

The background of the page is a photograph of a street scene. On the left is a historic, multi-story brick building with a prominent pediment and arched windows. To its right is a modern, multi-story white building with large glass windows and a contemporary design. The street is paved, and there are some trees and streetlights visible.

Tenant Alterations and Improvements Policy

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Tenant Alterations and Improvements Policy

OVERVIEW

Shettleston Housing Association recognises that the properties it lets to individuals become that household's home and understands the desire to make the house a reflection of the residents' own tastes and preferences. The Association wishes to support residents in their efforts to make the property a comfortable and pleasant home for themselves and their families and, in doing so, would hope to foster a sense of ownership and pride in their home.

However, the Association also recognises that it has a duty to ensure that all its properties are kept in a safe condition and to the highest possible standard. As such, the Association accepts that it has a role in monitoring, approving and inspecting any alterations or improvements made by residents to the property. The Tenant Alterations and Improvements Policy, therefore, is intended to clearly define the Association's role and the responsibilities of residents and to give guidance to both parties on the requirements placed on them.

While the policy refers to 'tenants' it is noted that the Association retains an ownership interest in Shared Ownership properties, and the policy will also apply to Sharing Owners until such time as they purchase 100% of the property.

Introduction and Regulation

Shettleston Housing Association operates in accordance with:

- Statutory requirements
- The standards set down in the Scottish Social Housing Charter
- The requirements of the Scottish Housing Regulator
- The terms and provisions of the Tenancy Agreement (that is based on the Model Scottish Secure Tenancy)

in the formulation and implementation of all its policies. SHA seeks to fulfil its Corporate Aims through the development and implementation of its policies and all SHA's policies operate to achieve its Strategic Objectives as set out in its Business Plan.

Equalities

SHA is committed to providing equality of opportunity to all persons or groups within its area of operations in every aspect of its activities.

In operating this policy SHA will endeavor to ensure, equality of opportunity for all, at all times, and in all circumstances. The potential impact of this policy, either positive or negative, on any protected characteristics, was considered when developing this policy. In line with this commitment to equality, this policy, and any summary or information leaflet, can be made available, free of charge, in a variety of formats including; large print, translation into another language or audio tape.

Access To Policy Information

SHA will ensure that its policies are made fully available to all tenants, applicants, members, persons or groups within its areas. Every effort will be made by SHA to support access and promote awareness of its policies by posting these on its website, developing summaries, guidance and information leaflets as appropriate.

Tenant Involvement And Consultation

SHA is committed to meet the requirements of the Housing (Scotland) Act 2010 in all of its policies and to meet the requirements of the Scottish Social Housing Charter. SHA will involve tenants in the development of its policies and seek feedback in appropriate circumstances. It will ensure that any material change to services affecting tenants in this and other policies will be the subject of consultation.

Policy Monitoring

SHA is committed to ensure that adequate monitoring of the implementation of its policies is undertaken. This will be achieved through regular review by the Management Committee, customer/tenant feedback surveys, and regular consultation with tenant/resident groups.

Risk Management And Assessment

SHA has a detailed Risk Management Policy in place and it will assess the risks to the Association in the implementation of each of its policies as part of its risk management strategy.

Procedures

Where appropriate, SHA will develop a detailed set of procedures identifying actions, roles and responsibilities in the implementation its policies. These procedures will be subject to regular review and audit.

Training

SHA will ensure that its staff are properly trained in terms of their knowledge and understanding of statutory requirements and the requirements of the Scottish Social Housing Charter pertaining to its policies. It will ensure that appropriate staff are kept up to date with all procedures pertaining to the implementation of policies. The Management Committee will have access to training to ensure that it can maintain appropriate control and overview of the policy and procedures.

1. Introduction and Regulation

The purpose of this policy is to ensure that any alteration or improvement works carried out by residents in the property are completed to an acceptable standard, meet all safety regulations and requirements and will not present future maintenance or safety problems for residents or the Association.

The policy sets down the steps to be followed to ensure a fair and consistent approach is applied to all tenant applications for alteration or improvement works.

In preparing this policy the Association aims to take account of all relevant statutory, regulatory and good practice requirements, including:

- The Housing (Scotland) Act 2001, and subsequent amendments
- Part 5 of the Scottish Secure Tenancy Agreement
- The Regulatory Standards of Governance and Financial Management set down by the Scottish Housing Regulator
- Scottish Housing Quality Standard
- The Scottish Social Housing Charter

2. Policy Objectives

The primary aim of the Policy is to ensure that any alteration or improvement works carried out by tenants are done so safely and do not constitute a risk to the household, visitors to the property or to other residents.

The Association wishes to foster a sense of ownership that will encourage residents to contribute to the Association's overall policy of maintaining the stock to the highest possible standard.

The Tenant Alterations and Improvements Policy also sets out the conditions under which compensation may be paid to tenants at the end of their tenancy in connection with the alterations or improvements they have made to their home and the principles for calculating any compensation due.

This Policy is intended to give guidance to staff on implementing the correct procedures for assessing a request for a tenant alteration. It also aims to ensure that, as far as possible, all applications to carry out any improvements or alterations are dealt with in a fair, equitable and consistent manner.

3. Scope of the Policy

The provisions contained in this policy apply to both Scottish Secure and Short Scottish Secure tenants of the Association as the same legal requirements apply to both under the terms of the Tenancy Agreements. As noted above, the Policy also applies to sharing owners, under the terms of their occupancy agreement with the Association.

The requirement to secure the Association's permission applies to all proposed improvements and alterations to the property, other than interior decoration. It should be noted that, under the terms of the policy, artex coatings to walls and ceilings are treated as an alteration, rather than internal decoration, and so consent must be sought for this type of work.

4. Legal requirements

Part 2, Chapter 1, Section 28 of the Housing (Scotland) Act 2001 states that tenants cannot carry out any work in their house, other than interior decoration, without written consent from the landlord. Schedule 5, Part 1 of the Act details the tenants' and Association's responsibilities when applying for and considering applications for consent.

The Act also states that landlords should not unreasonably refuse permission for alterations or improvements.

The obligation on residents to apply for written permission before making any alterations or improvements to the property is re-iterated in Section 5.20 of the Scottish Secure Tenancy Agreement and Section 7 of the Shared Ownership Exclusive Occupancy Agreement.

Part 2, Chapter 1, Sections 29 & 30 of the Housing (Scotland) Act 2001 and the Scottish Secure Tenants (Compensation for Improvements) Regulations 2002 detail the tenants' rights, at the end of their tenancy and under certain circumstances, to claim reimbursement or compensation for the improvements they have carried out.

5. Duties and Responsibilities

5.1 The Association's Responsibilities

Section 5 of the Scottish Secure Tenancy Agreement sets down repair and maintenance responsibilities for the Association and for the tenant. The Association has a duty to ensure that all of its properties are maintained in a safe and acceptable condition and, as such, has a responsibility to oversee any alterations, works and/or improvements carried out by tenants.

The Association also has a duty to consider all applications received for permission to carry out alteration or improvements works and to do so in a consistent and fair manner.

5.2 The Tenant's Responsibilities

Sections 5.19 - 5.21 of the Scottish Secure Tenancy Agreement details tenant responsibilities and rights in relation to alterations and improvements. Tenants must apply to the landlord for permission to carry out any works to the property, other than interior decoration, and written permission must be received from the Association before any work is started.

Tenants must also inform the Association once the works are completed and allow access for an inspection of the works if required.

It is the responsibility of applicants to apply for all statutory approvals such as Building Warrants, Planning Consent etc. and they must provide copies of all relevant documentation to the Association both prior to carrying out the works and on completion, as appropriate.

6. Applying for Permission to carry out an alteration/improvement

In accordance with the Housing (Scotland) Act 2001, tenants must not proceed with any alteration or improvement works to the property until permission has been granted in writing by the Association.

An application to carry out works must be made in writing on the standard form available from the Association's office. The Association will also provide guidance to tenants and sharing owners and advise on the types of works requiring permission and the supporting information that will be required to allow the application to be considered.

7. Assessment of Applications

7.1 Receipt of Applications

Application forms for alterations and improvements may be submitted by hand, by post or electronically. In all cases forms will be passed to the relevant Maintenance Officer who will undertake an assessment of the proposed work.

7.2 Response Times

Each application will be acknowledged in writing by the Association within 3 working days. This acknowledgement may be a simple confirmation of receipt, a request for further information or, in straightforward cases, may be the formal written decision.

The full written decision will be issued to the applicant within 15 working days. This timescale may be extended where additional information is required, access for inspection has not been provided or the matter has to be referred to the Board for approval. In these cases the applicant will be advised of the reasons for the delay and provided with a new target date for issue of the formal decision.

In accordance with the terms of the Housing (Scotland) Acts, where a response has not been given by the Association, or the applicant advised in writing of a delay, permission will be deemed to have been granted.

7.3 Classification of Application

On receipt of an application the proposed alteration/improvement will be categorised as either a MINOR or a MAJOR alteration/improvement.

A minor alteration/improvement is one that does not affect the fabric, design or structure of the building and will not affect the value or the rental value of the property.

Major alterations/improvements will be those that substantially alter the building such as loft conversions, extensions, installing central heating systems etc.

7.4 Delegated Authority

Applications to carry out minor alterations/improvements will be considered and authorised or refused at the discretion of the Maintenance Officer / Maintenance Manager, in line with the terms of the Policy.

Applications to carry out a major alteration/improvement will be referred to the Property Services Committee for consideration. The referral will be supported by a full written report and recommendation from the Maintenance Manager.

7.5 Inspections

Where necessary, an inspection of the property will be carried out by the Maintenance Officer before a decision is made on the application.

7.6 Procedures for Recording and Monitoring Applications

All applications for alterations and improvements will be recorded on the Alterations Database. At each stage of the application and assessment process the Maintenance Officer / Assistant will enter relevant details in the Alterations Database, including:

- Address.
- Description of alteration/improvement.
- Date application received.
- Whether a pre-inspection is required.
- Whether approval is granted or refused and date of notification of decision.
- Date of post-inspection, where required and any relevant notes.
- Date of receipt of Notification of Completion of Works form and relevant certificates.
- Whether permission has been withdrawn.

Once an alteration / improvement is satisfactorily completed the Maintenance Officer / Assistant will add a note in the Property Notes section of the Open Housing system to ensure all staff are aware of tenant alterations when raising future repairs works in that property.

8. Granting Permission

Permission will normally be granted where the Association is satisfied that:

- the proposed improvement or alteration will meet relevant standards of safety and workmanship.
- the work will not detract from the future letting potential of the property or adversely affect the rental value.
- the proposed improvement or alteration will not constitute a danger to the occupiers or visitors to the property or adjacent premises

The applicant will be advised in writing that permission has been granted and that works may proceed. The Association will also advise of any conditions or standards that must be observed and of any safety checks and certificates that must be provided once the works are complete. The applicant will be advised that failure to adhere to these conditions may result in the Association withdrawing its consent to the works being carried out.

It will be made clear to the applicant that the maintenance of the areas affected by the alteration will become their responsibility for the duration of their tenancy.

9. Refusal of Permission

9.1 General Principles

In considering applications to carry out improvements and alterations, the Association will not unreasonably withhold consent. In general, permission will only be refused on grounds that take into account:

- The safety of the occupiers and visitors to the house and other adjacent premises.
- Any resulting expenditure for the Association.
- Any effect on the value of the house, the future rental value or the property's suitability for future letting.
- Unreasonably onerous future maintenance responsibilities for the Association.
- Any effect on the general aesthetics and look of the building and surrounding area
- Any effect of the work on the amount of accommodation space provided (e.g. reducing a 4 apartment to a 3 apartment by making two bedrooms into one) and on the future use of the property.
- Any likely inconvenience or disruption to other residents.

Where it is assessed that the proposed alteration or improvement is likely to have a detrimental effect on any one of these factors, permission may be reasonably withheld.

In relation to the final condition listed above, the views of neighbours who may be affected by the proposed works will be of significance. Accordingly, the Association will notify neighbours when it believes they may be affected and therefore have a right to comment. Neighbours will normally be given 5 working days in which to comment on the proposed works. Where neighbour notification is necessary the applicant will be advised that the time taken to process their application may need to be extended, especially if the proposed works raise complex issues.

9.2 External Structures

Applications to erect external structures such as sheds, garages, pigeon huts etc within a shared back garden or courtyard will normally be refused on the following grounds:

- Common areas are shared by all the residents and no one area of space is to be dedicated to any one single household or for the exclusive use of one household.
- The limited space available in shared back courtyards is likely to prevent every resident from exercising their right to erect a garage, shed or other similar structure.
- The appearance and residents' enjoyment of the shared area is likely to be impeded by the erection of a number of such structures

9.3 Notification of Refusal

Refusal of an application will be notified in writing, giving the reasons for refusing consent.

10. Withdrawal of Permission

10.1 Timescales for Completion

Under normal circumstances proposed alterations and improvement works should be carried out by the tenant / sharing owner within 3 months of permission being granted. The applicant is required to submit a Notification of Completion of Works form (refer Appendix 2) to advise when the works have been undertaken and provide access for an inspection where this is deemed appropriate. All relevant electrical or gas safety certification must be passed to the Association along with the Notification of Completion or Works form.

If the proposed alteration/improvement is not carried out within the 3 month period, the Association's permission for the works will be deemed to have been withdrawn and the application cancelled.

At the discretion of the Association this 3 month period may be extended where the applicant is experiencing difficulties in completing the works. Extensions must be applied for and approved in writing by the Association.

10.2 Changes to Proposed Works

The works carried out must be in accordance with those proposed on the application form. Any variations to the original works must be approved by the Association, in writing.

If works carried out are not in line with those on the application form, the Association's permission may be withdrawn and the application cancelled. The resident may then be required to re-instate the property to its original condition, or meet the cost of reinstatement by the Association.

10.3 Disturbance to Neighbours

The Association reserves the right to withdraw permission for an alteration/improvement if, in carrying out the works, the tenant/sharing owner causes an unacceptable disturbance, noise level, annoyance or distress to neighbours.

11. Safety Checks and Certificates

Where the proposed alteration / improvement includes electrical, gas or plumbing works the Association must be satisfied that the works carried out meet all relevant safety regulations and are completed to an acceptable standard. This is to ensure the safety of the residents in the property and adjacent premises as well as maintain the stock to the highest possible standard.

Alterations / improvements involving electrical, gas or plumbing works must, therefore, be carried out by an appropriately qualified contractor who is able to provide the relevant safety certificate on completion of the works. Where requested, the Association may provide the applicant with contact details for Upkeep to undertake the works. It must be noted that any arrangement to carry out alteration / improvement works is a private contract between resident and contractor and the Association will not be responsible for the conduct or workmanship of the contractor and will not be liable for damage caused by the tradesperson or become involved any disputes between the residents and contractor. Additionally, the resident must agree payment terms directly with the contractor.

Final approval of the alteration/improvement will not be given until the Association is provided with all relevant safety certificates.

12. Approval of Completed Works

Tenants/sharing owners will be required to advise the Association when the works are completed by submitting a 'Notification of Completion of Works' form. This will be issued along with the consent for the alteration works.

Final approval for the work will only be given when:

- The Association is satisfied that all the standards and conditions have been adhered to and met.
- All required safety certificates and statutory consents have been submitted to the Association.
- Access has been provided to allow inspection of the works, as necessary.

Confirmation of approval of the completed works will be issued in writing within 10 working days of receipt of the Notification of Completion of Works form and all required supporting documentation.

If approval for completed works is refused, the tenant / sharing owner will be notified in writing, giving the detailed reasons for refusal and any actions required to secure approval or reinstate the property.

13. Repair and Maintenance Responsibilities

The Association will not normally take responsibility or accept liability for the repair and maintenance of any components installed or alterations / improvements undertaken by tenants for the duration of that tenancy. Where the Association agrees to maintain any element of the works, this will be stated in writing within the letter of consent.

Where a component of the alteration/improvement requires to be replaced and is deemed to be the Association's responsibility, then the Association's standard fixings and/or fittings will normally be used (e.g. a standard light fitting rather than a bespoke one).

14. Termination of Tenancy

14.1 Removal of Alteration/Improvement

As part of the application to carry out an alteration / improvement, the applicant will generally be asked to state whether they intend to remove any component of the alteration/improvement in the event that they subsequently end their tenancy with the Association or sell-on their share in the property (for shared ownership).

Where the Association believes it would be left with unreasonably onerous maintenance costs then the applicant will be advised that the component must be removed at the end of their tenancy.

Where the resident is to remove all or part of the alteration / improvement they will be obliged to re-instate the property to a standard acceptable to the Association and replace all the fixtures and fittings prior to terminating their tenancy (in line with the Association's Void Procedures). Where this is not done the Association will reinstate the property and recharge the cost of any works to the former tenant.

14.2 Leaving the Alteration/Improvement

Where the alteration / improvement is to be left by the vacating resident, all components of the alteration / improvement must be left safe and in fully working order and in a condition that meets the Association's re-let standards. Where required, the resident must meet the cost of an electrical or gas safety check of the components they have installed. If they fail to do so, the alteration / improvement will either be brought up to standard or removed by the Association and the former resident recharged the full costs incurred.

14.3 New Sharing Owners

Where an alteration / improvement is left in the property the new sharing owner will accept the house as seen and, in accepting the house, the incoming resident will accept all maintenance and replacement responsibilities. This will form part of the missive for sale.

14.4 New Tenants

Where an alteration / improvement is left with the agreement of the Association the Association will take on responsibility for the maintenance of any component it has authorised the previous tenant to install.

The additional cost to the Association of maintaining and replacing any non-standard items may be taken into account, as appropriate, when the rental assessment for the new tenancy is carried out.

Where a non-standard component of the alteration/improvement requires to be replaced then the Association will normally use its standard fixings and/or fittings.

15. Right to Compensation for Improvements

15.1 Eligibility for Compensation

The Right to Compensation for Improvements gives tenants of the Association the right to receive compensation for certain works (or qualifying improvements) carried out by them during the course of their tenancy. These works include installing, replacing or fitting:

- cavity wall insulation
- loft insulation
- sound insulation
- draught-proofing external doors or windows
- double glazing, replacement windows or secondary glazing
- space or water heating
- thermostatic radiator valves

- pipes, water tanks or cylinders
- power or lighting, rewiring, additional electrical fixtures (including smoke alarms)
- mechanical ventilation in bathrooms or kitchens
- security measures other than burglar alarms
- a kitchen sink
- a bath or shower
- a toilet
- a wash hand basin
- storage cupboards in bathroom or kitchen
- a work surface for preparing food

Internal decoration does not qualify for compensation

For the avoidance of doubt this right also applies to tenants who undertake a mutual exchange and end their tenancy for the improved property with the Association.

There will be no right to compensation for improvements where a tenancy has ended following a grant by the Courts of a Decree for repossession (eg eviction for breach of tenancy conditions).

15.2 Claiming Compensation

In order to be eligible for compensation tenants must submit a claim to the Association within the period starting 28 days before the end of their tenancy and ending 21 days after the end of tenancy date. This claim must include details of the improvements carried out, the date works were undertaken and the cost of improvements (receipts will be required). The Association will calculate any amounts due and notify the tenant within 28 days of receipt of the claim.

The Association may offset any monies owed by the tenant (eg rent arrears, recharges, etc) against any compensation paid.

It is an essential condition that the tenant must have received permission from the Association for carrying out the improvement in the first place.

The maximum amount of compensation payable will be £4,000 for any one improvement. No compensation will be payable if the amount is calculated to be below £100.

15.3 Calculation of Compensation

The amount of compensation that will be payable to the tenant will be determined by the formula provided in the legislation:

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

where

C is the initial cost of the improvement

N is the notional life of the improvement (from industry standards)

Y is the number of years since the improvement was carried out

For example, if a qualifying improvement with a notional life of 8 years was carried out 3 years before the end of tenancy at a cost of, say, £1,500, then the compensation would be as follows:

$$\begin{aligned} & 1,500 \times \frac{(8 - 3)}{8} \\ = & 1,500 \times \frac{5}{8} \\ = & \textbf{£937.50} \end{aligned}$$

The amount calculated by the formula is the figure that would normally be paid in compensation.

However, this may be altered where:

- the initial cost of the improvement work is considered excessive (when assessed against invoices).
- the improvement has deteriorated at a rate greater than that provided for in the notional life for that improvement.
- the improvement is of a higher quality than it would have been had the landlord carried out the works.
- the outgoing tenant has rent arrears or outstanding recharges

The amount of compensation payable will be affected by when the work was carried out. Older improvements will receive less than works of a similar nature completed more recently. After a period of time - the 'notional life' of the component - no compensation will be due at all.

16. Right to Appeal

Applicants have the right to appeal against any decision made in relation to their application to carry out an alteration and/or improvement, or any decision on compensation, and will be advised of this in writing, where applicable.

Appeals or complaints must be in writing and will be dealt with in accordance with the Association's Complaints procedures. An appeal against a recharge will be treated as a Stage 1 Complaint and the tenant / former tenant will be advised of this in the response issued. In line with these procedures, tenants / sharing owners ultimately have the right to have their appeal or complaint referred to the Scottish Public Services Ombudsman (SPSO) for consideration.

17. Policy Review

This policy will be reviewed every three years.