

COMPENSATION FOR IMPROVEMENTS POLICY

Update February 2023

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1. INTRODUCTION

- 1.1. The Leasehold Reform, Housing and Urban Development Act 1993 gives SECURE tenants the right to compensation for certain tenant financed improvements that have had the written permission of the Council.
- 1.2. The right to compensation for improvements is subject to certain qualifying criteria and regulations, and must consist of the installation or replacement of an item as referred to in the Secure Tenants of Local Authorities (Compensation for Improvements) Regulations 1994.
- 1.3. This Policy outlines the process that Dartford Borough Council will follow when assessing and processing a claim for compensation for improvements.

2. AM I ELIGIBLE FOR COMPENSATION?

- 2.1. Entitlement to compensation will depend on whether the following eligibility criteria is satisfied:
 - The tenancy must be secure
 - Sole tenants or one of the joint tenants is/are eligible
 - Certain cases of succession and certain assignments can qualify for entitlement. (See Annex A for details of persons qualifying for compensation)
 - Tenants exercising a transfer or tenants exercising a mutual exchange are eligible at the time of the exchange
 - The improvement work must have started on or after 1 April 1994
 - Written consent must have been given by the Council before the improvement work(s) was carried out.
- 2.2. Compensation will not be paid under the following circumstances:
 - Written consent from the Council, for the improvement work(s), was not given/obtained
 - The works are not a qualifying improvement (see Table 1)
 - The compensation payable is less than £50
 - The tenancy has ended as the result of an eviction
 - The tenancy has ended due to the occupant(s) exercising the Right to Buy
 - The dwelling house has been disposed of to the tenant or one of the joint tenants (disposal of land held for housing purposes¹)

¹ Housing Act 1985

- A new tenancy of the same or substantially the same dwelling house has been granted to the qualifying person (or, in the case of a joint tenancy to all joint tenants) whether or not with anyone else
- The notional life of the improvement has expired
- Compensation has been paid under S100 of the Housing Act 1985 in respect of the improvement.¹

3. IMPROVEMENTS THAT QUALIFY FOR COMPENSATION

- 3.1. Table 1 below represents items on which compensation is payable and the notional life of the improvement; which is the life expectancy of the repair in years.

Table 1: Qualifying improvements and notional lives (in years)

Improvement	Notional Life
Bath or shower	12
Wash-hand basin	12
Toilet	12
Kitchen sink	10
Storage cupboards in bathroom or kitchen	10
Work surfaces for food preparation	10
Space or water heating	12
Thermostatic radiator valves	7
Insulation of pipes, water tank or cylinder	10
Loft insulation	20
Cavity wall insulation	20
Draught proofing of external doors or windows	8
Double glazing or other external window replacement or secondary glazing	20
Rewiring or the provision of power and lighting or other electrical fittings (including smoke detectors)	15
Any object which improves the security of the dwelling house, but excluding burglar alarms	10

- 3.2. Interior decoration, such as painting and wallpapering, does not qualify for compensation. Any improvement not listed in Table 1 will not be considered for compensation.

4. HOW COMPENSATION IS CALCULATED

- 4.1. The amount of compensation payable is calculated according to the following formula, which takes into account wear and tear and depreciation.

C x [1 – Y/N]

C = original cost of the improvement. (Any financial assistance (such as a grant) that was paid towards the cost of the improvement will be deducted from the cost)

Y = the number of complete years the improvement has been in place (with part of a year being rounded up to a complete year) starting on the date the improvement was completed and ending on the date the compensation is claimed

N = the notional life of the improvement

- 4.2. If replacement windows were put in ten years ago costing £2000, this is calculated as follows:
Number of complete years (10) multiplied by the notional life (20) = 0.5
Then $1 - 0.5 = 0.5 \times 2000$ (original cost) = 1000 (compensation payable).
- 4.3. Deductions to the compensation payable will be made if the Council determines that:
- The cost of the improvement was excessive
 - The improvement is of a higher quality than it would have been if the Council had done the work
 - The improvement has deteriorated at a greater rate than is specified as the notional life in Table 1
 - Money is owed to the Council by the tenant (e.g. rent arrears, service charge arrears, rechargeable repairs or court costs).
- 4.4. An increase to the compensation payable may be made if the improvement has deteriorated lesser than is specified as the notional life in Table 1.
- 4.5. Compensation can be claimed for the cost of materials (but not appliances such as cookers and fridges) and labour costs (but not the tenants' own labour). No compensation can be claimed for professional fees (such as architects), or the costs of any relevant planning permission or consent under Building Regulations.
- 4.6. Compensation will be payable to a maximum of £3000 for any one improvement. No payment will be made if the level of compensation is less than £50.

5. MAKING A CLAIM FOR COMPENSATION

- 5.1. Claims must be made no more than 28 days before or 14 days after the date on which a tenancy ends. A claim can be made by completing an application form (see Annex B). Applications forms can also be obtained from a Housing Officer, or, the claim can be requested in a letter and addressed to the relevant Housing Officer or you can [download a copy](#).
- 5.2. For any claims made by letter, the claim must contain the following information:
 - Name and the address of the Council property where the improvement was made
 - The new address
 - Daytime telephone number
 - What improvement(s) has been made
 - How much the improvement(s) cost
 - The date the improvement(s) began and finished
 - A copy of the invoice to show how much the improvement(s) cost (if you do not have a copy of the invoice you must tell us and give us an estimate of the total cost)
 - A copy of the letter from the Council giving consent to the improvement
- 5.3. Once a claim is received, a visit will be made to the property by an Officer of the Council to inspect the improvement and to make a decision on the outcome of the claim.
- 5.4. A letter will then be sent to the tenant to explain the outcome of the claim no more than 21 days from the date the claim was received. This will include details of how the claim was calculated if it is decided that some compensation is payable.

6. REVIEWS AND DISPUTES

- 6.1. If a claim for compensation for improvements has been declined, tenants can request a review of the decision, which will follow the Council's usual complaints procedure. Details of this procedure can be found at <https://www.dartford.gov.uk/complaints>. Details of the complaints procedure is also available from Housing Officers.
- 6.2. Tenants have the right to take the Council to court if they do not agree with the decision. Advice on how to do this can be sought from a solicitor or the local Citizens Advice Bureau.
- 6.3. If it transpires that a false claim for compensation has been made (e.g. made a claim for an improvement not actually made or a claim for more than the actual amount), the Council may take legal action against the tenant.

7. FURTHER INFORMATION

- 7.1. The Secure Tenants of Local Authorities (Compensation for Improvements) Regulations 1994 Statutory Instrument 1994 No 613 can be found at: <https://www.legislation.gov.uk/ukSI/1994/613/contents/made>
- 7.2. For further advice and information about how to make a claim for compensation for improvements please contact your Housing Officer or follow this link: [Tenants' Rights to Compensation for Improvements](#)

8. COMPLAINTS

- 8.1. If an individual is not satisfied with the service they have received, the Council's [Corporate Complaints Procedure](#) can be followed. Complaints leaflets are also available from the Council offices.
- 8.2. The [Housing Ombudsman](#) can be contacted if further advice and support is needed on making a complaint to the Council.

9. DATA PROTECTION

- 9.1. The UK GDPR and the Data Protection Act 2018 regulate the processing of information relating to individuals, which includes the obtaining, holding, using or disclosing of such information.
- 9.2. The Council needs to collect and use certain types of information about its tenants in order to carry out its everyday business and to fulfil its objectives and its statutory functions.
- 9.3. The Council's:
- [Data Protection Policy](#) sets out how it will protect special category and criminal convictions personal data;
 - [Housing Services \(Landlord and Tenant\) Privacy Notice](#) explains that the Council collects personal information to administer its housing (landlord and tenant) services.

10. EQUALITY AND DIVERSITY

- 10.1. The Council is committed to welcoming and valuing diversity, promoting equality of opportunity and tackling unlawful discrimination in accordance with the Equality Act 2010. The Council, in delivering this Policy, will have regard to the Public Sector Equality Duty and ensure that no individual is discriminated against based on their sex, sexual orientation, marital status, pregnancy and maternity, gender reassignment, race, religion, belief, disability or age.

10.2. The Public Sector Equality Duty is a duty on the Council and that responsibility cannot be delegated to a contractor/service provider and is a continuing duty.

11. MONITORING AND REVIEW

11.1. This Policy will be reviewed every three years or earlier to address legislative, regulatory, best practice or operational issues.

Annex A

Housing Act 1985 (c. 68)

PART IV SECURE TENANCIES AND RIGHTS OF SECURE TENANTS

Repairs and improvements

F1 99B.

Persons qualifying for compensation

— (1) A person is a qualifying person for the purposes of section 99A(2) if—

(a) he is, at the time when the tenancy comes to an end, the tenant or, in the case of a joint tenancy at that time, one of the tenants, and (b) he is a person to whom subsection (2) applies.

(2) This subsection applies to—

(a) the improving tenant;

(b) a person who became a tenant jointly with the improving tenant;

(c) a person in whom the tenancy was vested, or to whom the tenancy was disposed of, under section 89 (succession to periodic tenancy) or section 90 (devolution of term certain) on the death of the improving tenant or in the course of the administration of his estate;

a person to whom the tenancy was assigned by the improving tenant and who would have been qualified to succeed him if he had died immediately before the assignment;

F2 (e) a person to whom the tenancy was assigned by the improving tenant in pursuance of an order made under—

(i) section 24 of the Matrimonial Causes Act 1973 (property adjustment orders in connection with matrimonial proceedings),

(ii) section 17(1) of the Matrimonial and Family Proceedings Act 1984 (property adjustment orders after overseas divorce, &c.) **F3**, or

(iii) paragraph 1 of Schedule 1 to the Children Act 1989 (orders for financial relief against parents)**F4**, or

Part 2 of Schedule 5, or paragraph 9(2) or (3) of Schedule 7, to the Civil Partnership Act 2004 (property adjustment orders in connection with civil partnership proceedings or after overseas dissolution of civil partnership, etc.);]

F5 (f) a spouse, former spouse, [**F6** civil partner, former civil partner,] cohabitant or former cohabitant of the improving tenant to whom the tenancy has been transferred by an order made under Schedule 1 to the Matrimonial Homes Act 1983 or Schedule 7 to the Family Law Act 1996.]

(3) Subsection (2)(c) does not apply in any case where the tenancy ceased to be a secure tenancy by virtue of section 89(3) or, as the case may be, section 90(3).

(4) Where, in the case of two or more qualifying persons, one of them (“the missing person”) cannot be found—

(a) a claim under regulations made under section 99A may be made by, and compensation under those regulations may be paid to, the other qualifying person or persons; but

(b) the missing person shall be entitled to recover his share of any compensation so paid from that person or those persons.

(5) In this section “the improving tenant” means—

(a) the tenant by whom the improvement mentioned in section 99A(1) was made, or

(b) in the case of a joint tenancy at the time when the improvement was made, any of the tenants at that time.]

Annotations:

Amendments (Textual)

F1S. 99A, 99B inserted (1.2.1994) by 1993 c. 28, s. 122; S.I. 1993/2762, art. 4(b) (with saving in art. 5(2)).

F2S. 99B(2)(e) substituted (1.10.1996) by 1996 c. 52, s. 222, Sch. 18 Pt. III para. 13; S.I. 1996/2402, art. 3 (subject to transitional provisions and savings in Sch.)

F3Word at the end of s. 99B(2)(e)(ii) repealed (5.12.2005) by Civil Partnership Act 2004 (c. 33), ss. 261(4), 263(10), Sch. 30; S.I. 2005/3175, art. 2(6)

F4S. 99B(2)(e)(iv) and preceding word inserted (5.12.2005) by Civil Partnership Act 2004 (c. 33), ss. 81, 263(2), Sch. 8 para. 25; S.I. 2005/3175, art. 2(1), Sch. 1

F5S. 99B(2)(f) substituted (1.10.1997) by 1996 c. 27, s. 66(1), Sch. 8 Pt. III para. 54 (with Sch. 9 paras. 8-10); S.I. 1997/1892, art. 3

F6Words in s. 99B(2)(f) inserted (5.12.2005) by Civil Partnership Act 2004 (c. 33), ss. 82, 263(2), Sch. 9 para. 19; S.I. 2005/3175, art. 2(1), Sch. 1

Annex B



<p style="text-align: center;">RIGHT TO COMPENSATION FOR IMPROVEMENTS APPLICATION FORM</p> <p style="text-align: center;">HOUSING SERVICES</p>
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If you are a secure tenant you may be entitled to claim compensation, when your tenancy ends at that property, for certain improvements that you have made.

The right to compensation applies to improvements that were started on or after 1 April 1994 that have been given the written consent of the Council.

The qualifying improvements that you may apply for compensation is shown in the table below:

Improvement	Notional Life
Bath or shower	12
Wash-hand basin	12
Toilet	12
Kitchen sink	10
Storage cupboards in bathroom or kitchen	10
Work surfaces for food preparation	10
Space or water heating	12
Thermostatic radiator valves	7
Insulation of pipes, water tank or cylinder	10
Loft insulation	20
Cavity wall insulation	20
Draught proofing of external doors or windows	8
Double glazing or other external window replacement of secondary glazing	20
Rewiring or the provision of power and lighting or other electrical fittings (including smoke detectors)	15
Any object which improves the security of the dwelling-house, but excluding burglar alarms	10

Internal decoration, such as painting or wallpapering does not qualify for compensation. Compensation can be claimed for the cost of materials from the above list (but not appliances such as cookers and fridges) and labour costs (but not the tenants own labour). No compensation can be claimed for professional fees (such as architects), or the costs of any relevant planning permission or consent under Building Regulations.

The compensation is worked out under the following formula, which takes into account wear and tear and depreciation:

C x [1 – Y/N]

C = original cost of the improvement. (Any financial assistance (such as a grant) that was paid towards the cost of the improvement will be deducted from the cost)

Y = the number of complete years the improvement has been in place (with part of a year being rounded up to a complete year) starting on the date the improvement was completed and ending on the date the compensation is claimed

N = the notional life of the improvement

You may be eligible for compensation up to a maximum of £3000 for any one improvement. No compensation will be made if the level of compensation is less than £50.

To make your claim, please complete this application form (or you can put your request in a letter) no more than 28 days before or 14 days after the date on which your tenancy ends.

Once we have received your request, we will arrange for an Officer to visit the property to inspect the improvement and make a decision on the outcome of the claim. We will then write to you with the outcome of your claim no more than 21 days after your request was received.

Full details of the Council’s Right to Compensation for Improvements Policy can be obtained by contacting your Housing Officer or by visiting www.dartford.gov.uk/housing.

Your details	
Your Name	
The Address of where the improvement was carried out	
Forwarding Address	
Daytime Telephone	
Date Tenancy Commenced	
Date Tenancy Ended	

Improvement 1	
Please give details of the improvement that you are claiming compensation for	
Date that the work was undertaken	
Number of years since completion	
Was approval given by the Council for the improvement?	Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please enclose a copy of the approval letter*
Cost of the work	Please enclose copies of invoices or receipts in relation to the cost of the work
Have you received any financial assistance (such as a grant) towards the cost of the improvement? (e.g. a Disabled Facilities Grant)	Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please give brief details below:

Improvement 2	
Please give details of the improvement that you are claiming compensation for	
Date that the work was undertaken	
Number of years since completion	
Was approval given by the Council for the improvement?	Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please enclose a copy of the approval letter*
Cost of the work	Please enclose copies of invoices or receipts in relation to the cost of the work
Have you received any financial assistance (such as a grant) towards the cost of the improvement? (e.g. a Disabled Facilities Grant)	Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please give brief details below:

Improvement 3	
Please give details of the improvement that you are claiming compensation for	
Date that the work was undertaken	
Number of years since completion	
Was approval given by the Council for the improvement?	Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please enclose a copy of the approval letter*
Cost of the work	Please enclose copies of invoices or receipts in relation to the cost of the work
Have you received any financial assistance (such as a grant) towards the cost of the improvement? (e.g. a Disabled Facilities Grant)	Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please give brief details below:

Improvement 4	
Please give details of the improvement that you are claiming compensation for	
Date that the work was undertaken	
Number of years since completion	
Was approval given by the Council for the improvement?	Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please enclose a copy of the approval letter*
Cost of the work	Please enclose copies of invoices or receipts in relation to the cost of the work
Have you received any financial assistance (such as a grant) towards the cost of the improvement? (e.g. a Disabled Facilities Grant)	Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please give brief details below:

If you would like to make a claim for compensation for more than four improvements, please continue on a separate sheet.

* If you cannot find anything in writing to confirm that you have received approval from the Council for the improvement, please specify this on the form.

Once you have signed the form at the bottom, please return it to your Housing Officer at Dartford Borough Council, Civic Centre, Home Gardens, Dartford, Kent, DA1 1DR.

Data Protection Act 2018 Notification Clause

The information you have provided on this form will be used to help decide the outcome of your claim for compensation for improvement. It will be held securely and used in connection with your claim.

Please refer to our Privacy Notices for further details of how we process your personal information and your rights:

- Corporate Privacy Notice – <https://www.dartford.gov.uk/privacy-notices/corporate-privacy-notice>
- Privacy Notice for the Housing Services (Landlord and Tenant) – <https://www.dartford.gov.uk/privacy-notices/housing-services-landlord-tenant>

DECLARATION

I am aware that the Council will create and maintain computer and paper records on me and that these records will be processed in accordance with the Data Protection Act 2018 and may be used for the purposes detailed above, both internally within the Council and to external organisations/bodies.

Signed:

Date:

All personal data is kept accurate, up to date and secure to prevent accidental loss destruction or damage.

The extent of the measures taken by the Council will depend upon the sensitivity of the information. Personal data will not be kept for longer than is necessary for their purpose.

You have a right of access to your personal data and the right to check and correct the information and may pursue a query or complaint on matters related to your personal data.

Further information on your rights may be obtained by contacting The Data Protection Officer, Dartford Borough Council, Civic Centre, Home Gardens, Dartford, Kent, DA1 1DR

Email: dataprotection@dartford.gov.uk;

Website <https://www.dartford.gov.uk/>

If you or anybody you know requires this or any other Council information in another language, please contact us and we will do our best to provide this for you. Braille, Audio tape and large print versions of this document are available upon request.



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ENDNOTES

ⁱ The Council is empowered to compensate tenants for approved improvements commenced since 3 October 1980 under s100 of the Housing Act 1985, which have added materially to the market value of a property or the rent which could have been charged. Discretion to compensation and the amount of compensation are left to the individual local authority.