

**Hammersmith & Fulham Council**

**Compensation Policy**  
**(incl. remedies) For Housing Repairs**

**June 2024**

**“The London Borough of Hammersmith & Fulham’s vision is to be the best council. Acting with integrity and working with residents to get things done”.**

**Our vision is underpinned by five priorities:**

*Building shared prosperity*

*Doing things with residents, not to them*

*Taking pride in Hammersmith & Fulham*

*Creating a compassionate council*

*Being ruthlessly financially efficient*

*Rising to the challenge of the climate and ecological emergency*

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## 1. Background

This compensation policy is underpinned by the Council's complaints policy and procedures. It takes into account the Tenant Involvement and Empowerment Standard – both which aim to provide a clear, simple and accessible approach that ensures that complaints are resolved promptly, politely and fairly.

This policy does not cover compensation relating to Housing Management as there is a separate Housing Management Compensation Policy.

Unfortunately, we don't always get things right and in some cases our service failure does not match our standards. This compensation policy will therefore apply where we have not acted properly or provided a poor service and where we would seek to restore a person to the position they would have been in, had the service failure not occurred. Naturally, in the first instance we will always apologise for our service failure and seek to put things right.

This document therefore aims to describe and ensure that:

- Compensation payments are fair and proportionate
- the scope of, and authority for, issuing compensation
- the underlying principles for ensuring that financial compensation is applied correctly

It should be noted that whilst the policy indicates the key principles, it cannot and does not seek to provide a compensation blueprint for every situation. Each case must be considered on its own merits, in the light of the circumstances of the case. However, the Council will aim to apply consistency particularly where casework is similar in nature and therefore the principles should be followed in every case.

This policy does not consider:

- Personal injury or other public liability or insurance claim
- Claims of damage beyond our control (eg, a storm, pandemic, war etc)
- Claims that should be covered by a home contents insurance policy which you as a tenant are responsible to obtain. This would include damage to your belongings (including floor covering) through leaks, flood or fire
- Where loss is due to lack of action, neglect, wilful damage or misuse by you, your household or guest
- Issues subject to legal proceedings or disrepair claims
- Loss or damage caused by a third party (eg a utility company)

We have made every effort to ensure that this policy is fair and proportionate and carried out an Equality Impact Assessment against it to consider the positive and negative impacts that this may have on people with protected characteristics under the Equality Act 2010 legislation.

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## 2.Introduction

This policy sets out our approach to instances where it is considered appropriate to remedy a complaint with a financial payment.

We aim to provide good quality services that meet the needs of our residents. The policy is designed to explain our approach to remedies with a financial payment when fault has been identified and there is a need to put our residents back to where they were before the fault occurred.

The policy will be applied effectively and proportionately and will allow decisions to be considered appropriately on a case-by-case basis.

We work closely with the Housing Ombudsman's Guidance to Remedies, and these guidance notes have been included within this policy to ensure that all remedies are awarded in line with these guidelines if fault has been identified.

We aim to provide an effective and reliable service to all our residents and resolve any issues at the first point of contact. However, there will be some instances where issues have not been remedied and a need for a financial payment may arise.

When it has been identified that we are at fault, we should rectify the issue by apologising to the resident either in writing or face-to-face. The apology should include:

- acknowledging that we have made an error,
- a sincere apology which identifies the errors that have been made: and
- provide the solution that we are going to put in place to rectify the situation.

Where financial redress is deemed appropriate, it may only be claimed once for a specific issue. However, where we have identified multiple service failures each one will be considered and compensated for. For example, if we have failed to carry out a repair and then there has been a delay in responding to a complaint regarding to this matter, then financial redress should be considered both for the original failed repair and separately for the failure in responding to the complaint.

Where a resident is taking legal action against the Council and has commenced legal proceedings in a Court or Tribunal, the case will be managed by the Council's Legal Services and not considered under this policy.

Where the Council receives a compensation claim against a third party, such as a contractor, where damage has occurred due to the contractor's negligence, the Council will deal directly with the resident to resolve the issue. Following resolution, if financial compensation is due, the Council will pay this to the resident itself.

### 3. Making a compensation claim

Residents can make a compensation claim in several ways, including:

- In person
- By telephone
- By letter
- By email
- By completing the Council's online complaints form
- Through an authorised relative or representative
- By a councillor or MP acting on their behalf.

Claims are expected to be made no later than 6 months after the service failure of fault has occurred.

If the claim for compensation is received as part of a complaint, then the timescales that will be applied will be in line with our Corporate Complaint Procedure. This procedure can be found:

[Formal corporate complaints | LBHF](#)

However, if a claim is received outside of this procedure all claims will be acknowledged within 3 working days and assessed within 10 working days of receipt. The 10 days may be exceeded if further actions are required to take place before compensation can be fully considered. This will be communicated to the complainant.

Only in exceptional circumstances, supported by appropriate evidence regarding delay in making the claim, will we consider a claim after the 6-month period. Such a claim will be assessed on a case-by-case basis and entirely at our discretion.

### 4. Assessment of claims for financial redress

In assessing a claim for financial redress, the following factors will be considered:

- The severity of the time, trouble and inconvenience suffered, and whether this was reasonably foreseeable by the Council.
- Whether we have already provided non-financial compensation, e.g., the service failure has been resolved.
- Whether the loss or inconvenience could be reconciled in any other reasonable manner by the resident
- Any known costs that have been reasonably incurred
- Consideration of vulnerability within the household, such as age, disability, security, risk of harm
- Recognition of the Council's failure to follow policies and procedures.
- Time taken to resolve the issue.

We may, at times, provide financial redress beyond the parameters of this policy if deemed fair and reasonable to do so. Such occasions will be an exception, on a case-by-case basis, and will not set a precedent for the future.

## **5. Payments for financial redress and appeals**

Awards for financial redress regarding time, trouble and/or inconvenience and poor complaint handling should be paid directly to the complainant via a BACS transfer to their bank account.

Offers for financial redress will usually only be made once all remedial actions or repairs have been completed satisfactorily. In this way we can fully understand any possible adverse impact on the complainant and ensure this is reflected in the award.

However, if it is identified that the issues will take an extended period of time to resolve, then an interim offer of compensation may be awarded.

If the resident is dissatisfied with the level of financial redress offered, they can appeal within 10 working days. Any appeals made outside of this period will be reviewed on a case-by-case basis. In such circumstances, the resident will be asked to specify what they consider an appropriate payment to be, with supporting reasons. The offer will be reviewed but with no guarantee that it will be changed.

If an appeal is not received within 10 days, the case will be closed. The original offer for financial redress will remain valid for three months from the date the written offer was made. After 3 months the offer will be withdrawn.

Any payments will be made and credited no later than 30 working days from the date of offer for financial redress being accepted.

## **6. Financial redress levels guidance**

**Awards of £50 to £300** – Remedies in the range of these amounts may be used for instances of service failure resulting in some impact on the complainant. We recognise that there has been service failure which had an impact on the complainant but was of short duration and may not have significantly affected the overall outcome for the complainant. Examples can include:

- Repeated failures to reply to letters or return phone calls.
- Not having regard to a complainant's preferred method of contact or contact requirements.
- Failure to meet service standards for actions and responses but where the failure had no significant impact.
- Incorrectly addressing correspondence (so as to cause offence/upset, but not a breach of data protection requirements).

The impact experienced by the complainant could include distress and inconvenience, time and trouble, disappointment, loss of confidence, and delays in getting matters resolved.

**Awards of £300 to £1,000** – Remedies in the range of these amounts may be for cases where the Ombudsman has found considerable service failure or maladministration, but there may be no permanent impact on the complainant. Examples could include:

- Misdirection – giving contradictory, inadequate or incorrect information about a complainant’s rights (for example, in relation to decants, mutual exchanges, or preserved right to buys)
- A complainant repeatedly having to chase responses and seek correction of mistakes, necessitating unreasonable level of involvement by that complainant.
- A complainant being repeatedly passed between staff and/or teams, with no one officer or department taking overall responsibility, or a landlord not taking responsibility for sub-contracted services.
- Failure over a considerable period of time to act in accordance with policy – for example to address repairs; to respond to antisocial behaviour; to make adequate adjustments.
- Serious failures but which have already been recognised and resolved by landlord, including redress for actual financial loss.
- Repeated failure to meaningfully engage with the substance of the complaint, or failing to address all relevant aspects of complaint, leading to considerable delay in resolving complaint.
- Significant failures to follow complaint procedure, escalate the matter or signpost the complainant.

**Awards of £1,000 and above** – Remedies in the range of these amounts are used in recognition of maladministration/severe maladministration that has had a severe long-term impact on the complainant. Remedies in this range will be appropriate when there has been a significant and serious long-term effect on the complainant, including physical or emotional impact, or both. Examples of where we make remedies in the region of these amounts include:

- Long stay in temporary accommodation due to mishandling of repairs
- Mishandling or partial mishandling in an antisocial behaviour.
- Erroneous or premature threat of eviction
- Failure to make reasonable adjustments.
- Failures leading to Environmental Enforcement Orders
- Serious mishandling or misdirection leading to speculative loss\*

\*Whereby on balance of probabilities it can be reasonably concluded that the complainant has suffered a financial loss, but it would be speculative to try and quantify any actual loss. Examples might include:

- Mishandling by a landlord of a Right to Acquire application leading to the complainant’s mortgage offer expiring and the new mortgage offer being on less favourable terms

Landlord unreasonably withholding permission for assignment of tenancy



### **Remedy payment for Distress**

A remedy payment for distress is often a moderate sum of between £100 and £300. In cases where the distress was severe or prolonged, up to £1,000 may be justified

Residents will often describe how they have been affected by the situation that has led to their complaint, for example in terms of the impact on their family life, use of their home, impact on their employment, or on their health and emotional wellbeing. Some residents will set this within the context of their mental and/or physical health and explain how the Council's actions or inactions have affected them or exacerbated existing health conditions.

Distress can include:

- stress, anxiety, worry, frustration, and uncertainty
- raised expectations – where the Council's actions or inactions resulted in a resident reasonably believing that something would, or would not, happen
- inconvenience
- a strong sense of having been treated differently to others for no apparent reason
- problems caused by delays in a landlord resolving matters or poor complaint handling

When assessing the impact of the distress we take into account:

- the severity of the situation
- the length of time involved
- any disabilities or particular vulnerabilities of the resident
- any other relevant factors

A remedy payment for distress is often a moderate sum of between £100 and £300. In cases where the distress was severe or prolonged, up to £1,000 may be justified. Exceptionally, more than this may be recommended if the fault identified is severe.

### **Remedy payment for harm**

Where fault has exposed a complainant to the risk of harm (rather than actual harm), a remedy payment of up to £500 will usually be an appropriate acknowledgement of the impact of the fault. Where the risk was significant, or harm actually occurred, a remedy payment of up to £1,500 may be recommended to acknowledge this. Exceptionally, if there was significant actual harm over a prolonged period, more may be recommended.

### **Remedy payment for time and trouble**

The remedy payment for time and trouble is unlikely to be less than £100 or more than £300. It should be adjusted to reflect the degree of extra difficulty experienced by the complainant, and any factors which make the complainant vulnerable.

## **7. Day to Day Responsive Repairs**

Due to the nature and volume of responsive repairs, and the complexity of resolving issues, we have identified a need to have a more detailed and robust guidance to financial redress.

All residents are strongly advised to take out a comprehensive household policy to insure their belongings. The council will insure the structure of their buildings and their fixtures and fittings against loss or damage caused by certain risks. However, tenants are responsible for insuring their belongings in their homes. Under the terms of their leases, leaseholders are required to have buildings insurance and are advised to insure their belongings in their homes.

We have negotiated a special household insurance scheme for tenants at reasonable rates which is advertised. We undertake to remind residents regularly and prominently to take out content's insurance

## **8. Right to repair scheme (applicable to council tenants only)**

Secure tenants are able to have urgent, minor repairs to their individual property, which affect health or safety, completed quickly at no cost to the tenant. Where such repairs have not been completed within a prescribed period, tenants may be compensated.

The scheme covers small, urgent (qualifying) repairs to individual properties, costing up to £250 which, if not carried out within a prescribed period of time, are likely to jeopardise the health or safety of the tenant.

Tenants will become entitled to compensation when the contractor fails to complete qualified repairs within the prescribed timescale. The amount of compensation will be moderate to reflect the delay in completing the repair, not the cost.

We may wish to visit the property to satisfy ourselves that the issue is a qualifying repair, and this will be done immediately. If we decide that it is not a qualifying repair, we will notify the tenant providing an explanation.

If we are satisfied that it is a qualifying repair, we will issue a repairs notice to a contractor and provide the tenant with a copy. If the repair is not completed in the prescribed period, and the tenant requests another contractor, we will, where possible arrange this and issue a second notice and provide the tenant with a copy.

We shall pay compensation to the tenant if the qualifying repair has not been carried out within the second prescribed period. The sum payable is £10 with a further £2 per day for every extra day the repair is not fixed, up to a maximum of £50.

Right to repair compensation will not be granted if:

- the tenant does not allow access in order to assess if the repair is a "qualifying repair":

- there is evidence that the tenant cause the problem:
- it costs more than £250:
- the tenant does not report the repair:
- the tenant is not available at the agreed time: and
- if the tenant does not allow the contractor access to the property.

**9. Qualifying repairs and the prescribed period for completion are:**

<b>DEFECT</b>	<b>Prescribed Period (working days)</b>
Total loss of electric power	1
Partial loss of electric power	7
Unsafe power or lighting socket	1
Total loss of water supply	1
Partial loss of water supply	7
Total or partial loss of gas supply	1
Blocked flue to open fire or boiler	1
Total or partial loss of room or water heating	1
Blocked or leaking foul drain, soil stack or (where there is no other working toilet in the dwelling) toilet pan	1
Toilet not flushing (where there is no other working toilet in the dwelling)	1
Blocked sink, bath or basin	7
Tap which cannot be turned	7
Leaking from water or heating pipe, tank or cistern	1
Leaking roof	7
Insecure external window, door or lock	1
Loose or detached banister or hand rail	7
Rotten timber flooring or stair tread	7
Door entry phone not working	1
Mechanical extractor fan in internal kitchen or bathroom not working	7

**10. Repairs specific compensation**

The compensation payment schedule below outlines the levels of compensation that may be paid:

<b>Reason for compensation</b>	<b>Award from/action by council</b>
No heating (total loss) (For leaseholders this is only if part of district heating scheme)	£5 per day after initial 24 hours.  This amount includes any additional energy costs.

	After 5 days, consideration will be given regarding time, trouble and inconvenience.
No hot water (total loss) (For leaseholders this is only if part of district heating scheme)	£2 per day per person (according to tenancy records) after initial 24 hours. This is capped at £10 per day.  After 5 days, consideration will be given regarding time, trouble and inconvenience.
Total loss of mains water (due to council's responsibility)	£30 for the first 24 hours followed by £10 per additional 24-hour period.
Total loss of power (due to council's responsibility and not part of planned maintenance)	£30 for the first 24 hours followed by £10 per additional 24-hour period.
Cost of additional food while cooking facilities are unavailable	£15 per day per adult and £10 per child after initial 24 hours (Tenants only, Leaseholders will need to claim under the leaseholders insurance)
Cost of additional electricity used while using dehumidifier(s)/heater(s)	£2.50 per day per dehumidifier.  £5 per day for fan heaters ( total per household not per heater) (Does not apply to heaters if total loss of heating payment applied)
Missed appointment(s) by contractors	£50
Damage to, or loss of, resident's personal property, belongings or internal decorations	Where applicable, a claim will be passed to the contractor's insurers if the damage is caused by them, or to the council's insurers if caused by a council employee and liability is confirmed. Compensation will not be awarded if the council makes good.
Discretionary decorating allowance	Up to £100 per room to complete additional decorating unless the council makes good.

We will only compensate for loss of services where negligence on the part of the council or its contractor can be proven.

### 11. Room loss allowance (all residents)

The assessment as to whether a room or property is unusable will be made by us (surveyor) at the point when the damage and repair request is made.

For each unusable room, a resident can receive up to the following percentage of the weekly rent as compensation. For leaseholders use the rent level that would be charged if it was a council tenanted property. The maximum that can be claimed is 50% of the weekly rent.

Room	Percentage of weekly rent	Period after which compensation is payable
Kitchen	25%	48 hours
Bathroom	25%	48 hours
Bedroom	20%	48 hours
Living room	10%	48 hours

No compensation will be paid where this forms part of programmed works.

If only partial loss of the room is experienced, the percentage of compensation will reflect this, e.g., only the bath was unusable so, instead of 25% being provided, only 5% will be applicable as the whole room was not unusable.

If we assess that a resident has not had full enjoyment of the home or garden area, we will consider a compensatory award for this using the above table as a guide

### 12. Leaseholder specific compensation

Service charges paid for a specific service provided by us may be fully or part refunded where there is proven evidence that we are responsible for the service and the service was not provided as agreed.

Where a leaseholder lets out their property, we will not compensate for loss of rental income or rent increases. Any compensation paid will be discussed with, and credited to, the leaseholder directly and not the tenant to the leaseholder. In the latter case, this will still only be considered where the leaseholder has notified us of the tenancy and provided current contact details for the tenant.

Compensation for missed appointments on communal repairs will only be awarded where we have specifically requested that the leaseholder be present and records support this.

### 13. Housing Ombudsman Guidance on remedies

Please see below the link to the Housing Ombudsman guidance to remedies:

[Guidance on remedies \(housing-ombudsman.org.uk\)](https://www.housing-ombudsman.org.uk/guidance-on-remedies)

Document Name	Compensation Policy For Housing Repairs		
Document Author	Zoe Buckley, Resident Experience Manager		
Document owner	Yvonne Hadlames, Head of Residents Contacts		
Accessibility	N/A		
File location			
Destruction date			
How this document was created	Version 1	Instructed by Ombudsman to have a corporate compensation policy	February 2024
	Version 2	Expanded on the meaning of distress	June 2024
	Version 3		
Circulation restrictions	None		
Review date	February 2026		

