



COMPENSATION FOR IMPROVEMENTS POLICY

Introduction

Under the Housing (Scotland) Act 2001(amended 2010) and the Scottish Secure Tenants (Compensation for Improvements) Regulations 2002, Scottish Secure Tenants and short Scottish Secure Tenants have the right to claim compensation for certain improvements.

Qualifying Conditions

Improvements which qualify for compensation are laid down as follows: -

IMPROVEMENT	Notional life in years
1. Bath or shower	12
2. Cavity wall insulation	20
3. Sound insulation	20
4. Double glazing or other external window replacement or secondary glazing	20
5. Draught proofing of external doors or windows	8
6. Insulation of pipes, water tank or cylinder	10
7. Installation of mechanical ventilation in bathrooms and kitchens	7
8. Kitchen sink	10
9. Loft insulation	20
10. Rewiring and the provision of power and lighting or other electrical fixtures including smoke detectors	20

11. Security measures other than burglar alarm systems	15
12. Space or water heating	12
13. Storage cupboards in bathroom or kitchen	10
14. Thermostatic radiator valves	7
15. Wash hand basin	12
16. WC	12
17. Work surfaces for food preparation	10

Qualifying Tenants

In order to qualify for compensation for improvements the person must be either

- The tenant who carried out the qualifying improvement work
- A tenant of a joint tenancy which existed at the time the work was carried out.
- A tenant who succeeded to the tenancy 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.

Qualifying Conditions

In order to qualify for compensation for improvements, the tenant must comply with the following conditions:

- The Tenant must have the written consent of the Association prior to the work being carried out.
- The tenancy must have ended.
- The maximum compensation payable will be £4,000 for each improvement.

Circumstances where Compensation is not payable

Compensation will not be payable in the following circumstances:

- Where the calculated amount of compensation is less than £100
- Where an order for recovery of possession was made on any of the grounds specified in the Part 1 of Schedule 2 to the Housing (Scotland) Act 2001.(amended 2010)
- Where the qualifying tenant has been granted a new tenancy, whether alone or jointly of the same property

Making a Claim

Tenants must make a claim, in writing, to the Association within the period starting 28 days before and ending 21 days after the tenancy comes to an end.

The Association will require to know the following information:

- The improvements that have been made
- The cost of each improvement.
- The dates when the improvements started and finished
- The tenant must also produce a letter from the Association giving permission for the improvement to be carried out.

Compensation can be paid for:

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

The tenant should also submit any invoices or receipts regarding the improvements carried out.

The Association may:-

- Reduce the compensation payable if the Association deems that the tenant paid too much for the improvement or the quality is higher than it would have been if the Association had carried out the work.
- Increase or reduce the compensation payable depending on the condition of the improvement when the tenancy ends.

Calculation of Compensation

Compensation will be calculated in accordance with the formula laid down in paragraph 5 of the Scottish Secure Tenants (Compensation for Improvements) Regulations 2002.

This calculation takes the original cost of the improvement and discounts its value in line with the projected life of the improvement. This means that the value of the improvement falls as time passes and therefore the level of the compensation payable decreases.

Where a tenant has any rent arrears or outstanding rechargeable repairs the compensation will be used to offset these amounts before any remaining balance is paid to the tenant.

Appeal Process

The tenant will have the right of appeal against the Associations decision but must do so within a period of 28 days of the decision. The decision may be:

- Reviewed by the Director of Investment or the Depute Chief Executive provided they took no part in the original decision.
- Considered by the Management Board of the Association.
- Reviewed by an independent Valuer or Surveyor, who took no part in making the original decision

