



RIGHT TO COMPENSATION FOR IMPROVEMENTS POLICY

POLICY NO. 47

Date Reviewed:	November 2023
Date of Next Review:	November 2028
Regulatory Standards of Governance and Financial Management	<p>Regulatory Standard 1:</p> <p><i>The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.</i></p> <p>Guidance: 1.3</p> <p>Regulatory Standard 3</p> <p>The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay.</p> <p>Guidance: 3.1</p>

1. OBJECTIVE

The objective of this scheme is to provide the Association's tenants a right to compensation for qualifying improvements at the end of the tenancy. These improvements must have been carried out at a cost to the tenant and must also have been approved by the Association. This will bring the Association's policy in line with the statutory obligations under the [Housing \(Scotland\) Act 2001](#) and refers to Clause 5.25 of the Association's Scottish Secure Tenancy Agreement.

2. QUALIFYING IMPROVEMENT WORK

Qualifying improvements are listed in Annex 1. Improvements will only be considered if they meet the relevant standard as to workmanship, safety and the materials used. This also means that manufacturer's instructions for installation must be followed, and a recognised and suitably qualified contractor must undertake the work. All statutory permissions must be obtained prior to applying for permission from the Association and the Association should receive copies of all receipts, approvals and warranties relating to the works.

The improvement must not attract an unreasonable amount of maintenance after termination of the tenancy and the tenant must show that the manufacturer's guidelines in respect of maintenance have been followed.

The completed improvement work must not detract from the future letting of the property.

3. EXCEPTIONS

There are certain circumstances where tenants will not be able to claim compensation, even if the repair fits in to the category of a qualifying repair.

3.1 Tenants will not qualify for compensation if:

- The compensation (claim) is less than £100.
- The tenant abandoned their tenancy.
- The Association has implemented an action for possession.
- Any person who otherwise qualifies for compensation has not yet terminated their tenancy.
- The tenant has already received compensation for the improvement.

3.2 Compensation will be calculated by the Association and will be a percentage of the actual cost incurred by the tenant.

3.3 Compensation will exclude:

- Any costs attributed to the tenant's own labour or other unpaid labour.
- The costs of obtaining planning consent or consent under the building regulations.
- Any grants received by the tenant towards the cost of the improvement.

3.4 Compensation may exclude:

- The cost of any upgrading of, or alteration to the improvement, required to enable the Association to re-let the property.
- Any cost that may be incurred towards the future maintenance of the improvement.

3.5 If, once the Association has calculated the real cost of the improvement, it is of the opinion that the costs of the improvement were unreasonable or excessive in comparison with what the Association would expect to pay to have the work done, the Association will adjust the amount of the real cost accordingly. The Association may also reduce the amount of compensation if the deterioration in quality of the improvement is greater than would normally be expected by normal wear and tear.

3.6 The amount of compensation payable cannot exceed £4,000 per improvement.

3.7 The Association may offset any compensation payable by any sum owed by any qualifying person.

4. CALCULATING COMPENSATION

The basis for calculating compensation is the formula

$$C \times \frac{(N-Y)}{N}$$

Where

C = the real cost of the improvement work.

N = the notional life of the improvement.

Y = the number of years between completion of the improvement work and the termination date.

5. MONITORING

5.1 The scheme will be monitored by the Board of Management on a quarterly basis.

5.2 The report will contain:

- Any improvements undertaken which will qualify for compensation at the end of the tenancy.
- The amount of claims received.
- The types of improvements for which compensation was claimed.
- The amount of compensation paid.

5.3 The Association will maintain records of all qualifying improvements undertaken by tenants, the dates when the works were started and completed and documentary evidence (receipts), which show the actual cost to the tenants.

5.4 The Association will also maintain records as to the number of claims made and the amount of compensation awarded for each claim.

6. APPEALS

6.1 Where the tenant is aggrieved by a decision of the Association concerning a question arising under this policy, they may appeal as per the [Scottish Secure Tenants \(Compensation for Improvements\) Regulations 2002](#). They must submit a written appeal to the Housing Manager within 28 days of receiving the decision.

6.2 Where an appeal has been requested, the decision will be reviewed by:

- A staff member who took no part in making the original decision;
OR
- Select member(s) of the Board of Management;
OR
- The full Board of Management.

The claimant may make written representations to, and oral representations before, the person or persons undertaking the review or reconsideration. The claimant can be accompanied by any representative of their choice during oral representation.

If the tenant is still dissatisfied, they may appeal to the Sherriff as per the [Scottish Secure Tenants \(Compensation for Improvements\) Regulations 2002](#).

7. OUR COMMITMENT TO EQUALITY & DIVERSITY

Glen Housing Association is committed to promoting fair and equal treatment for all and is opposed to any form of unlawful discrimination. We operate an Equality & Diversity Policy which informs all aspects of our business and ensures we adhere to the Equality Act 2010.

In line with our commitment and upon request, the Association can make this Policy available, free of charge, in a variety of alternative formats including large print, audio, Braille and community languages.

8. GENERAL DATA PROTECTION REGULATIONS

The Association will treat all personal data in line with its obligations under the current data protection regulations and its own Privacy Policy. Information regarding how personal data will be used and the basis for processing it is provided in the Association's Fair Processing Notice.

9. POLICY REVIEW

This Policy will be reviewed on a five yearly basis unless there is a requirement to review earlier in response to new legislation/policy guidance. Reviews will consider changes to legislation, regulations, performance standards and good practice.

Qualifying Improvements with their notional life expectancy:

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