
STATUTORY INSTRUMENTS

1994 No. 613

HOUSING, ENGLAND AND WALES

**The Secure Tenants of Local Authorities
(Compensation for Improvements) Regulations 1994**

<i>Made</i>	- - - -	<i>5th March 1994</i>
<i>Laid before Parliament</i>		<i>11th March 1994</i>
<i>Coming into force</i>	- -	<i>1st April 1994</i>

The Secretary of State for the Environment, as respects England, and the Secretary of State for Wales, as respects Wales, in exercise of the powers conferred on them by section 99A of the Housing Act 1985(1) and of all other powers enabling them in that behalf, hereby make the following Regulations—

Citation and commencement

1. These Regulations may be cited as the Secure Tenants of Local Authorities (Compensation for Improvements) Regulations 1994 and shall come into force on 1st April 1994.

Interpretation

2. In these Regulations—

“qualifying improvement” means an improvement consisting of the installation or replacement of an item specified in column A of the Schedule to these Regulations;

“notional life”, in relation to a qualifying improvement, is the period in years specified in column B of the Schedule to these Regulations opposite the description of that improvement in column A of that Schedule; and any reference to a section, Part or Schedule without more is a reference to a section or Part of or Schedule to the Housing Act 1985.

Entitlement.

3.—(1) Subject to and in accordance with the following provisions of these Regulations, in the cases described by section 99A(1) a qualifying person(2) is entitled to be paid compensation by his landlord in respect of a qualifying improvement at the time when his tenancy comes to an end(3).

(1) 1985 c. 68; section 99A was inserted by section 122 of the Leasehold Reform, Housing and Urban Development Act 1993 (c. 28).

(2) See section 99B of the Housing Act 1985, inserted by section 122 of the Leasehold Reform, Housing and Urban Development Act 1993.

- (2) Paragraph (1) shall not apply where—
- (a) the compensation which would otherwise be payable would be less than £50; or
 - (b) the tenancy comes to an end because
 - (i) in order for possession was made on any of the grounds in Part I of Schedule 2;
 - (ii) the right to buy or the right to acquire on rent to mortgage terms in Part V of the Housing Act 1985 has been exercised;
 - (iii) the dwelling-house has been disposed of to the tenant or one of the joint tenants under section 32(4) or 43(5); or
 - (iv) 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 of the joint tenants) whether or not with anyone else.

Amount of compensation

4.—(1) Subject to paragraphs (2) and (3), the amount of compensation payable for a qualifying improvement shall be—

$$C \times \left(1 - \frac{Y}{N}\right)$$

where—

- C = the cost of the improvement, which shall exclude the amount of any grant or minor works assistance under Part VIII of the Local Government and Housing Act 1989(6) or the Home Energy Efficiency Grants Regulations 1992(7) paid in respect of the improvement;
- N = the notional life of the improvement; and
- Y = the number of complete years, 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.

(2) The landlord may deduct from and (in the case of sub-paragraph (c) below) add to the amount of compensation calculated in accordance with paragraph (1) such sum as is reasonable to take into account any of the following matters which applies (notwithstanding, in the case of sub-paragraph (c), that otherwise compensation would not be payable)

- (a) the cost of the improvement was excessive;
 - (b) the improvement is of a higher quality than it would have been had the landlord properly effected it;
 - (c) the improvement has deteriorated at a lesser rate than provided for in the notional life for that improvement; and
 - (d) the improvement has deteriorated at a greater rate than provided for in the notional life for that improvement.
- (3) Compensation shall not be payable to the extent that—
- (a) the amount of compensation for a qualifying improvement would exceed £3,000; or
 - (b) compensation has been paid in relation to the improvement under section 100.

(3) See section 99A(8) of the Housing Act 1985 for cases where a tenancy is treated as coming to an end.

(4) Section 32 was amended by Schedule 17, paragraph 38, to the Housing Act 1988 (c. 50).

(5) Section 43 was amended by section 132(2) and Schedule 17, paragraph 39, to the Housing Act 1988 and by Schedule 12 to the Local Government and Housing Act 1989 (c. 42).

(6) 1989 c. 42.

(7) S.I.1992/483, amended by S.I. 1993/2799.

Deductions from payment

5. The landlord may set off against any compensation payable under these Regulations any sums owed to it by the qualifying person.

Claims for compensation

6. A claim for compensation—

- (a) shall contain sufficient information for the landlord to determine the claim;
- (b) shall be made in writing within the period starting 28 days before, and ending 14 days after, the tenancy comes to an end; and
- (c) may be served by post.

Disputes

7. Any question arising under these Regulations shall be determined by the county court.

Signed by authority of the Secretary of State

Department of the Environment
4th March 1994

G S K Young
Minister of State,

5th March 1994

John Redwood
Secretary of State for Wales

Status: This is the original version (as it was originally made).

SCHEDULE

Regulation 2

QUALIFYING IMPROVEMENTS AND NOTIONAL LIFE OF IMPROVEMENT

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

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations entitle a secure tenant of a local authority to be paid compensation by his landlord, when his tenancy ends, for an improvement he or his predecessor carried out to his home. For there to be an entitlement to compensation the tenant must be a qualifying person (within the meaning of section 99B of the Housing Act 1985), the conditions in section 99A(1) of that Act must be satisfied, the improvement must be one of those listed in the Schedule to the Regulations and none of the circumstances described in regulation 3(2) must apply.

Regulation 3 deals with the entitlement to compensation. Regulation 4 sets out the method for calculating the amount of compensation payable and the circumstances in which that amount can be adjusted. Regulation 5 gives the landlord a right of set off. Regulation 6 deals with claims and regulation 7 provides for questions arising under the Regulations to be determined by the county court.