved by the Council may be escalated by the complainant to the Independent Housing Ombudsman (and those relating to other Council services to the Local Government Ombudsman).

## **18 Links to other policies**

On the Council website you can find the policies & information which link to this policy such as the Decant Policy and the DBC Complaints Policy.

## **19 Review**

This policy will be reviewed every two years, or following any legislative or organisational change or changes in industry standard, whichever is sooner.

You can find external policies on the Council's website. If a policy has been updated or reviewed, these changes will be shown in the website copy. Internal policies are stored on the Council's intranet (SharePoint) alongside supporting information.