



Provanhall Housing Association Limited

RIGHT TO COMPENSATION FOR IMPROVEMENTS POLICY

AUTHOR

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Right To Compensation for Improvements Policy

1. Introduction

Provanhall Housing Association (PHA) is a community based not-for-profit organisation located in the Provanhall area of Easterhouse. The Association is run by an elected and voluntary Management Committee. Policies of the Association are agreed and approved by the Management Committee with the implementation of these policies the responsibility of staff.

This policy is to clarify for tenants, staff and Committee the process for compensation to tenants under the Right To Compensation for Improvement Scheme undertaken by the Association in accordance with the Housing (Scotland) Act 2001 and The Scottish Secure Tenants (Compensation for Improvements) Regulations 2002.

2. Policy Objectives

The principle aim of the policy is to promote a sense of ownership for tenants in their home by encouraging improvements and alterations to the property. The policy may allow tenants to receive compensation for such improvements and alterations when they terminate their tenancy for the property.

3. Legislation and Best Practice

The Association's Right To Compensation for Improvements Policy complies with all legislation; guidance and best practice encompassed in the current editions of:

Housing (Scotland) Act.

The Scottish Secure Tenants (Compensation for Improvements) Regulations.

Scottish Secure Tenancy Agreement.

4. Equal Opportunities

Provanhall Housing Association is an equal opportunities organisation. The Association's Equality and Diversity Policy seeks to ensure that all suppliers are treated equally. The Right To Compensation for Improvements Policy will not unfairly discriminate against any suppliers, individual, or group of persons dealt with under the Policy on the grounds of:

- Race, ethnicity, national or social origin
- Disability including physical, learning or mental health
- Gender or marital status
- Sexuality or sexual orientation

- Religion, religious beliefs or opinions such as political opinions
- Age, appearance or financial status

The association wishes to ensure there are no barriers in accessing its services. Relevant documents can be translated into a range of languages or formats on request. We will also make available translation services for those who wish more detailed information and to assist those who wish to make personal enquiries. For anyone with visual or hearing problems, documents can also, on request, be made available in larger print, on tape, in Braille or on any other format required.

All suppliers will be required to accept the association's Equalities Policy or to have developed policies of their own which are acceptable to the Association.

Any complaints received in relation to breach of this policy will be addressed via the association's Complaints Policy.

(Cross reference: Equality and Diversity policy, Complaints policy)

5. Complaints

The Association has a Complaints Policy and Procedure which explains how tenants or suppliers who are dissatisfied with the operation of any service the association provides may make a formal complaint to the Association. This policy also includes an appeals process.

(Cross reference: Complaints Policy)

6. Delegated Authority

The Management Committee has delegated authority to the Repairs & Asset Sub-Committee to review and agree the policy. This includes monitoring and reviewing the outcomes of the policy.

Staff will undertake the day to day operation of every aspect of the Right To Compensation for Improvements Policy and the first point of service for tenants will be the Repairs & Asset Officer who will process the administrative element of the application. Technical advice, if required, will be sought from the Repairs & Asset Manager.

(Cross reference: Standing Orders)

(Cross reference: Openness, Accountability and Confidentiality Policy & Tenant Participation Policy)

7. Qualifying Persons

Compensation will only be payable to the person(s) who holds a valid tenancy agreement with the Association for the property affected by the improvement.

If a tenancy ends because of the death of the tenant, compensation may be claimed by the new tenant if they have succeeded to the tenancy.

8. Qualifying Conditions

Compensation will only be payable under the following conditions: -

- 1) The improvement has been carried out on or after 30th September 2002
- 2) The Association has given written consent to the alteration or improvement in compliance with the Alteration and Improvement Policy and Procedure reference MN 08 and MN14
- 3) The valid tenancy has or is coming to an end Compensation will only be made where the association obtains vacant possession of the property.
- 4) The amount of any arrears, outstanding rechargeable repairs or remedial works shall be deducted from any compensation due.
- 5) The cost of any improvement grants or other grants received by the tenant may be deducted from any compensation due.
- 6) The improvement is included in the qualifying category included in clause 9.
- 7) Following the depreciation calculation, as noted in clause 11, the amount of compensation must be over £100.00.

9. Qualifying Improvements

Compensation may be payable for the following installation, replacement or fitting of:

Years	Qualifying Improvement work and notional life
12	Bath or shower
20	Cavity wall insulation
20	Sound insulation
20	Double glazing or other external window replacement or secondary glazing
8	Draught proofing of external doors or windows
10	Insulation of pipes, water tank or cylinder
7	Installation of mechanical ventilation in bathrooms and kitchens

10	Kitchen sink
20	Loft insulation
20	Rewiring and the provision of power and lighting including smoke detectors
15	Security measures other than burglar alarm systems
12	Space or water heating
10	Storage cupboards in bathroom or kitchen
7	Thermostatic radiator valves
12	Wash hand basin
12	Water closet
10	Work surfaces for food preparation

In accordance with the Housing (Scotland) Act 2001, this list is definitive and not open to any additions or exclusions.

10. Exclusions

The following circumstances will be excluded from compensation.

- 1) Internal decoration of a property.
- 2) Improvements which do not have written consent from the Association.
- 3) Improvements carried out before 30th September 2002.
- 4) Formulated compensation which is less than £100.00.
- 5) Where the tenancy ends because:
 - i) An order for recovery of possessions made on any of the grounds specified in part 1 of schedule 2 to the 2001 Act.
 - ii) The right to buy under part 2 of the 2001 Act has been exercised.
- 6) The Association has granted the qualifying person a new tenancy, whether alone or jointly, to the same, or substantially the same, property.
- 7) Compensation shall not be payable to the extent that the amount of compensation would exceed £4,000.00 per improvement.
- 8) Compensation will not be paid for appliances such as cookers, fridges, washing machines.
- 9) Although external labour costs are allowable, the tenant's own labour will be excluded.

11. Amount of Compensation

To allow for depreciation of improvements, the following calculation will be adopted:

$C \times (1 - Y/N)$, where:

C = cost of improvement work from which shall be deducted the amount of any external grant which has been awarded towards the improvement.

N = the notional life of the improvement affected by the work.

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 and for the purposes of this calculation part of a year shall be counted as a full year.

12. Payment Arrangements

- 1) The Association will advise tenants annually in one of the Association's quarterly Newsletters of the claiming procedure. Information on the scheme is also included in the Tenant's Handbook.
- 2) Tenant must claim in writing to the Association within the period starting 28 days before and ending 21 days after the tenancy comes to an end.
- 3) Payment of compensation or written explanation of exclusion to the tenant will come from the Association within 28 days of receipt of claim.
- 4) Tenants who are in housing related debt to the Association will not be excluded from the scheme but a valid compensation payment may be credited to the relevant account with the prior written agreement of the tenant.
- 5) If the claimed improvement has benefited from a financial grant, either payment in full or partial, the Association will deduct the cost of the grant from the total cost of the improvement.
- 6) The Association may reduce the compensation claim if it believes the claimant has paid too much for the improvement or if the quality is of a higher specification than the Association would provide.
- 7) The Association may increase or reduce the level of compensation depending on the condition of the improvement when the tenancy ends.

13. Policy Review

The Policy and related procedures will be reviewed 3 years from the date of approval, or earlier should the need arise to reflect changing circumstances or changes in legislation or good practice standards. The next review will take place in January 2028.

14. Cross reference: Documents

Scottish Secure Tenancy Agreement
Repairs & Maintenance Policy

Complaints Policy
Equalities Policy