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## 1. Purpose and context

- 1.1 This policy outlines the remedies that may be offered in response to any service failure and the detriment it caused, such as harm or inconvenience.
- 1.2 It also outlines situations where remedies other than financial compensation may be considered, which are sometimes linked to a complaint being dealt with under our Complaints policy.
- 1.3 Factors to be considered when deciding on remedies can include:
  - How long a situation has been going on for.
  - How often something happened.
  - The severity of any service failure or omission.
  - The overall impact on the resident.
  - The resident's particular circumstances or vulnerabilities.
- 1.4 This policy is designed to work alongside our Complaints policy to resolve complaints fairly and consistently, which is in line with the Social Housing Regulator's Resident Involvement and Empowerment standard. This policy has been written in line with the Housing Ombudsman's dispute resolution principles, and expanded to reflect our approach to dealing with reports of dissatisfaction:
  - Be fair – treat people fairly and follow fair process, keeping them updated with progress within published timescales.
  - Be objective – ensure that matters are dealt with impartially at every stage.



- Put things right – work to put the customer back into the position they were in before the issue occurred. Acknowledge and apologise for any mistake or service failure, providing an explanation of what went wrong where we (or a contractor working on our behalf) were at fault.
- Be consistent – compensate customers in line with this policy.
- Learn from outcomes – learn from all feedback and use it to improve services.

## 2. Scope

2.1 This policy sets out the circumstances where we may offer compensation, refund or reimburse for a lost service, amenity or financial loss, or offer an alternative remedy. It covers specifically:

- Landlord services provided by Lewisham Council's Housing Service directly or through its' contractors
- Properties directly managed by Lewisham Council
- Tenants and leaseholders of Lewisham Council

**Note:** Some remedies only apply to certain tenure

2.2 Unless there are exceptional circumstances that prevented a claim for compensation being made earlier, we are unable to accept claims where the incident or service failure came to the resident's attention more than six months ago and has not been reported.

2.3 A financial remedy may not be given in the following type of situations:

- Where we are not at fault for the claimed loss or damage, for example if the resident is advised to claim through their contents insurance for damage to belongings following a leak from a neighbour's property.
- Where service failure results from extreme and/or unforeseen conditions, and where we have taken all reasonable steps to restore services and/or facilities.
- Where financial claims are being pursued by another route, including legal proceedings being issued or liability insurance.
- Where a payment is administered under a separate process outside of this policy – for example statutory Home-loss, or Under-occupation payments.

## 3. General principles

3.1 We, and the contractors working on our behalf, work to agreed service standards and try to address issues as soon as possible to prevent complaints and compensation being necessary.

3.2 We will always look for a remedy to put the resident back into the position they would have been in, had the failure or loss not occurred. Where this is not possible, compensation or an alternative suitable remedy may be considered.

3.3 We will implement this policy consistently and consider each case in a way that is transparent, proportionate and reasonable. This means that as well as considering what is fair for the individual, we also consider our duty to other residents by handling



funds responsibly.

- 3.4 When considering what is reasonable and proportionate, we will check at what point we knew about a situation, and whether we acted in line with our policies, as well as whether anyone else, including the resident, contributed to the issue or delay.
- 3.5 Where Lewisham Council makes an apology or any offer of redress, as stated in the Compensation Act 2006 (Part 1): *'An apology, an offer of treatment or other redress, shall not of itself amount to an admission of negligence or breach of statutory duty'*.
- 3.6 Any accepted remedy, including financial compensation made under this policy, will be in full and final settlement of the complaint or issue raised it is linked to. By accepting the remedy, the resident agrees that the matter is closed and has been resolved to their satisfaction. (A resident is free to reject a proposed resolution or elements of it, and escalate through the complaints process).
- 3.7 Where financial compensation is awarded to a resident, this may be offset against an outstanding balance owed to us, such as rent arrears, unless this is to reimburse an expense incurred.
- 3.8 Residents should always make a claim on their own contents insurance where there has been damage to their belongings. If they believe we are responsible, they can submit a claim to our insurers by contacting us for their details.

## 4. Definitions

For the purposes of this policy, definitions are as follows:

- **Refund of charge** - money that is repaid where there is a loss of amenity or service included in the service charge or rent, for example loss of heating or where a resident has been unable to use a room. The refunded amount will reflect the actual charge for the service/amenity that was lost since being reported to us and where we fell outside of our agreed timescales for rectifying. A discretionary payment may be made in addition where this has had a significant impact or to recognise the time and trouble needed to bring the matter to our attention.
- **Reimbursement of an incurred expense** – where a resident has incurred additional expenses because of a service failure or incident, for example travel, cleaning or additional electric costs if needing to use a dehumidifier.
- **Compensation** - payments awarded in recognition of inconvenience caused to residents for a loss of service, amenity or non-monetary benefit.
- **Discretionary payment** (also known as ex-gratia payment) – where we are not necessarily obliged to but have made an award to resolve a matter or complaint. This could be where a resident has experienced significant 'time and trouble' in making their complaint, been impacted significantly by the loss of a service, or where a 'goodwill' award is made in a non-fault situation.
- **Statutory payment** – these are usually pre-set amounts or set within a threshold or criteria, with a prescribed way of calculating in accordance with legislation, for example Home-loss or Right to Repair scheme payments (see section 5. below).

## 5. Statutory compensation

- 5.1 **Right to Repair** – this is a statutory compensation scheme which enables residents to have qualifying repairs which affect their health or safety completed quickly or receive



compensation where they have not been within the prescribed time.

- 5.2 **Compensation for improvements** – Council tenants whose tenancy is ending can apply for compensation for previously approved 'qualifying improvements' they had made to the home.
- 5.3 **Disrepair** – Claims and notifications of disrepair will be managed according to separate processes which have been written to comply with relevant legislation, including a Pre-Action Protocol for Housing Disrepair Cases.
- 5.4 **Home loss/Basic loss payments** – a statutory scheme covering payments to tenants and leaseholders with a qualifying interest in land where they are required to move for specific reasons and disturbance payments may also apply. This scheme is not included within the scope of this policy, but is administered by Lewisham Council for qualifying tenants and leaseholders.

## 6. Non-financial remedies

- 6.1 We will always consider offering non-financial remedies in addition to, or instead of, financial awards if appropriate. These could include:
  - Apologising
  - Acknowledging when things have gone wrong
  - Taking the action needed to put things right, such as carrying out a repair
  - Providing a full explanation why the service fell below the expected level
  - Taking swift action if there has been a delay
  - Reconsidering or changing a previous decision
  - Amending a record
  - Offering an alternative solution or an additional service which would not usually be given, (for example assisting with a maintenance issue that would normally be the residents responsibility)
- 6.2 In addition, we may:
  - Review a policy or process where there is evidence of a flaw or gap (informing the resident that we will do this).
  - Offer staff guidance or training if there is evidence of us failing (informing the resident that we will do this).
  - Take appropriate action against an employee or contractor.

## 7. Refunds and reimbursement

- 7.1 **Uninhabitable rooms** - Residents will be awarded a payment when rooms cannot be used because of our failure to take reasonable steps to carry out repairs in line with our published timescales. The calculation awarded is based on the net rent and number of rooms in the property that could not be used.
- 7.2 **Decorating** - Recognising that one size doesn't fit all, we will use discretion when offering a suitable remedy where redecoration is needed after a repair has been completed. We will usually make good by preparing a surface for a resident to redecorate, but may sometimes offer a decorating voucher or allowance instead. We may offer to redecorate where a resident has a health limitation which would make it difficult for them to carry out this work themselves.



- 7.3 **Heating/Hot water failure** - A proportion of the rent may be refunded for loss of the amenity if a hot water or space heating appliance supplied by us fails, and where an alternative form of heating is not provided within the required timescale. Where a resident pays a service charge for heating and hot water, this will be the basis of a pro rata refund.
- 7.4 **Loss of water supply** - This will be considered where the loss of supply is because of a failure or omission by us.
- 7.5 **Caretaking/Grounds maintenance** – Examples of these are gardening, litter picking and sweeping inside/outside communal areas where the services are paid for through a service charge. We may refund the service charge pro rata where there has been a complete/full loss of a service beyond a week with no alternative provision being made. There may be exceptions to this, for example where a service could not be provided due to circumstances beyond our control, such as a pandemic or extreme weather conditions, but where an alternative or additional service was provided instead, such as gritting or additional cleaning.
- 7.6 **Lift failure/Door entry** – A service charge refund may be payable where a lift/door entry system is unavailable beyond our published timescales for the repair to be carried out.
- 7.7 **Digital aerials and digital services** - A service charge refund may be payable where there is a loss in digital service to a system or equipment we provide, and we have not met our published timeframes to re-establish the service. However, we are not responsible for offering compensation for the loss of digital services the resident pays a third party to provide. In this circumstance, the resident should contact their digital supplier directly.
- 7.8 **Other paid services** - In certain locations, residents may pay us to provide additional services, such as concierge or specialist security measures. Where we deliver and charge for a service, we will always consider refunding the charge for delays beyond our contracted timescales. Where a service is provided directly by a third party, for example a utility company or internet provider, the resident should contact the supplier directly.
- 7.9 **Other reimbursement** – As it is not possible to cover all situations/eventualities in this policy, we will always use our discretion in reimbursing for other incurred expenses or loss. We may ask for evidence of the expense in order for us to calculate the reimbursement, such as a receipt or previous bill for comparison. At times, we may agree in advance a maximum amount that we will reimburse where we know an expense is likely to occur or can reasonably be expected.

## 8. Discretionary payments

- 8.1 Discretionary payments may at times be awarded depending on individual circumstances, and each case will be considered on its own merits. We will always consider every factor when calculating discretionary payments, such as the effect the impact on a particular resident due to their age or disability for example.
- 8.2 We will provide guidance for our staff in procedures that implement this policy. These will help them to identify situations where discretion may be used, and the methods for calculating/agreeing such awards, in line with those made by the Housing Ombudsman and other such bodies.



## 9. Claiming compensation and making a complaint

- 9.1 A complaint does not always need to be made to claim compensation, and your first port of call should always be to discuss your concerns with the relevant service to hopefully come to an agreement.
- 9.2 However, if you are unable to resolve the matter or are unhappy with the outcome, you may want to make a complaint. This does not need to be made in writing and can be made in several ways:
- By telephone: 0800 028 2028
  - Online: <https://lewisham.gov.uk/my services/housing/council-homes/complaints>
  - By email: [housingcomplaintsandenquiries@lewisham.gov.uk](mailto:housingcomplaintsandenquiries@lewisham.gov.uk)
  - Face to face with a member of staff
  - By letter: Lewisham Council Housing Complaints and Enquiries, Laurence House, 1 Catford road, SE6 4RU

## 10. Monitoring, controls and learning

- 10.1 This policy is implemented through internal processes we have in place to administer complaints and compensation, as well as the measures to process statutory and contractual awards.
- 10.2 Compensation and other remedies linked to a complaint are recorded and analysed as part of learning and continuous improvement to prevent repeat occurrences and help us improve our services. Complaints about contractors working on our behalf are also monitored, as part of the contract management arrangements. This ensures services are being delivered effectively and helps to identify where they need to do better.
- 10.3 Remedies and awards will be analysed and monitored:
- By internal quality checks and audit trails.
  - For effectiveness in addressing the issue and for consistency.
  - By benchmarking our services against other housing providers.
  - To identify equality implications and ensure we are providing fair and consistent services.
- 10.4 If a complaint is escalated to the Housing Ombudsman, we will comply with any recommendations in full and promptly, which could include the payment of compensation.
- 10.5 The Housing Ombudsman regularly publishes information about its decisions on individual cases and patterns across the housing sector. We regularly review this information and use it to inform our learning, decision making and compensation payments for similar cases.

## 11. Legislation and good practice

Applicable legislation and regulation includes but is not limited to:

- Housing Ombudsman Scheme and Code of practice



- Section 11 of the Landlord and Resident Act 1985
- Environmental Protection Act 1980
- Fitness for Habitation Act 2018
- Compensation for improvements – provisions under Housing Act 1985 (as amended)
- Secure Tenants of Local Authorities (Right to Repair) Regulations 1994
- Resident Involvement and Empowerment standard (Regulator of Social Housing)

## 12. Equality, diversity, and inclusion

12.1 An equality assessment was carried out in the development of this policy and reviewed alongside the review of this policy. This concluded that implementation of this policy presented no barriers to accessing the service/process or unintentionally disadvantaging any protected group. The principle of fairness and a range of remedies, including discretion, are built into the policy so that we do not have to apply a 'one size fits all' solution. This can be applied for example when it comes to discretionary payments.

## 13. Communication and consultation

13.1 We will provide information on this policy and how we may calculate compensation on our website.

13.2 To be part of the decision-making process and influencing policies, processes and services that affect them, members of an online residents sounding board provided feedback on this policy, which was incorporated, as appropriate.

13.3 The review of this policy considered the updated Housing Ombudsman Complaint Handling code, which was itself subject to wide consultation across the social housing sector and with residents.

13.4 We will report information on the remedies used to resolve complaints:

- To residents – through our website, resident newsletters, and Annual Complaints and Enquiries report
- To our Housing Executive team
- Through other agreed monitoring and scrutiny channels as agreed

1.5 We have arrangements in place to protect the confidentiality of service users. Where information needs to be shared with our officers and partners to resolve a complaint or to deal with a compensation award, this will be in line with data protection requirements.



# Housing Services

## Compensation, Reimbursements and Remedies policy

**Replaces:** Compensation reimbursement and remedies policy March 2022 (Lewisham Homes)  
Minor updates to reflect the return of landlord services previously managed by Lewisham Homes to Lewisham Council

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**Approved by:** Lewisham Council's Housing Departmental Management Team

**Policy owner:** Director of Housing Resident Engagement and Services