

# Tenants Right to Compensation Policy



## Document Control

Responsible Person	Operations Director			
Review Frequency	5 Yearly			
Reviewed by	Board			
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Consultation Required	Yes		No	✓
Equalities Impact Assessment	Yes	✓	No	
Added to Company Website	Yes	✓	No	
Associated Documents Considered	Yes	✓	No	

## **1. Policy Statement**

- 1.1. Tenants may, at their own cost, carry out improvements to their homes but can only carry out works for which prior permission, in writing, has been granted by Waverley Housing. Such permission will not unreasonably be withheld. The tenant will be advised if the improvement they wish to seek permission for is due to be undertaken by the Company as part of its planned maintenance programme in the near future.
- 1.2. If the improvement requested has not been carried out within a period of 12 months from the date of permission being granted then that permission will fall and the applicant will be required to submit a further application for permission to carry out the improvement.
- 1.3. Where such improvements are carried out and upon vacating the property tenants may either have the right to be compensated or may be reimbursed for certain improvements.

## **2. Statutory Compensation for Improvements**

- 2.1. Scottish Secure Tenants have the right under the Housing (Scotland) Act 2001 to compensation for certain improvements they have made to their home on or after the 1st March 2003, (the date of Waverley Housing's registration as a Social Landlord) in accordance with Scottish Statutory Instrument 2002 No.312. A list of improvements for which tenants have a right to compensation can be viewed in the List of Qualifying improvements (see section 5).
- 2.2. Tenants must claim compensation in writing within a period starting 28 days before the end of their tenancy and ending 21 days after their tenancy comes to an end. The Company will calculate the eligibility of the claim, calculate any compensation due and respond to the tenant within 28 days of receipt of the claim.
- 2.3. Where a tenancy ends because of the death of the tenant any compensation due would be paid to the tenants' executors or personal representative.
- 2.4. Compensation can only be claimed for the cost of materials (excluding appliances such as cookers, fridges etc.); and labour costs (excluding the Tenants own labour). Any professional fees or costs incurred in obtaining planning or building regulation consents are not eligible for compensation. Where any gas or electrical works are carried out as part of the improvements the tenant will be required to arrange and pay for gas service or an electrical test on completion of the works. Tenant must provide Waverley Housing with certification.
- 2.5. Tenants are required to provide documentary evidence of the costs of the improvement in the form of bills, invoices etc. Tenants must lodge copies of any bills invoices etc. with the Company upon completion of the improvement.
- 2.6. Tenants will be entitled to compensation up to a maximum of £4000 for each improvement but will not be entitled to compensation for improvements of less than £100. VAT will be excluded from any calculation for compensation.
- 2.7. The value of an improvement falls as the improvement ages and this will be taken into account in calculating the amount of compensation due. Any financial

assistance such as a grant towards the improvement will be deducted from the cost before calculating the compensation due.

- 2.8. Waverley Housing has the right to reduce compensation where it is reasonably believed that a tenant paid too much for the improvement or that the quality standard is higher than it would have been had Waverley Housing made the improvement.
- 2.9. Waverley Housing may increase or reduce any compensation due depending upon the condition of the improvement when the tenancy ends. There will be no right to compensation where a Court has granted the Company a Decree for repossession of the property.
- 2.10. Waverley Housing has the right to take any money a tenant owes the company e.g. unpaid rent or other charges, from any compensation the tenant is entitled to.
- 2.11. Where tenants are in disagreement with the Company's decision on the level of compensation in respect of their claim the Company will within 28 days of that decision have it reviewed by an independent valuer or surveyor of the Company's choice.
- 2.12. Where tenants are dissatisfied with any other aspect of the way in which Waverley Housing has dealt with their claim they are entitled to complain, see section 8 of this policy.
- 2.13. Waverley Housing has the right to take a tenant to court where they believe that the tenant has made a false claim or a claim for more than the real amount.

### **3. Calculation for Compensation and Reimbursement**

- 3.1. In both cases of compensation and reimbursement the calculation for the sum due shall be as follows:

$C - (C/N * Y)$  where C is the total cost of the agreed improvement based on receipts or receipted accounts from which shall be deducted the amount of any grant made; Y is the number of years since the improvement was carried out and N is the notional life of the improvement effected by the work.

### **4. Unapproved Improvements or Alterations**

- 4.1. Upon vacating a property where an improvement or alteration has been carried out Waverley Housing shall have sole discretion on whether the improvement or alteration may remain or the tenant is instructed to remove it and fully reinstate the property to its condition prior to the improvement or alteration. In either event the tenant shall not be entitled to compensation.

### **5. Listing of Qualifying Improvements**

- 5.1. The following is a list of qualifying Improvements in respect of the Statutory Right to Compensation for Improvements this includes installing, replacing or fitting:
  - a) A bath or shower;
  - b) Cavity wall insulation, tenant should explore if ECO funding is available prior to arranging and paying for insulation works;

- c) Sound insulation;
- d) Double glazing, replacing external windows or fitting secondary glazing;
- e) Draught-proofing external doors or windows;
- f) Insulation of pipes, water tanks or cylinders;
- g) A kitchen sink including base unit;
- h) Loft Insulation, tenant should explore if ECO funding is available prior to arranging and paying for insulation works;
- i) Rewiring, providing power or lighting, or other electrical improvements(including mains wired smoke detectors);
- j) Security measures other than burglar alarms;
- k) Space or water heating;
- l) Storage cupboards in a bathroom or kitchen;
- m) Thermostatic radiator valves;
- n) A wash-hand basin;
- o) A toilet;
- p) Worktops;
- q) Mechanical ventilation in bathrooms and kitchens.

## **DECORATING THE INSIDE OF THE HOUSE DOES NOT QUALIFY FOR COMPENSATION**

To qualify for compensation the claimant must be a Scottish Secure Tenant, the improvement must have been approved by Waverley Housing, in writing, and the improvement must have been carried out to your home on or after the effective date of Waverley Housing's Registration as Social Landlord (i.e. 1st March 2003).

### **6. Requirement to provide estimates and receipts etc.**

- 6.1. At Waverley Housing's discretion, tenants may be required to produce a minimum of two estimates for the price of the works being proposed. Waverley Housing may also require that receipts be provided to show the actual sum paid in order to establish whether it was more or less than the estimate value, and where there is a difference, reserves the right to meet the lower sum only.
- 6.2. Waverley Housing reserve the right to pre inspect and post inspect all works. No permission shall be granted for works to be carried out without a pre inspection having been made and a schedule of works agreed. No compensation shall be paid unless a post inspection has been carried out and the works are signed off by both Waverley Housing and the tenant(s) as to the required standard.
- 6.3. Waverley Housing shall require the tenant to remedy any defects or any work not done to the required standards, in lieu of which Waverley Housing may carry out such works itself and either recharge the tenant or withhold all or any payment that might otherwise fall due as far as that is permitted by law.

## **7. Training**

- 7.1. Waverley Housing will ensure that the relevant employees have the appropriate level of skills and knowledge to deal efficiently with Statutory Compensation claims for home improvements.

## **8. Complaints**

- 8.1. Tenants who feel that Waverley Housing has not dealt properly with their claim for Statutory Compensation in accordance with their statutory rights or in accordance with this policy have the right to complain. Complaints will be dealt with in accordance with Waverley Housing's Complaints Policy a copy of which can be obtained on request. Tenants also have the right to refer the matter to the Scottish Public Services Ombudsman upon exhaustion of the complaints process.