

Tenant and Leaseholder Services Compensation Policy

1.0 Purpose and scope

In the delivery of a housing service, there will be times when we fail to meet the required standard. When this happens, we will accept responsibility and aim to ensure the tenant or leaseholder is not disadvantaged because of the service failure.

In most circumstances, there will be clear pathways available to put a situation right, but in some instances financial compensation may be appropriate.

This policy sets out the circumstances in which we will award compensation or offer a goodwill gesture. The policy will ensure our approach is consistent and empowers our officers to resolve issues without escalation.

This policy only applies to tenants and leaseholders of Thanet District Council (TDC).

2.0 Definitions

2.1 Compensation - A financial payment made in recognition of loss or distress caused as a result of a service failure.

2.2 Goodwill gesture - A discretionary payment or gift made to recognise that a shortfall in the way that we delivered our service, may have caused inconvenience or frustration.

3.0 Our approach

This policy is in place to ensure the following:

- Compensation payments are fair to both parties.
- The details of each case are reviewed on an individual basis.

4.0 Goodwill gesture

In some cases we may offer a discretionary goodwill gesture to acknowledge that there has been a service failure and to put it right.

Goodwill gestures could include:

- Vouchers
- Chocolates
- Flowers
- Carrying out repairs or redecoration that would otherwise be the responsibility of the tenant or leaseholder.

5.0 Compensation

Different circumstances will lead to a compensation payment being considered. These are split into three types of payments :

- Mandatory (such as statutory home loss payments)
- Quantifiable loss payments (where actual loss can be demonstrated)
- Discretionary payments (for time and trouble/distress and inconvenience)

5.1 Mandatory payments

Examples of mandatory payments include:

- Home loss
- Disturbance
- Payments under the Right to Repair scheme

5.2 Quantifiable loss payments

Examples of quantifiable loss payments include:

- Increased heating bills due to a repair
- Having to pay for alternative accommodation
- Having to pay for take away food or providing subsistence in a way that is more expensive than usual
- Paying for cleaning

These costs will be subject to the following investigations and will require proof of:

- The costs being reasonably incurred
- Evidence of the cost

5.3 Discretionary payments

Examples of where a discretionary payment could include:

- Poor complaint handling
- Delays in providing a service for example 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

6.0 Award of compensation

Where compensation is being considered due to negligence of Thanet District Council or a contractor working on behalf of Thanet District Council, evidence must be provided.

An offer of compensation will always be made in writing, this will confirm:

- The amount
- That the offer is made without prejudice

If a tenant or leaseholder is dissatisfied with the amount of compensation awarded then this must be escalated using the Thanet District Council complaints process.

When a tenant or leaseholder has any form of debt on their account or former tenancy, a compensation payment will be used to reduce or eliminate the debt. A debt can include:

- Rent arrears
- Service charge arrears
- Outstanding payment for a rechargeable works order
- Outstanding payment for court costs
- Council Tax arrears
- Former tenant arrears

7.0 How compensation will be calculated

7.1 Repair related compensation

For repair related compensation, Thanet District Council will follow the '*Right to Repair Regulations*'

<https://www.citizensadvice.org.uk/housing/repairs-in-rented-housing/repairs-what-are-your-options-if-you-are-a-social-housing-tenant/using-the-right-to-repair-scheme/>

7.2 Discretionary compensation

When considering discretionary payments for compensation we will take into account the following factors:

- The duration of any avoidable distress or inconvenience
- The seriousness of any other unfair impact
- Actions by the complainant or the landlord which either mitigated or contributed to actual financial loss, distress, inconvenience or unfair impact
- The levels of compensation for similar cases

For discretionary compensation payments, Thanet District Council will follow the guidance set by the Housing Ombudsman.

8.0 Where compensation will not be paid

8.1 Loss of communal services or facilities

Thanet District Council will not pay compensation for loss of communal services or facilities. In circumstances where we are proved to be negligent in reinstating communal services or facilities, other compensation can be considered on a case by case basis.

Where there is a loss of services originally charged in the financial year, this will be reflected in the year end accounts and in the following years service charge.

8.2 Other circumstances where compensation will not be paid:

- Claims for personal injury
- Claims for damage caused by circumstances beyond Thanet District Council's control (e.g. through storm or flooding)
- Problems caused by a third party not working for Thanet District Council
- Where a tenant; leaseholder or tenant of a leaseholder is responsible for the loss or delay of a service, or has not reported the issues
- Where the complaint is about repairs but the tenant; leaseholder or tenant of a leaseholder will not allow access to complete the repairs
- There is an ongoing legal action being made against Thanet District Council for the same issue
- A request for reimbursement for a loss of earnings
- Where additional rental costs are incurred during the process of moving into a new property
- Where damages would ordinarily be covered by a tenant or leaseholder's household insurance policies (contents, motor etc)

9.0 Delegation to sign off compensation

Compensation amount	Officer to authorise
Up to £250	Head of Tenant and Leaseholder Services
Over £250	Director of Place

[Corporate compensation policy](#)

10.0 Document control

Date	Version	Action	Amendments
August 2023	1	New policy	
	1	Equality impact assessment	Insert headings. Add full stops and simplify language for readability and access for screen readers.
	1	Approval for adoption by Cabinet	