

OPS011 - Compensation for Improvements and Alterations Policy

MONITORING FORM	
Department	Operations
Department Director	Operations
This policy is applicable to	Housing Management/Yard
Author	Housing Manager
Original Version approved by & date	Operations Director
Date of last review	January 2019
Version number	V4
Date of minor modification	
Period of Review	2 years
Date of next review	January 2021
Internal /external consultees (if required)	Housing Management

INTRODUCTION (AIM)

Under the Housing (Scotland) Act 2001, Scottish secure tenants and short Scottish secure tenants may be able to receive compensation from their landlord for improvements which they have made to their home on or after 30 September 2002. To qualify for this compensation:

- the improvement must have been approved
- the tenancy must have ended

Applications for compensation can be submitted when a tenancy is coming to an end or the house or flat is being transferred to a new landlord.

If the improvements were carried 30 September 2002, the right to compensation can be made under the old scheme.

SCOPE

This policy specifically relates to all tenants of Weslo Housing Management.

WHO CAN CLAIM COMPENSATION

To claim compensation for improvements the tenant needs to be a Scottish secure tenant (SST) or a short Scottish secure tenant (SSST) (a tenant of a local authority or housing association, including tenants who are members of fully mutual co-operative housing associations, and water and sewerage authorities). They may be able to get compensation for any approved improvement.

If the tenancy ends because the tenant has died, or in other special circumstances, compensation can still be claimed on their behalf. If the tenancy has been subject to succession (taken over from a tenant who has died) compensation may still be due.

Compensation will not be due if:

- the tenant bought their house or flat under the Right to Buy scheme
- the house is being repossessed or
- the tenant is being given a new tenancy from us

One of the following criteria must also be met:

- the tenant applying for compensation must be the tenant who carried out the qualifying improvement work or be the tenant of a joint tenancy which existed at the time the work was carried out
- the tenant succeeded to the tenancy under Section 22 of the Housing (Scotland) Act 2001 on the death of the tenant who carried out the work and the tenancy did not cease to be a Scottish Secure Tenancy on succession

HOW TO MAKE A CLAIM

Claims should be made in writing to us within the period starting 28 days before the tenancy ends or 21 days after the tenancy ends.

We will need to know:

- the tenants name and address
- what improvement has been made
- how much the improvement cost
- the date the improvement started and finished

ALTERATIONS AND IMPROVEMENTS

Written permission must have been granted prior to any improvements being carried out. Obligations regarding alterations and improvement are outlined in section 5 of our SST. If permission is refused tenants have the right of appeal to the Sheriff Court. Compensation can only be paid if permission for the improvement has been granted.

QUALIFYING IMPROVEMENT

Compensation will only be paid for certain improvements (excluding internal decoration) which were started on or after 30 September 2002. These include installing, replacing or fitting:

- a bath or shower
- cavity wall insulation
- sound insulation
- double glazing, replacing external windows or fitting secondary glazing
- draught-proofing external doors or windows
- pipes, water tanks or cylinders
- a kitchen sink
- loft insulation
- rewiring, providing power or lighting, or adding other electrical fixtures (including smoke detectors)
- security measures other than burglar alarms
- space or water heating
- storage cupboards in a bathroom or kitchen
- thermostatic radiator valves
- a wash-hand basin
- a toilet
- a work surface for preparing food
- mechanical ventilation in bathrooms and kitchens

Compensation can also be claimed for:

- the cost of materials (but not appliances such as cookers or fridges)
- labour costs (but not their own labour)

LEVELS OF COMPENSATION

A maximum of £4,000 can be paid for each improvement. No compensation will be paid if the amount due is less than £100.

HOW COMPENSATION IS CALCULATED

Evidence, such as paid invoices confirming the cost of the improvement will be required. If an invoice is not available then an estimate of the total cost should be provided. The value of any grants received to help with the cost of the improvement will be deducted from the actual cost of the improvement.

The value of the improvement made will depreciate over time. The compensation paid will take account of this. The level of compensation paid will also be reduced if we believe:

- too much has been paid for the improvement
- the quality is higher than it would have been if we had carried out the work
- the improvement is in poor condition at the tenancy end
- there is any money due to us (for example, unpaid rent)

Considering all of the above the amount of compensation payable for a qualifying improvement will be calculated as follows:

C = the cost of the improvement from which we shall deduct the amount of any grant made.

N = the notional life of the improvement as per Appendix 1.

Y = the number of years starting on the date on which the improvement was completed and ending on the date on which the tenancy ends. Part years will be counted as full years.

PAYMENT

Payment will be made to the qualifying person(s). If there is more than one qualifying person but one of them cannot be found (the missing person) a claim for compensation may be made, and compensation paid to, the other qualifying person(s) but the missing person is entitled to recover the missing person's share of any compensation so paid from the other qualifying person(s) but will have no further claim against Weslo.

APPEAL

Current and former tenants have the right to appeal if they are not satisfied with our decision. This should be made in writing within 28 days of our decision. Our decision may be:

- reviewed by an independent valuer or surveyor appointed by Weslo
- reviewed by the Operations Director or the Chief Executive provided they were not involved in making the original decision
- reviewed by Weslo's Board

EQUALITY & DIVERSITY

This Policy will always be carried out in accordance with Weslo's Policy of Equality & Diversity which aims to promote diversity, fairness, social justice and equality of opportunity by adopting and promoting fair policies and procedures.

PUBLICISING AND AVAILABILITY

This policy is available on the Weslo website, to Board and staff members and any other key stakeholders. Copies are available free of charge. A summary of this policy can be made available in other formats and languages.

MONITORING & REPORTING

This policy will be reviewed regularly to ensure compliance with applicable legislative changes, changes within the organisation and best practice

COMPLAINTS (if applicable within the Policy)

Anyone wishing to make a complaint about the services provided by the organisation should do so as per our complaints procedure.

OTHER RELEVANT POLICIES AND PROCEDURES

This Policy relates to:

Compensation for improvements and alterations procedure

Void procedure

Rechargeable Repairs procedure

(Internal only) these must be read in conjunction with this Policy

Appendix 1

IMPROVEMENT	NOTIONAL LIFE (YEARS)
Bath or shower	12
Cavity wall insulation	20
Sound insulation	20
Double glazing or other external window replacement or secondary glazing	20
Draught proofing of external doors or windows	8
Insulation of pipes, water tank or cylinder	10
Installation of mechanical ventilation in bathrooms and kitchens	7
Kitchen sink	10
Loft insulation	20
Rewiring and the provision of power and lighting or other electrical fixtures including smoke detectors	20
Security measures other than burglar alarm systems	15
Space or water heating	12
Storage cupboards in bathroom or kitchen	10
Thermostatic radiator valves	7
Wash hand basin	12
Water closet	12
Work surfaces for food preparation	10