



To: Executive Councillor for Housing: Cllr Catherine Smart
Report by: Alan Carter, Head of Strategic Housing
Relevant scrutiny committee: Community Services Scrutiny Committee *13/10/11*
Wards affected: All Wards

Home Loss Policy Key Decision

1. Executive summary

The report consolidates current practice in compensating and supporting tenants who are required to move from their home into a policy statement. The policy statement includes how compensation and support for leaseholders will be addressed

Note – The Home Loss Policy does not cover households whose home is Compulsory Purchased. These cases are covered by an existing policy statement.

2. Recommendations

The Executive Councillor is recommended to approve the Home Loss Policy set out as Appendix 1.

3. Background

The Council has undertaken a number of refurbishment schemes in the past that has required tenants to move out of their homes to enable the works to be carried. For example, recently a significant amount of movement has been required as part of the Sheltered Housing Modernisation Programme.

Officers have developed ways of working to support tenants who have been required to move and compensation payments have been made in line with legislation and best practice.

With the prospect of a more substantial Council new build programme over the next four years, this report takes the opportunity to consolidate current

practice into a policy statement. The Home Loss Policy includes how compensation and support for leaseholders will be addressed.

4. Implications :-

(a) Financial

Compensation payments to tenants and leaseholders will be budgeted as part of the capital project cost of refurbishing or redeveloping a scheme.

(b) Staffing

City Homes staff and staff from the Enabling and Development Service will be the principle staff offering support to tenants and leaseholders in this instance.

(c) Equal Opportunities Equality Impact Assessment conducted

The policy recognises that individual tenants and leaseholders will require different degrees of support to move. Staff efforts will focus on those who are more vulnerable.

(d) Environmental

There are no specific Environmental implications in respect of this report.

(e) Community Safety

There are no specific Community Safety implications in respect of this report.

5. Background papers

Compulsory Purchase Orders – Full Procedure

City Council Code of Best Practice on Consultation and Community Engagement.

City Council Three Year Rolling Programme

6. Appendices

Appendix 1 – Home Loss Policy

7. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

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Appendix 1

HOME LOSS POLICY

1.0 Introduction

1.1 This Policy covers situations where City Homes tenants or leaseholders are required to move from their homes due to

- a redevelopment scheme
- a refurbishment scheme

The Council has a separate Policy in respect of the compulsory purchase of properties not in the Council's ownership.

2.0 The Council's Vision Statement and Strategic Objectives

2.1 This Policy fits with the Vision Statement

"A city which recognises and meets needs for housing of all kinds – close to jobs and neighbourhood facilities"

2.2 It also fits with the Strategic Objectives in the 2011.12 Housing Portfolio Plan

"HS01 – Maximise the delivery of new housing in a range of sizes, types and tenures ensuring that current standards are at least maintained"

"HS03 – To prepare for the implementation of self-financing"

3.0 Outcomes

3.1 The Council recognises that the enforced loss of their home is one of the most difficult situations that a tenant or leaseholder can be faced with. With a housing stock of nearly 8500 properties including leasehold accommodation, it is inevitable that from time-to-time schemes will be proposed to redevelop or refurbish older housing that no longer meets current day expectations or is not cost-effective to maintain in a good state of repair. The intention is to strike a balance between mitigating the impact on individuals required to move and securing the longer term benefits from the proposed redevelopment or refurbishment.

3.2 In approving this Policy the Council aims to ensure;

- that there is the least possible disturbance to tenants and leaseholders who are required to move from their homes
- that support is available for those in who need that support to organise the move
- that it is clear what constitutes reasonable alternative housing and in what circumstances tenants and leaseholders are able to choose to return to a scheme once it is redeveloped or refurbished
- fairness and transparency in the way that Home Loss payments are made.

4.0 Payments to Tenants for Loss of Home

4.1 The Council will make two types of payments for tenants who lose their home

- Home Loss Payment
- Disturbance Payment

4.2 Home Loss Payment to Tenants

This is a payment that the Council must pay by law under the Land Compensation Act 1973. To be eligible, the tenant must have occupied the premises for at least one year. The payment is in recognition of the trauma and disruption of the loss of the home. It is not a payment that is designed to cover the actual costs of moving.

The amount of Home Loss Payment is reviewed periodically. The current payment is £4700.

4.3 Disturbance Payment to Tenants

Unlike Home Loss Payments, Disturbance Payments are not fixed in law but they are required to be equal to the reasonable expenses of the tenant who is moving.

The Council will pay for or arrange the following

- All removal costs to removal contractors or cost of a van if a tenant moves themselves
- Disconnection and re-connection of cooker
- Lifting and re-fitting curtains and carpets in the new home or the cost of new curtains and carpets if the existing curtains and carpets cannot be re-fitted
- Cost of re-direction of mail and costs associated with moving telephones

- Any costs associated with cancelling a service that a tenant has contracted to pay at their current address

4.4 Home Loss Payments and Disturbance Payments will only become payable once approval has been provided by the Council to proceed with a specific redevelopment or refurbishment scheme. It is at this point too that any Right to Buy application will be halted and any new application declined.

4.5 In a situation where it is possible for a tenant or leaseholder to return to a refurbished or redeveloped scheme and they choose to do so, Home Loss Payment will not be payable, but Disturbance Payments to cover both moves will.

4.6 This Policy does not apply to tenants who have a final possession order granted to end their tenancy.

5.0 Payments to Leaseholders for Loss of Home

5.1 Home Loss Payment and Disturbance Payments are also payable to leaseholders however the legislation is different in respect of Home Loss Payment.

5.2 Home Loss Payment to Leaseholders

The amount of payment for leaseholders in law is calculated as 10% of the market value of the owner's interest in the property subject to the maximum amount which is currently £47,000. Again, to be eligible the leaseholder must have occupied the premises for at least one year.

5.3 Disturbance Payments to Leaseholders for Loss of Home

The Disturbance Payments will be the same as for tenants shown in paragraph 5.3 above.

5.4 The points covered in 4.4 and 4.5 above will also apply to leaseholders.

5.5 Leaseholders will also retain any financial equity they may have invested in the property.

5.6 The Policy does not apply to any sub-leasees.

6.0 Engagement with Tenants and Leaseholders

- 6.1 In engaging with tenants and leaseholders who are being required to move from their home, the Council's guiding principles for undertaking consultation of openness; accessibility and inclusiveness; and transparency and accountability will apply.
- 6.2 As much notification as possible will be given to tenants and leaseholders when a scheme is being considered redevelopment or refurbishment. It is not possible to specify a minimum or maximum time as notification will vary from scheme to scheme depending on the nature of the proposed redevelopment or refurbishment.
- 6.3 For redevelopment schemes, tenants and leaseholders directly affected will be notified immediately their home has been approved by Committee to be included in the Council's three year rolling programme of schemes to be assessed. However, it should be noted that tenants and leaseholders will not be eligible for Home Loss and Disturbance Payments until a specific redevelopment scheme has been approved by Council. The same principle will apply to any proposed refurbishment scheme that will require a tenant or leaseholder to move. A named contact person for further information will be provided to tenants and leaseholders and any comments made will be considered as part of the final report that will be presented to the Council for specific approval to proceed with the scheme.
- 6.3 Once a redevelopment or refurbishment scheme has specific approval by Council to proceed, tenants and leaseholders will again be contacted and the name of the contact person will be reaffirmed. As well as providing the tenant or leaseholder with full information of the redevelopment or refurbishment scheme the tenant will be offered a package of support tailored to meet their reasonable needs.

7.0 Alternative Housing for Tenants

- 7.1 The criteria set out in the Council's Letting Policy will be the basis upon which alternative accommodation is deemed suitable.
- 7.2 Tenants required to move will be given a Band A priority to bid under Home-Link or will have the benefit of a direct let.
- 7.3 Every effort will be made to re-house a tenant in the area of their choice.
- 7.4 Tenants required to move will be given priority to return to suitable alternative accommodation on the redeveloped or refurbished scheme

provided there is sufficient new accommodation of the type required available.

- 7.5 Should a tenant be interested in types of tenancy other than for social rent then advice and assistance will be offered to help the tenant secure such a move.

8.0 Alternative Housing for Leaseholders

- 8.1 When a leaseholder's property is to be redeveloped, and if they are not able to afford to buy a suitable alternative home on the open market, the Council will offer advice and assistance to secure shared ownership, equity share or another form of intermediate housing option in the city. Where the property is to be refurbished the leaseholder will be able to return to the property.

9.0 Support to Move

- 9.1 The Council recognises that individual tenants and leaseholders will require different degrees of support to move. In particular the Council will prioritise its assistance to

- Older people
- Tenants with physical and/or learning impairment
- Tenants for whom English is not their first language

The support required will be assessed and negotiated on a case by case basis.

- 9.2 The type of support to be provided to those tenants and leaseholders who need it are as follows

- Assistance with registering on Home-Link
- Assistance to view alternative accommodation
- Assistance with forms relating to change of address
- Assistance with rearranging care support if applicable
- Where no friends or family are available arranging packing and removals
- Clearance of unwanted items
- Arranging lifting and refitting of carpets and curtains refit

10.0 What happens if tenants and leaseholders do not want to move?

- 10.1 The Council's aim will be to negotiate alternative accommodation with tenants and leaseholders who are required to move. If it is not possible to agree a move by negotiation the Council has at its disposal

legal remedies to require a move. The remedies are different for tenants and leaseholders.

10.2 If agreement cannot be reached with a tenant, the Council is able to serve Notice and seek re-possession of the home through the court. However, to be successful the Council will need to be able to demonstrate that suitable alternative accommodation is available for the tenant to move to.

10.3 If agreement cannot be reached with a leaseholder the Council is able to pursue a compulsory purchase of the property in line with policy.