

Report for: Homes Policy Development Group

Date of Meeting:	19 th November 2024
Subject:	MID DEVON HOUSING (MDH) TENANT COMPENSATION POLICY UPDATE
Cabinet Member:	Cllr Simon Clist Cabinet Member for Housing, Assets and Property and Deputy Leader
Responsible Officer:	Simon Newcombe – Head of Housing and Health
Exempt:	None which are Exempt from publication under paragraph 3, Part 1 of Schedule 12A to the Local Government Act 1972 (as amended) as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information)
Wards Affected:	All
Enclosures:	Annex A – Tenant Compensation Policy Annex B – Tenant Compensation Policy Equality Impact Assessment

Section 1 – Summary and Recommendation(s)

The policy was last approved in January 2022, and has become due for review after 3 years.

Since the current compensation policy was adopted the Housing Ombudsman (HO) has issued guidance notes to Registered Providers that relevant policies should provide redress to restore a person to the position they would have been in had the service failure not occurred.

In line with the HO guidance the revised policy sets out compensation payments that are fair, consistent and proportionate whilst recognising that each case will be considered on its individual merits.

The Council has also recently received specific guidance and recommendation from the HO in respect of compensation for the additional cost of temporary heaters.

These guidance updates were timely with the rolling review date of the policy and the policy has been updated as set out below.

Recommendation:

- 1. That the PDG recommends that Cabinet adopt the updated MDH Tenant Compensation Policy and Equality Impact Assessment contained in Annexes A and B respectively**

Section 2 – Report

1 Introduction

- 1.1 Mid Devon Housing (MDH) aims to provide excellent service to its tenants at all times, however, we recognise that there will be occasions when our tenants may suffer some disadvantage, inconvenience or loss as a result of our actions or mistakes and that in some instances, financial compensation or a goodwill gesture may be the most appropriate form of redress.
- 1.2 Under the Transparency, Influence and Accountability Standard, the Regulator of Social Housing (RSH) requires all Registered Providers to ensure complaints are addressed fairly, effectively, and promptly. Furthermore, the HO expects Registered Providers to have a redress scheme in place.
- 1.3 The RSH regard councillors as responsible for ensuring overview that providers' businesses are managed effectively and that providers comply with all regulatory requirements. As such, members should be satisfied MDH are complying with the relevant current consumer standards and requirements regarding tenant compensation as set out above.

2 Policy Review and Changes

- 2.1 MDH have had a redress and tenant compensation scheme in place through the adopted current and previous compensation policy for a number of years. The policy review found the current policy to largely fit for purpose, nonetheless some amendments are now required as set out below.
- 2.2 As a result of an investigation by the HO into compensation paid to a tenant who had had temporary heaters installed it was determined that MDH were liable for the daily usage of the heaters. Our current Policy stated 'Tenants will be compensated for the daily use of each heater provided'.
- 2.3 The revised Policy now states that 'MDH will consider reimbursing tenants for any out of pocket expenses as a result of having to use temporary heaters whilst their heating issue is being resolved. We may request proof of these out of pocket expenses' This amendment ensures that the policy is transparent for

tenants that we will reimburse them for an increase in their expenditure, if that occurs, for using the temporary heaters.

- 2.4 The revised Policy now also includes details of the updated Regulatory Framework including the new mandatory consumer regulation standards alongside mirroring wording within the updated HO guidance and context so there is clear alignment.
- 2.4 It is proposed that the revised Policy will be reviewed after 5 years instead of 3 to align it with all MDH policy reviews.

3 Performance 2023-2024, Monitoring and Reporting

- 3.1 During 2023-24 we offered £10,327.93 in compensation and goodwill gesture payments (GWG).
- 3.2 £6,692.93 compensation was accepted and £369.66 GWG payments were accepted. Not everyone accepted their offer of redress.
- 3.3 In total 51 residents/tenants were offered compensation/GWG but only 43 accepted.
- 3.4 The highest amount we paid to a tenant in one go was £1,123.00, this payment was accepted. The highest amount we offered that was not accepted was £1,050.00.
- 3.5 Such payments are always made in accordance with adopted policy and are reviewed and monitored on a regular basis. This is undertaken through rolling reporting and monthly meetings between the complaints officer and the Head of Housing and Health alongside wider, pan-service performance management meetings.
- 3.6 Going forward, data and details of compensation and GWG payment information (on a non-case specific basis) will be reported as part of meeting the wider transparency requirements of the Transparency, Influence and Accountability Standard. This will be achieved through inclusion in the annual MDH complaints reports produced under the HO Complaints Handling Code.

4 Consultation

- 4.1 Tenants and members of the Homes PDG were invited to comment on the draft policy between 1st September and 1st October 2024.
- 4.2 No queries or concerns were raised during the consultation.
- 4.3 Despite no response to the consultation from tenants, it is important that tenants are fully aware of the updated policy. To this end, should the policy be adopted, MDH will proactively signpost the policy on our webpages/Facebook pages and in the next tenant newsletter. Where relevant, particularly in relation to queries, service requests or complaints we will also ensure specific tenants or other stakeholders are also aware of the updated policy as required.

5 Safeguarding and Vulnerable Tenants

- 5.1 MDH recognises that there are some circumstances whereby a tenant's disability, language or cultural background may make it more difficult for them to understand or exercise their rights as set out in this policy and associated regulations. We tailor our service to support such tenants.
- 5.2 The provision of the discretionary compensation section allows the housing repairs service to consider the additional impact of disability, language barriers, cultural background or any other vulnerability factors.

6 Recommendation

- 6.1 In accordance with the above, the following recommendation is made:
- 6.2 That the PDG recommends that Cabinet adopt the updated MDH Tenant Compensation Policy and Equality Impact Assessment contained in Annexes A and B respectively.

Financial Implications

The financial implications will be contained within the Housing Revenue Account (HRA) and adequate budget provision in place back on trend and current levels of compensation payments.

Legal Implications

It will be necessary to ensure that the Tenant Compensation Policy addresses all the legal obligations the Council has as a Landlord under within the parameters of the Secure Tenants of Local Housing Authorities (Right to Repair) Regulations 1994, the Housing Act 1985 and the Leasehold Reform, Housing and Urban Development Act 1993.

Risk Assessment

There are risks that without a policy compensation may not be awarded in a consistent and fair way and that tenants may not feel that they have been treated with fairness and respect.

The ombudsman expects local authorities to have a compensation policy which provides fair and proportionate redress to tenants (contract-holders) where there are shortcomings in the provision of services. The policy should reduce the risk of complaints and/or court action in relevant matters where the facts are not in dispute.

Successful implementation of this policy could help to reduce customer dissatisfaction, and upheld complaints, by empowering tenants to exercise their rights to claim compensation appropriately as service requests.

MDH has a service improvement programme to address common sources of claims and drive up the quality of service provided.

Impact on Climate Change

This Policy has no impact on Climate Change

Equalities Impact Assessment

Mid Devon Housing collects data on the diversity of tenants and endeavours to tailor services to meet the needs of all tenants. Our housing estates must be accessible to those with disabilities and we have in place a regular schedule of inspections to ensure that all safety issues are identified and rectified as soon as possible. Information provided by MDH is available in alternative formats, upon request, in order to ensure that all those living on our estates understand the rights and responsibilities of the Council as a landlord, and tenants and other residents, individually.

The Equalities Impact Assessment for this draft, updated policy specifically is attached to this report in Annex B.

Relationship to Corporate Plan

The Tenant Compensation Policy will be key to managing our council homes and tenancies effectively whilst meeting broader regulatory requirements to redress tenants for loss and mistakes caused by the landlord. As such it supports the wider Homes priority within the current Corporate Plan

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer: Andrew Jarrett

Agreed by or on behalf of the Section 151

Date: 11.11.24

Statutory Officer: Maria de Leiburne

Agreed on behalf of the Monitoring Officer

Date: 11.11.24

Chief Officer: Simon Newcombe

Agreed by or on behalf of the Chief Executive/Corporate Director

Date: 28 October 2024

Performance and risk: Steve Carr

Agreed on behalf of the Corporate Performance & Improvement Manager

Date: 01 November 2024

Cabinet member notified: Yes

Section 4 - Contact Details and Background Papers

Contact: Simon Newcombe – Head of Housing and Health

Email: snewcombe@middevon.gov.uk

Telephone: 01884 255255

Background papers: Current Tenant Compensation Policy: [MDH Tenant Compensation Policy \(middevon.gov.uk\)](https://www.middevon.gov.uk/tenant-compensation-policy)