

### Right to Compensation for Improvements

**This leaflet outlines the Tenant's Right to Compensation for Improvements Scheme**, which applies to all of the Co-operative's tenants from 30 September 2002 onwards. The information contained in this leaflet has been taken from the "Maintenance Guide" approved by the Management Committee in February 2003. Additional information, including a copy of the full Guide, can easily be provided by asking a member of staff who will be happy to help. **The main points covered are:**

- An outline of the scheme
- How an improvement qualifies and when compensation is payable
- Factors affecting the amount of compensation payable
- When you will not qualify for compensation
- A list containing details of eligible improvements and details of the maximum time that may have elapsed before no compensation is due

**The Co-operative provides high quality homes**, which have, at the very least, high quality double-glazing, central heating systems, bathrooms, kitchens and insulation. All of these were provided as part of the extensive refurbishment and new build housing programme carried out by the Co-operative from 1994 until recently, and all are part of a long-term maintenance programme whereby they will be replaced as they reach the end of their useful economic lives.

**However, some tenants wish to carry out improvements** to make the standard of the fixtures and fittings inside their homes even higher. Provided that any such works are done by a qualified tradesperson/firm and the tenant gets advance permission from the Co-operative and we are able to inspect the finished job, you may qualify for compensation if you later move out. This scheme, which applies to certain works, is known as the Compensation for Improvements Scheme.

**Your Tenancy Agreement requires you to ask permission before carrying out any repairs.** When you do this, the Co-operative's staff will advise you if the repair is eligible under the Compensation for Improvement Scheme. If it is then you may qualify for compensation in the event that you move out of the home where the improvement was carried out.

**The length of time that has elapsed since the improvement was done** will also affect the amount of compensation you may qualify for – the more recently the repair was carried out, the greater proportion of the improvement cost will be reimbursed.

**The Co-operative will use a formula** to calculate your compensation entitlement. This formula is contained within the legislation and a member of staff will be happy to explain it to you on request. Please note that amounts below £100 will not be paid and the maximum payable for any single improvement is £4,000.

**There are some exclusions to the above, which** prevent any compensation being awarded. These include:

- If the improvement is not a "qualifying improvement"
- If you have not received the Co-operative's permission, in writing, before the work was carried out
- If a member of the Co-operative's staff did not inspect the work afterwards and pass it as acceptable
- The maximum time period has expired – please see over
- You have been evicted from your home
- You have exercised your Right to Buy
- Your tenancy has ended with the Co-operative because it has been transferred to another landlord

**You should also note the following:**

- The amount of compensation will be reduced when the improvement has deteriorated at a greater rate than would have been anticipated
- Tenants will have to advise the Co-operative of their intention to apply for compensation within the period beginning 28 days before the end of tenancy and 21 days after this date. The Co-operative will calculate the amount due and respond within 28 days of receiving the notification
- The Co-operative may offset any monies owed against the compensation, thus reducing the award
- The Co-operative will assess the value of the improvement for the purposes of calculating any compensation. Where the tenant disputes this amount, there is a process by which this can be reviewed. Details of this will be provided to all tenants when they are advised of the outcome of any claim;

**NB** – There may be other circumstances where the Right to Compensation for Improvements does not apply – please discuss any questions you may have with a member of the Co-operative’s staff.

**The Tenant’s Right to Compensation for Improvements – Qualifying Improvements**

The notional years is the time that the Scottish Executive has estimated that a particular improvement is eligible for compensation. For example, a bath or shower fitted more than 12 years before the end of tenancy would not attract any compensation.

Improvement	Notional Life
New Bath or shower	12 years
Cavity wall insulation	20 years
Sound insulation	20 years
Double glazing or other external window replacement or secondary glazing	20 years
Draught-proofing of external doors and windows	8 years
Insulation of pipes, water tank or cylinder	10 years
Installation of mechanical ventilation in bathrooms and kitchens	7 years
Kitchen sink	10 years
Loft insulation	20 years
Re-wiring and the provision of power and lighting or other electrical fixtures including smoke detectors	20 years
Security measures other than burglar alarm systems	15 years
Space or water heating	12 years

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Storage cupboards in bathroom or kitchen	10 years
Thermostatic radiator valves	7 years
Wash hand basin	12 years
Watercloset	12 years
Work surfaces for food preparation	10 years