

## APPENDIX A



# Crawley Homes Compensation Policy

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## **1. Introduction**

- 1.1. We strive at all times to provide the best landlord service that we can. However, we acknowledge that there are times where our service may fall below expected standards with negative impacts on individuals or their households. Where this is the case, we are committed to putting things right.
- 1.2. The aim of this policy is to explain how we (Crawley Homes) will rectify any service failure in order to restore a person to the position they would have been in had the service failure not occurred. We ask that, if dissatisfied with our service or suffering any ill-effect resulting from our actions or perceived failings, that you raise this with us as soon as possible so that we can take action and assess compensation swiftly, ensuring better outcomes for all parties.
- 1.3. The policy explains the types of compensation and remedy we are able to offer and factors to consider in deciding upon appropriate compensation. This includes circumstances where financial compensation will be offered, as well as other remedies that should be offered where appropriate to the individual merits of the case.

## **2. Background and legal context**

- 2.1. This policy sits within the context of far-reaching changes to the regulation of social housing included in the Social Housing (Regulation) Act 2023. The Act aims to increase accountability and raise standards within social housing.
- 2.2. This policy also draws from the Housing Ombudsman's Complaints Handling Code and Compensation policy and incorporates mandatory compensation measures included in statute.
- 2.3. At all times, we will work within the law and any relevant regulation, including but not limited to:
  - Social Housing (Regulation) Act 2023
  - Equality Act 2010
  - Housing Act 2004
  - Local Housing Authorities (Right to Repair) Regulations 1994
  - Housing Act 1985

### 3. Scope and definitions

- 3.1. This policy covers damage to individuals, their home or belongings or other impacts of service failure by Crawley Homes and those working on our behalf, such as contractors.
- 3.2. There are three categories of financial compensation that may be applied. These are:
  - **Mandatory** - these are set out by law and include payments for home loss or disturbance or payments under the Right to Repair Scheme for local authority tenants
  - **Quantifiable loss** – these are payments to remedy losses that the resident has suffered, for example paying for alternative accommodation or takeaway food, paying for cleaning resulting from work carried out by our operatives.
  - **Discretionary** – payments made for time and trouble/distress and inconvenience. These could include
    - 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
    - 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
- 3.3. In addition to financial remedies, this policy also has scope to include other remedies to be made, either separately or in addition to an offer of monetary compensation. These can include practical actions (such as offering to undertake repairs or redecoration which would otherwise be a resident's responsibility) or other gesture such as vouchers, chocolates or flowers.
- 3.4. This policy is not intended to replace the need for home contents insurance. We strongly recommend that you take out a policy that is specifically designed for tenants and can offer details of a scheme we are partnered with. Leaseholders are required to take out insurance set out in the terms of the lease.
- 3.5. This policy does not cover damage where there has not been a service failure by Crawley Homes, for example, damage caused by fires, storms or floods that are outside of our control, or where we have fulfilled our repair responsibilities but damage from the initial incident should reasonably be claimed under home contents insurance.

## **4. Policy Statement**

- 4.1. We want people to be able to raise service dissatisfaction with our service swiftly; in a format of their choosing; and to be confident that we will put things right.
- 4.2. We recognise that remedies may not always need to be monetary, but that in some instances, financial compensation may be the only and appropriate form of redress.
- 4.3. This policy must be applied in a proportionate and flexible way, taking into account the particular circumstances of the complaint but also our obligation to consider what represents good value for money for all of our residents. Compensation payments ultimately are drawn from the Housing Revenue Account, which is made up from rental income, and there must therefore be a reasonable and proportionate use of these funds.
- 4.4. We will learn from errors and review service failures to prevent others having a similar experience. Improvements will be reflected in our annual complaints action plan.

## **5. Responsibilities**

- 5.1. All persons working for or on behalf of Crawley Borough Council are responsible for their own professional conduct and fostering a culture in which complaints are actively welcomed as a means of identifying and acting upon necessary service improvement.
- 5.2. **Head of Crawley Homes/Senior Management Team (SMT)**

The Head of Crawley Homes and SMT are responsible for:

- Overseeing the effectiveness and operation of this policy
- Instilling the culture and values of Crawley Borough Council, ensuring that these underpin the customer care ethos of Crawley Homes.
- Monitoring and identifying the root service issues that lead to dissatisfaction and the implementation of service improvements, practice or policy changes to address them.
- Executing their responsibilities under Crawley Borough Council's Complaints policy.
- Specifically, the Head of Crawley Homes has final oversight of all compensation awards resulting from stage two complaints. .

### 5.3. **Team Leaders/Service Managers**

- Ensuring that team members are familiar with how people can access compensation and what to advise them if they wish to make a claim for compensation.
- Handling stage one complaints and compensation requests that relate to the work of their team.
- Passing complaints and/or compensation requests to be handled and paid directly by the contractor where this is applicable. Crawley Borough Council may instead award the compensation and re-charge this to the contractor.
- Keeping clear records of decisions regarding compensation and how these decisions (whether financial or not, level of award) have been reached and providing a written record of this to the individual concerned.
- Sign off compensation up to the amount of £250.
- Seeking the approval from a member of SMT for amounts higher than £250.
- Where the incident or failure justifies it, Crawley Homes managers may also award compensation up to this amount outside of the formal complaints process. People affected must always be reminded that they can make a complaint instead, should they wish.

### 5.4. **All staff**

- All staff are expected to follow this policy in determining the appropriateness, value and type of compensation.
- Any person investigating an issue warranting compensation is responsible for overseeing the matter through to completion, including diarising and tracking follow-up action, keeping in communication with the person and checking their satisfaction with the handling of the issue.
- Crawley Homes staff may also award nominal compensation of up to £25 outside of the complaints process where it is clear that there has been a service failure. People must always be reminded that they can make a complaint instead, should they wish.

### 5.5. **Contractors and third parties**

- Contractors and third parties must abide by any specific contract clauses that set out where compensation is payable or recoverable from them for any failure to undertake any task or instruction or delay in doing so.
- Contractors must ensure awareness of, and comply with, Right to Repair legislation at all times. If they fail to carry out the repair within the prescribed periods, they will be liable for the compensation to the Residents.
- Contractors and third parties must fully co-operate with any enquiry or investigation made by the Housing Ombudsman.

- Contractors and third parties may have their own compensation guidelines but are expected as a minimum to follow this policy in determining the appropriateness, value and type of compensation.
- Persons investigating or awarding compensation on behalf of contractors or third parties will also be expected to oversee the matter to completion, including diarising and tracking follow-up action, keeping in communication with the person and checking their satisfaction with the handling of the issue.
- Contractors and third parties are responsible for ensuring that the terms of any sub-contract reflect these responsibilities
- Crawley Homes may deduct any compensation amount for which the contractor or third party is responsible from any payment due to the contractor or third party or recover this as debt.

## **6. Accessing compensation**

- 6.1. Any resident or person affected by Crawley Homes' landlord service may raise a compensation claim for financial loss, inconvenience or delay that is perceived to be as a consequence of actions by Crawley Homes or failures of service.
- 6.2. Compensation may be accessed in these ways:
- i. During the course of a complaint. Within our complaints handling procedure, the complainant is invited to tell us their desired outcome. In many instances this will be an apology and action taken to resolve the problem, but this may also include financial compensation. We may also consider compensation as part of an outcome even if the complainant has not expressly requested this, based on our findings, level of service failure and impact.
  - ii. Completing a claim form in specific circumstances, such as home loss or disturbance, out of pocket expenses arising from temporary moves to accommodate repair works, or from emergencies. See Appendix B.
  - iii. Outside of the complaints process, at the discretion of any member of staff who is made aware of a service failure, up to the limits set out in the matrix below.
- 6.3. When making a compensation request, claimants must include full details of why compensation should be considered, including any evidence of impact such as photographs, letters or reports or any receipts for damaged items. It is vital that this evidence is retained until either the compensation request has concluded or they are no longer needed as evidence.

- 6.4. Any request for compensation and any remedy offered will be investigated and responded to in writing. If we decide not to award financial compensation despite a formal request for such, we will explain our decision making when replying formally to the complainant.

## **7. Financial Compensation**

### **Mandatory compensation**

- 7.1. Mandatory compensation is compensation that must be paid in accordance with the law. This includes compensation for home loss, disturbance and compensation under 'Right to Repair' as detailed below:

#### **i. Home Loss**

- 7.2. A home loss payment compensates people for the distress and inconvenience where the Council has to permanently move them from their home at a time not of their choosing because it is being demolished or redeveloped. Mandatory home loss payments only apply to permanent moves. Losses arising from moving on a temporary basis, for example to allow repair works are discretionary payments (see below) and covered within our Short-term Alternative Accommodation policy.

- 7.3. If you are in arrears, we may use the home loss payment towards clearing these arrears, with anything remaining being paid to you. This would be determined on a case-by-case basis in light of the circumstances.

#### **ii. Disturbance**

- 7.4. Mandatory disturbance payments cover reasonable expenses incurred if a person is permanently displaced from their property. Please see Appendix C for further details. For up to date, current legal advice see [www.shelter.org.uk](http://www.shelter.org.uk).
- 7.5. For losses as a result of moving into temporary alternative accommodation, see our policy on Short-term Alternative Accommodation.

#### **iii. Right to Repair**

- 7.6. Certain types of repairs qualify for the Right to Repair scheme. These are known as 'qualifying repairs.' These include insecure windows and doors, unsafe power sockets or electrical fittings, leaking roofs and broken entry phone systems. A full list of the qualifying repairs and the financial payments are set out in Appendix A. This scheme only applies to the qualifying repairs that Crawley Homes is responsible for and for repairs that do not exceed an estimated cost of £250.



- 7.7. We may inspect the repair to decide if it ‘qualifies’ and we will write to you if it does not.
- 7.8. The maximum available payment for repairs under the right to repair scheme is £50.00.

## **Discretionary Compensation**

### **i. Quantifiable loss**

- 7.9. This form of financial compensation is not mandatory. It repays people for any financial costs they have suffered as a result of a service failure by Crawley Homes.
- 7.10. Consideration will be made of how necessary, reasonable and justifiable requests are for quantifiable losses. These requests will not be honoured if they are considered to be excessive, and we do ask that some evidence is provided, such as receipts, bank statements or bills that demonstrate the actual loss to the person.
- 7.11. We will usually refer residents to their insurance company in the first instance to claim personal losses under home contents insurance, and if we are liable we would compensate for excess payments or increased premiums.

### **ii. Non-quantifiable loss**

- 7.12. These are payments that take into account losses that are not quantifiable, such as for distress or inconvenience. To decide upon an appropriate discretionary compensation offer, we will take into account a number of factors such as:
- The length of time or level of disruption
  - Any impact that is worsened due to disability, age or the presence of young children or any other factors.
  - Unquantifiable financial loss that would have not occurred if the service failure hadn’t happened.
  - Distress and inconvenience to the person
  - Actions of the person, household or visitor, which may have contributed to any loss
  - The levels of compensation awarded for similar cases by the Housing Ombudsman.

## **8. Other Remedies**

- 8.1. Any investigation of a complaint must take into account the outcome or remedy that the resident would like. Our complaints handling process allows for full

discussion of desired outcomes and our investigation explores each issue of concern raised and our response or action in full.

8.2. Depending on the situation, compensation may not always be financial, or could include both financial and non-financial remedies. Other remedies may prove to be powerful by affirming and acknowledging the impact upon the person, and preventing this experience being repeated. Non-financial remedies may include:

- An apology
- Acknowledgement that things have gone wrong through no fault of the individual or household
- Providing an explanation, assistance or reasons
- Taking action if there has been delay, for example to bring forward the expected action
- Reconsidering or changing a decision
- Amending a record or adding a correction or addendum
- Changing policies, procedures or practices

## **9. Levels of financial compensation and authorities**

9.1. The matrix below will be applied to help determine what gesture or compensation is appropriate and who may authorise it.

9.2. These are guides and maximum limits for consideration, rather than fixed amounts (except where stated) and will be based upon the facts of the case and liaison with the person(s) affected.

9.3. The definition of what would be considered a low, moderate or severe impact can vary between individuals and should bear in mind the customer's own description and evidence of loss and their desired outcome, as well as advice of colleagues and reference to similar cases.

9.4. Specific calculations may also apply in certain circumstances such as loss of a room or amenity. Thresholds for amounts that can be authorised remain the same, and therefore payments over a certain amount must always be checked with the person who has the authority to authorise.

Level of CBC responsibility for service failure	Likely impact on the individual or household and who may authorise			
	None/minor	Low	Moderate	Severe
None/unclear	Support and assistance  All staff	Support and assistance, up to £25 or a non-financial gesture.  All staff	Support and assistance, up to £25 or a non-financial gesture.  All staff	Support and assistance, up to £25 or a non-financial gesture.
Partial	Financial or non-financial  Service Manager/complaint handler to review  Up to £25 per service failure <b>or</b> discretionary payment.  Up to a maximum of £75	Financial or non-financial  Service Manager/complaint handler to review  Up to £25 per service failure, or discretionary payment.  Up to a maximum of £75	Financial or non-financial  Service Manager to review  Up to £25 per service failure <b>or</b> discretionary payment  Up to a maximum of £100	Financial or non-financial  Service Manager to review  Up to £25 per service failure <b>or</b> discretionary payment -  Up to a maximum of £250
Full	Financial or non-financial  Service Manager/complaint handler to review  Up to £25 per service failure <b>or</b> discretionary payment  Up to a maximum of £75	Financial or non-financial  Service Manager to review  Up to £25 per service failure <b>or</b> discretionary payment  Up to maximum of £100	Financial or non-financial  SMT member to review  Up to £25 per service failure <b>or</b> discretionary payment  Up to maximum of £250	Financial or non-financial  SMT to review with CBC senior colleague if stage one complaint. Or Head of Service  Up to £25 per service failure <b>or</b> discretionary payment based upon case

## **10. Complaints or disputes about this policy**

- 10.1. If you feel that this policy has been applied incorrectly you can escalate this through the council's complaints policy [Complaints | Crawley GOV.](#)

## **11. Equalities Implications**

- 11.1. An equalities impact assessment has been completed.

## **12. Environmental Implications**

- 12.1. Any remedial action will need to bear in mind considerations around waste, resources and the Council's commitment to net zero.

## **13. Consultation**

- 13.1. All policies are subject to resident consultation. As a minimum this includes each policy being placed before our Tenant and Leaseholder Action Panel (TLAP) for scrutiny, and drawing upon feedback gained through resident engagement activities. Wider consultation will also take place depending upon the nature, complexity or impact of a policy.
- 13.2. Details of consultation can be found in the Equality Impact Assessment relating to the policy and in consultation summary documents where consultation has been more wide-ranging.
- 13.3. All policies must also have agreement of SMT and Cabinet.

## **14. Staff Training, Monitoring and Review**

- 14.1. We want to know about dissatisfaction with our services whether through contact with our officers; making a complaint or offering thoughts or suggestions through our resident consultation channels. We will use this information to assess our performance and identify common themes or concerns with aspects of our service. We will apply this learning to future reviews of this policy.
- 14.2. By delivering a consistent standard, acting on feedback, understanding residents' needs and preferences and inviting tenant scrutiny of our service we

aim to reduce the likelihood of service failings where compensation becomes necessary.

14.3. All staff of Crawley Homes are expected to undertake as a minimum the following training, which will support the application of this policy:

- Housing Ombudsman’s Dispute Resolution Training 1 and 2
- Crawley Borough Council’s suite of customer care training – parts 1, 2 and 3
- Equality, Diversity and Inclusion training
- A suite of training around potential issues affecting residents and their wellbeing, including mental health awareness and neurodiversity.

## Appendix A: Right to Repair

Under the Right to Repair Scheme, tenants have the right to have small, urgent repairs carried out within a specific timescale. These repairs and expected timescales are listed below. The repair must have an expected value of less than £250 for this scheme to apply.

### What happens if the work isn't done in time?

If the repair work isn't done within the specified time limit, you may ask for another contractor, approved by the landlord to do the work instead. We will issue the repair to the alternative contractor and send you a copy. We can only use contractors on our list.

### What happens if I am not in when the contractor calls?

If you're not at home to let the contractor in as arranged, the scheme no longer applies.

### What is a 'qualifying repair?'

#### Qualifying repairs under the Right to Repair scheme for local authority tenants:

Repair type	Response time(working days)
Total loss of electric power	1
Partial loss of electric power	3
Unsafe power or lighting socket or electrical fitting	1
Total loss of water supply	1
Partial loss of water supply	3
Total or partial loss of gas supply	1
Blocked flue to open fire or boiler	1
Heating or hot water not working between 31 October and 1 May	1
Heating or hot water not working between 1 May and 31 October	3
Blocked/leaking foul drain, soil stack or toilet	1
Toilet not flushing (if there is only one toilet in the property)	1
Blocked sink, bath or basin	3
Tap cannot be turned	3
Leak from a water pipe, tank or cistern	1
Leaking roof	7
Insecure external window, door or lock	1
Loose or detached banister or handrail	3
Rotten timber flooring or stair tread	3
Door entry phone not working	7
Mechanical extractor fan not working	7

### Claiming compensation under Right to Repair

If the second contractor doesn't do the repair work within the time limit, you are entitled to receive £10 in compensation. For every extra day you wait, you will receive another £2. The most compensation you can receive under the right to repair scheme is £50.

**This is not a definitive guide to the law. You are advised to contact an independent, free advice service such as CAB for further information.**

## **Appendix B: Compensation Claim Form**

This compensation claim form should be used to make a claim for damage to individuals, their home or belongings or other impacts of service failure by Crawley Homes, Contractors and those working on our behalf.

It may also be used to claim for reasonable expenses you have incurred if you have been required to leave your home for necessary works to take place.

Please note that you must notify us of your potential claim as soon as you have incurred the expenses or become aware of damage or loss. We may not accept responsibility for any alleged losses if you do not notify us in good time.

### **Claims for loss or damage:**

- **You must ensure that you keep any damaged items you are claiming for as evidence** of your claim until your claim has been settled.
- **You will need to support your claim with as much evidence as possible**, such as time stamped photographs of any damage, bills, receipts or evidence of the cost of any items to be replaced.
- We will only consider compensation payments where loss or damage is as a result of us failing to deliver a service
- Tenants and leaseholders are expected to take out contents insurance and to pursue claims through your own insurers for damage where we are not directly responsible, and have fulfilled our obligations as a landlord.

### **Claims for expenses:**

- If you are claiming for direct expenses you have incurred, such as for food, fuel or travel, you **must** provide a receipt or bill for each transaction.

**Crawley Homes has partnered with a very competitive home contents insurance provider, designed especially for tenants. For information, please contact your Housing Officer.**

Claim for Compensation

**Please note that the issue of this form does not constitute acceptance of liability.**

Please complete **ALL** questions as accurately as possible.

Full name of claimant:	Address:
Daytime Telephone Number:	Date of Birth:

Are you a Council tenant? Yes  No

Leaseholder: Yes  No

Do you have any contents insurance? Yes  No

If Yes, please provide the name and address of the insurance company and the policy number:

Do you have any ongoing or previous claims against the Council? Yes  No

If Yes, please provide details:



### Details of this claim

Item	Date of Purchase	Purchase price or amount claimed for damaged item	
		£	P

Please send copies of receipts, photographs or evidence with your claim.

**You should keep any damaged items you are claiming for until your claim is settled.**

Details of damage or expense incurred and why you believe Crawley Borough Council or our contractor/third party to be responsible:

#### Declaration

I/We declare that the details above are true and complete.

Signed:

Date:

## **Appendix C: Home Loss and Disturbance Payments**

### **Home Loss Payments**

To qualify for a mandatory home loss payment, you must:

- have been living at the property for at least 12 months before the date we move you. If you have not lived at the property for 12 months you may still be entitled to a pro-rata disturbance payment.
- be moving away from your existing home permanently.

Only one home loss payment will be made per property, whether it is an individual or joint tenancy. We will usually only make a home loss payment by direct bank transfer and only to the person(s) named on the tenancy agreement. We will only pay this after the move has taken place, and within three months of receipt of claims, whichever is latest.

This mandatory payment is fixed by Section 30 of the Land Compensation Act 1973 and is reviewed annually.

### **Disturbance Payments**

Typical items which can be claimed for disturbance include, but are not limited to those set out below. Whether you are able to claim will depend upon your circumstances and any proof of losses.

The burden of proof for any losses claimed is with the person claiming. This means that the onus is on you to be able to justify any claim.

It is of vital importance that you keep a detailed record of any losses or costs associated with moving from your home. You should keep all relevant evidence such as receipts, invoices or quotes.

Items which could be claimed for include:

- special adaptations to your replacement property
- altering soft furnishings and moveable fittings and fixtures to fit your new home
- disconnection and reconnection of services such as telephone or utilities
- forwarding of post (for a reasonable period)