

Midlands Rural Housing

**Tenant's Own Improvements Policy and
the Right to Compensation for Tenant's
Own Improvements**

Maintenance

Document Title	Tenant's Own Improvements Policy and the Right to Compensation for Tenant's Own Improvements
Version number	1
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Author Title & Issuing Department	Maintenance and Contracts Manager, Maintenance Surveyor
Target Audience	Residents and MRH staff

Approved By	Management Team Resident Focus Group
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Links to Regulatory Standards – Economic/ Consumer Standards	
Outcomes for Customers	Standardised policy with clear process
How were tenants, residents and service users involved in the review/development of this document	Involved tenants consulted on content and clarity Policy published in resident newsletter
Training Provision	Department Managers will be responsible for cascading the policy to their teams.
Links to the Business Plan	Provide high quality housing management services
Links to Key Values	Accountability: The policy sets out the responsibilities of the teams across The Association who are involved in administering the policy. Clarity: The policy defines what is considered an own improvement and what a resident needs to do to request permission or claim compensation

Version Control

Version	Revision Date	Author: Job Title	Change Description

1. Introduction

- 1.1 Introduction to the topic.
- 1.2 The purpose of the policy.
- 1.3 Why MRH is issuing the policy.

2. Definitions and Scope

- 2.1 Who the policy is targeted at and who the policy affects. This may expressly exclude certain groups of people or actions from the policy requirements. The scope is used to focus the policy on only the intended targets and avoid unintended consequences.

3. Specifics of the Policy

- 3.1 This section will contain various sub-headings relating to the particular contents of the policy.

4. Implementation

- 4.1 How will the policy be implemented, the approaches to be taken.
- 4.2 Which roles are responsible for carrying out the statements contained within the policy.

5. Responsibilities

- 5.1 Which role/team is responsible for monitoring the effectiveness of the policy.
- 5.2 Which role/team is responsible for oversight and governance of the policy.

6. Associated Documents

- Tenants Own Improvements Request Form:
 - www.leicestershirerha.org.uk/improvements
 - www.northamptonshirerha.org.uk/improvements
 - www.peakdistrictrha.org.uk/improvements
 - www.warwickshirerha.org.uk/improvements
- Compensation Claim Form:
 - www.leicestershirerha.org.uk/compensation-claim
 - www.northamptonshirerha.org.uk/compensation-claim
 - www.peakdistrictrha.org.uk/compensation-claim
 - www.warwickshirerha.org.uk/compensation-claim

1. Introduction

- 1.1 This policy is designed to be a framework for the provision of procedures and guidelines of Tenant's Own Improvements and the Right to Compensation for Improvements (Sections 121 and 122 of the Leasehold Reform, Housing and Urban Development Act 1993).
- 1.2 The purpose of this policy is to define Tenant's Own Improvements, criteria for adoption of Tenant's Own Improvements and to clarify the Right to Compensation for Tenant's Own Improvements.
- 1.3 The Association is issuing this policy to provide clear guidance on Tenant's Own Improvements and the classifications which benefit under The Right to Compensation for Improvements.

2. Definitions and Scope

- 2.1 This policy is a guide for residents and staff on Tenant's Own Improvements and the Right to Compensation for Tenant's Own Improvements. This policy affects residents of the Association's owned properties and is not retrospective. This policy does not apply to residents of properties managed by the Association on behalf of another owner.

3. Specifics of the Policy

3.1 What is a Tenant's Own Improvement?

A tenant's own improvement or alteration can consist of removing or altering any of The Association's fittings, removing or altering internal or external walls and fences. If an alteration or improvement is requested, then permission in writing must be sought before any alterations or additions are made to the property. Permission will not be granted if the tenant is in rent arrears or has not provided access for statutory inspections, such as an Asbestos survey.

If tenants carry out improvements or changes to the property or add any fixtures or fittings without our permission or are in breach of any planning or building control regulation, we may require them to put back the property to its original condition. Tenants will be responsible for arranging and paying for this. Alternatively, we may enter the property to carry out work to reinstate, and/or rectify any damage that may have been caused to the property or the building or adjacent property and charge the tenant for the costs of carrying out those works.

All works must be carried out to a good standard and by a competent person who is registered with the necessary regulatory body. Dependant on the scope of works, a property inspection may be carried out and all installations will be post inspected upon completion.

When leaving the property, a tenant may be asked to return the property to The Association in its original condition if the improvement is not left behind/intact.

A tenant must also check with the Local Authority to see if there are any restrictive covenants on the development. Also, planning permission and Building Regulation requirements must be checked before requesting permission.

If an alteration has been made after permission has been given, a tenant may have the Right to Compensation for Improvements. Please see Section 3.5 contained in this document.

On receipt of a written permission request from a tenant, the tenant's own improvement will be carefully considered. If permission is granted, then a letter confirming this will be sent giving the tenant a period of 6 months to carry out such works. If permission is refused the tenant will be notified giving the reasons for refusal. It is the tenant's own responsibility to inform The Association once the improvement/s have been carried out, for records to be kept up to date. Any statutory certificates provided to the tenant should be forwarded to The Association and copies will be made and the original returned to the tenant.

3.2 Classifications of Tenant's Own Improvements (not definitive)

The following are alterations, improvements and additions which may be applied for:

- Fencing, gates, sheds, decking and paving
- Aerials and satellite dishes
- Paving
- Water meters, smart meters
- External lights, internal lights, extra sockets
- Conservatory
- Relocation of thermostats
- Changing of internal doors
- Erection of a porch
- Any works which involve removing, fitting, or altering any part of the property or curtilage

3.3 Adopting Tenant's Own Improvements

Upon a satisfactory post inspection being carried out, The Association will adopt the tenant's own improvement if the works have been carried out to an element that the Association already has a responsibility to maintain, but not to items such as sheds, aerials, and satellite dishes. If non-standard materials have been used, it may not be possible to replace them on a like for like basis. The procedure shown in Section 3.1 of this Policy must have been adhered to and all relevant terms must have been complied with before the works will be maintained.

3.4 How to Request Permission for Improvements or Alterations

A request for permission can be submitted:

- online via the Association's website:
 - www.leicestershirerha.org.uk/improvements
 - www.northamptonshirerha.org.uk/improvements
 - www.peakdistrictrha.org.uk/improvements
 - www.warwickshirerha.org.uk/improvements
- via [myhomeonline](#)
- or a request form can be submitted via post.

A written response will be provided to outline the outcome of the request.

3.5 The Right to Compensation for Tenant's Own Improvements

Tenants may be entitled to compensation at the end of their tenancy for the expenditure they have incurred in carrying out improvements to their home, provided the component is within the notional life detailed below. The works must have been formally authorised in writing by The Association and must have been inspected and approved following completion.

Only certain improvements qualify for compensation and the Association will have to confirm that the improvement is eligible for compensation at the end of the tenancy. The improvement must be of benefit to The Association and not affect the future letting and maintenance of the property. The following is a list of qualifying improvements and formula for calculating the amount of compensation. The notional life years match our standard replacement timescales in line with the Decent Homes standard.

Qualifying Improvement	Notional Life (Years)
• Bath, shower, wash hand basin, toilet	30
• New kitchen	20
• Space or water heating	15
• Insulation of pipes, water tank or cylinder	15
• Double glazing or other external window replacement or secondary glazing	30

To be eligible for compensation the tenant must submit the work invoice from the contractor and complete a Claim Form. The Association must be satisfied that the proposed works do not infringe any building or safety regulations. The tenant is responsible for obtaining all consents and permission and funding any legal or other fees relating to the improvement.

The people eligible to claim are:

- The tenant who made the improvement
- Anyone who became a joint tenant with the tenant who carried out the improvement
- A person succeeding to the tenancy on the death of the improving tenant
- Assignees who would have qualified to succeed to the tenancy if the improving tenant had died
- A spouse or former spouse or cohabiter to whom the tenancy was assigned or transferred by a court order following a relationship breakdown

Compensation is only payable when the tenant ends the tenancy. The claim for compensation must be made in writing between 28 days before the actual end of tenancy and 14 days after the tenancy has ended and must give The Association sufficient information to determine the claim. Any sum payable to the tenant will be deducted from any outstanding rent arrears or sundry debts before payment.

Compensation will not be paid if:

- Permission was not properly requested
- Workmanship was substandard or not carried out to the Association's requirements
- It is less than £50.00
- The tenant is evicted for a breach of tenancy
- The tenant has exercised a Right to Buy
- A new tenancy has been granted in the same dwelling (e.g. a joint tenancy has ended, and a new tenancy has been offered to one of the partners)
- The works were an improvement that The Association would not have carried out.

3.6 Compensation Calculator

Compensation is calculated using a formula involving the notional life of the improvement and the original cost (receipts must be provided) or the amount that the Association would have paid at the time, whichever is the lesser. The formula for calculating the amount of compensation is:

$$[C/N] \times [N-Y]$$

C= Cost of the improvement (less any grant received)

N = Notional life of the improvement

Y= Number of complete years since the improvement was made (part years are rounded up)

For example: a tenant spends £200.00 on installing a sink which has a notional life of 10 years. Compensation is claimed two years after the improvement was made. Therefore: £200.00[C]/10 years [N] [£20.00 per year] multiplied by 10 years [N] minus 2 years [Y] [8 years] which equals £160.00.

Compensation will not be paid if the formula produces an amount less than £50.00. The maximum award is £5,000. Payments can also be adjusted if undue wear and tear has been incurred or any other defects to the improvement exist at the end of the tenancy. If the tenancy has ended because of legal action by The Association, compensation is not payable.

3.7 How to Submit a Compensation Claim for Tenant's Own Improvements

A claim for compensation can be submitted:

- online via the Association's website:
 - www.leicestershirerha.org.uk/compensation-claim
 - www.northamptonshirerha.org.uk/compensation-claim
 - www.peakdistrictrha.org.uk/compensation-claim
 - www.warwickshirerha.org.uk/compensation-claim
- via [myhomeonline](#)
- or a request form can be submitted via post.

A written response will be issued to outline the claim outcome and details of any compensation that has been awarded.

4. Implementation

- 4.1 The policy will be implemented through the Tenant's Own Improvements and Right to Compensation procedure.
- 4.2 All staff will refer to the policy. Implementation of the policy will be done by the Maintenance Assistant and Maintenance Surveyors, with support from the Maintenance Manager.

5. Responsibilities

- 5.1 The Maintenance Team is responsible for monitoring the effectiveness of the policy.
- 5.2 The Maintenance Team is responsible for oversight and governance of the policy.

6. Associated Documents

- Tenants Own Improvements Request Form:
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 - www.northamptonshirerha.org.uk/improvements
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- Compensation Claim Form:
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 - www.northamptonshirerha.org.uk/compensation-claim
 - www.peakdistrictrha.org.uk/compensation-claim
 - www.warwickshirerha.org.uk/compensation-claim

Tenants Own Improvements Request Form

This form is also available to complete on our website:

- www.leicestershirerha.org.uk/improvements
- www.northamptonshirerha.org.uk/improvements
- www.peakdistrictrha.org.uk/improvements
- www.warwickshirerha.org.uk/improvements

If you wish to make improvements, alterations, or additions to your home, you must obtain our written permission before starting the work.

If you need assistance completing this form, please ask us to help you. This form will be treated in the strictest confidence.

1. Your Details

Full Name:	
Address including Postcode:	
Email Address:	
Telephone Number:	

2. Are you a Rental Tenant or Shared Owner?

Rental Tenant

Shared Owner

4. Will the work affect any electrical sockets, wiring or the fuse board?

Yes

No

If yes, please give details:

5. Will the work affect any gas pipework or gas appliances?

Yes

No

If yes, please give details:

6. Have you checked whether you require planning permission or building control approval?

Yes

No

If yes, please give details:

I declare the above information to be true

Your signature: _____

Date: _____

Compensation Claim Form

This form is also available to complete on our website:

- www.leicestershirerha.org.uk/compensation-claim
- www.northamptonshirerha.org.uk/compensation-claim
- www.peakdistrictrha.org.uk/compensation-claim
- www.warwickshirerha.org.uk/compensation-claim

If you think you are entitled to compensation for expenditure incurred improving your home, then please complete this form.

If you need assistance completing this form, please ask us to help you. This form will be treated in the strictest confidence.

1. Your Details

Full Name:	
Address including Postcode:	
Email Address:	
Telephone Number:	

2. Date of Work

Please provide the date works were completed:	
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5. Cost of Work

Please state the total cost incurred for completing the work (evidence of this must be provided):

I declare the above information to be true

Your signature: _____

Date: _____