



TENANTS ALLOWANCES POLICY

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1. Introduction

The Association's Maintenance Service Standards state that we will "make Tenants Allowances available in appropriate circumstances". Raising Standards in Housing recommends that Associations should "consider making provision for decoration allowances". This policy statement sets out the Association's approach to the provision of allowances to tenants and the circumstances in which these will be paid.

2. Types of Allowances

There are two types of allowances that the Association will make available to tenants:

- a) Redecoration allowances: either following contract work or at the start of a new tenancy
- b) Disruption allowances: payable where contract work results in a tenant losing the use of facilities within their house or where tenants have to be decanted in order for more extensive work to be carried out.

3. Redecoration Allowances

It is very costly for the Association to carry out redecoration work under contract. Despite this, it may be necessary to carry out such work in certain circumstances, for example an empty house in extremely bad condition or where a tenant is unable to carry out redecoration work due to age or disability. While taking account of such cases, it will be the Association's policy to offer tenants decoration allowances wherever practical. Redecoration allowances will normally be paid in the following circumstances:

- a) **Contract work:** as part of the contract planning process the Technical Services Manager will consider whether the works proposed are likely to result in damage to tenants decoration and, if so, whether a redecoration allowance should be paid. Allowances will be set at a level proportional to the damage likely to be incurred as a result of the contract work. In assessing the appropriate level of allowances, account will be taken of the nature of the work to be carried out and any experience of similar works elsewhere.

Tenants will be notified of any redecoration allowances that will be paid, before the work starts on site. The notification will detail the extent of any damage anticipated as a result of the contract work and the level of allowance that will be paid. The Technical Services Manager has discretion to increase the redecoration allowance either where the work on site has necessarily resulted in damage to decoration that is greater than originally anticipated or in individual cases of exceptional circumstances.

- b) **Void houses:** the Housing Officer will assess whether a redecoration allowance should be paid in respect of a void house. Redecoration allowances for void houses will not be given as a matter of routine. In deciding whether an allowance is appropriate, the Housing Officer will take account of such factors as:

- the condition of the house
- whether there has been any vandalism while it was void
- any difficulties anticipated in reletting the house

4. Disruption Allowances

During major contract works, tenants may temporarily lose the use of some of the facilities in their home and, on rare occasions, tenants may need to be decanted in order for works to be carried out safely. In such circumstances, the Association will pay disruption allowances as follows:

- a) **Loss of facilities:** where a tenant is unable to use some of the facilities in their home during contract work, for example no access to a kitchen for some period during a replacement contract, a disruption allowance will be paid. During the contract planning stage the Technical Services Manager will discuss with the selected contractor whether the works are likely to result in tenants not having use of any facilities and the anticipated timescale. Taking account of this the Technical Services Manager will assess the appropriate level of disruption allowance which should be paid. Tenants will be notified in advance of the likely disruption during the contract works and the allowance that will be paid in compensation. Where appropriate, a redecoration allowance may also be payable.

b) Decants: there will be very few occasions where contract work is so extensive that the tenant will need to be decanted from their house. In such circumstances, the Association will pay a disruption allowance made up of:

- ❑ A basic payment
- ❑ A payment for each week of the anticipated decant period
- ❑ A payment for each week of any extended decant period

In circumstances where tenants are decanted, the redecoration of the house will normally be carried out as part of the contract work. The Association will only allow the tenant to redecorate in exceptional circumstances and will not extend the decant period to facilitate this.

5. Level of Allowances

Redecoration allowances will be set at a level sufficient to cover the cost of basic decoration for each room of a house based on the use of woodchip wallpaper and two coats of emulsion. Where only part of a room is affected by damage resulting from a contract, an appropriate proportion of the full room rate will be paid. The level of redecoration allowances will be increased at the start of the financial year by the rate of inflation (RPI) at December each year.

The level of disruption allowances will relate directly to the extent of contract works being carried out and the anticipated disruption that will be caused to tenants. The Technical Services Manager will assess the expected level of disruption through pre start discussions with the contractor on their proposed work methods and then set the level of disruption allowance accordingly.

As there will be very few instances where the work required to a tenant's house is so extensive as to require the tenant to be decanted, the appropriate level of disruption allowance will be set taking account of the circumstances at the time.

The Technical Services Manager will set the level of redecoration and disruption allowances in consultation with the Housing Manager.

6. Payment of Allowances

Tenants allowances will normally be payable at the end of a contract or at the tenancy start. Tenants will not be required to apply for allowances as these will be paid automatically where appropriate. However, where tenants wish to claim an allowance in excess of the amount set, an application will need to be made in writing explaining the basis of the claim.

Claims for allowances in excess of the level set will be assessed by the Technical Services Manager in the case of contract works and by the Housing Manager where the case involves a void house.

Up to 50% of any redecoration allowance payable in respect of a void house may be withheld until the work has been completed and inspected. Where tenants are in arrears of any type - for example rent, rechargeable repairs, etc- any allowance due will normally be offset against

the arrears. The Housing Manager will have discretion to vary this only in exceptional circumstances.

Allowances will normally be paid by cheque with cash payments being made only in exceptional circumstances, e.g. where a tenant does not have a bank account.

7. Budget Provision

The cost of redecoration allowances for void houses will be met from the Reactive Maintenance budget. All other allowances will be paid from the appropriate contract budget. In developing the programme budget for each year, the Technical Services Manager will take account of the expenditure on allowances in the previous year and anticipated cost of funding these in the year ahead.

8. Implementation and Monitoring

Detailed procedures will be developed to ensure the effective implementation and control of this policy. The outcome of the policy will be monitored annually through:

- ❑ Recording the amount spend on allowances for contract work (redecorating and disruption) and voids.
- ❑ Analysis of claims made for allowances above the level set and the outcome of such claims
- ❑ Feedback from tenants on the system and level of allowances as part of the post contract monitoring process