

## **APPENDIX 1**

### **DRAFT ESTATE RENEWAL RE-HOUSING AND PAYMENTS POLICY**

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## **1. Purpose**

- 1.1 The Re-housing and Payments Policy is to be used when regenerating, improving or redeveloping the Council's housing stock. It aims to meet the needs of the Council and residents when it is necessary to move households in order to facilitate development works. In particular, the policy aims to ensure that residents receive good quality, timely and appropriate support, together with accurate information on the entitlements they may have to re-housing and financial compensation. The policy will apply to all regeneration and estate improvement schemes, where 10 or more units are being improved or redeveloped.
- 1.2 The Re-housing and Payments Policy aims to provide a consistent borough-wide approach to the re-housing and financial payment commitments made to households who need to move as a result of estate renewal schemes, with a clear approach to managing these arrangements efficiently and fairly. It also provides an outline process by which to deliver the vacant possession of properties needed for development works to take place.

### **Housing in Haringey**

- 1.3 Haringey is facing a serious housing problem. Since 1996, property prices in the borough have increased by 303% (Haringey SHMA, 2014) and in the 12 month period 2013 to 2014, houses prices grew by 32% with the average house price standing at £513,435 (Nationwide Building Society). Combined with rising rents in the private sector, housing is increasingly being priced out of the reach of many local residents.
- 1.4 At the same time that house prices have been rising, the supply of new homes has failed to keep up with demand which serves only to continue the upward pressure on house prices as more and more people compete for an increasingly scarce resource. Since 2009 a total of 1486 new affordable homes have been built in the borough, which represents 79% of the target set for the borough by the Mayor of London for that period. The Mayor's affordable housing target for Haringey will increase to 751 per year for the 10 year period 2015 to 2025, a rise of 79% over the current target.
- 1.5 The Council is strongly committed to providing a mix of housing, and the provision of good quality, affordable housing is a high priority for the Council within the current Corporate Plan 2015 - 2018.

*Create homes and communities where people choose to live and are able to thrive*

**Priority 5 - Housing, Haringey Corporate Plan, 2015 - 2018**

- 1.6 Good quality affordable housing is recognised as a significant contributor to achieving many of the other 2015-2018 corporate plan priorities, notably providing children and young people the best start in life (Priority 1) and delivering growth (Priority 4).
- 1.7 The Local Plan: Strategic Priorities, adopted in March 2013 promotes the creation of balanced neighbourhoods that are sustainable and offer local residents the chance to meet their housing aspirations.

*New housing investment will be targeted at fostering the development of balanced neighbourhoods where people choose to live, which meet the housing aspirations of Haringey's residents and offer quality and affordability, and are sustainable for current and future generations.*

**Policy SP2 (Housing) - Haringey Local Plan: Strategic Priorities, 2013**

- 1.8 The Council's draft Housing Strategy 2015 – 2020, which is approved for consultation, includes a vision for housing centred on people and communities and sets objectives which support the provision of more good quality affordable housing of all tenures, with housing regeneration as one approach to achieving this.

*Housing is about people and communities, not just bricks and mortar. This means mixed and inclusive neighbourhoods where residents can lead happy and fulfilling lives*

**Vision – Haringey draft Housing Strategy, 2015 – 2020**

*Drive up the quality of housing for all residents*

**Draft Objective 3 - Haringey draft Housing Strategy, 2015-2020**

*Achieve a step change in the number of new homes being built*

**Draft Objective 2 - Haringey draft Housing Strategy, 2015-2020**

## **2. Policy Statement**

- 2.1 This Re-housing and Payments Policy focuses on the needs of residents. It brings together a range of existing statutory provisions and Council policies relevant to the re-housing and financial compensation for residents who need to move as a result of estate renewal schemes. (It should be noted that some existing provisions and policies refer to this process as 'decanting'. 'Decanting' is a technical term which has been used to describe the process where residents are required to move, because either their landlord or an authority with compulsory purchase powers has redevelopment plans for their home.)
- 2.2 The Re-housing and Payments Policy is to be used, where necessary, to enable housing regeneration and estate improvements to take place within the borough and to provide support to residents affected by such

proposals. The policy will apply to all regeneration and estate improvement schemes, where 10 or more units are being improved or redeveloped. It will not be used in cases of emergency repairs, where the relevant aspects of the Allocations Scheme (section 15.14) and existing procedures will be used.

- 2.3 It outlines a managed re-housing and payments process, which offers alternative accommodation (where appropriate and in line with the Allocations Scheme) as well as compensating for expenses incurred, disturbance and inconvenience, in line with legal requirements and existing best practice.
- 2.4 The policy will ensure no person will receive less favourable treatment on the grounds of race, gender, religion or belief, age, sexual orientation, physical disability, appearance, economic status or marital status.
- 2.5 This policy will be reviewed regularly, to reflect changes in the levels of payments and to ensure it is consistent with the Allocations Scheme.

### **3. Legal Framework**

- 3.1 This policy covers all tenants, leaseholders, freeholders and other residents on sites where regeneration of occupied housing is proposed.
- 3.2 The list of relevant legislation below is to be considered when carrying out decanting and using this policy:
  - Homelessness Act 2002
  - Housing Act 1985
  - Housing Act 1996
  - Housing Act 2004
  - Housing and Regeneration Act 2008
  - Human Rights Act 1998
  - Land Compensation Act 1973
  - Planning and Compulsory Purchase Act 2004
  - Town and Country Planning Act 1990
- 3.3 The legislation covers both local housing authority options and powers, as well as resident rights and powers.

### **4. Policy Framework**

- 4.1 This policy brings together existing Council policies relevant to the re-housing of households moved as a result of estate renewal schemes and financial payments to such households.

4.2 The list of relevant Council policies is set out below:

#### Allocations Scheme

- Paragraphs 3.3.1 and 3.3.2 define the households who can apply for accommodation
- Section 5.8 makes provision for leaseholders and freeholders to be placed on the Housing Register in limited circumstances and to have their application assessed
- Paragraph 6.5.7 makes provision for proxy bidding
- Paragraph 6.8.1 makes provision for direct offers of supported housing
- Section 15.15 makes provision for re-housing ('decanting') of secure tenants for the purposes of redevelopment/regeneration
- Section 15.22 makes provision for prioritising tenants with a home bigger than they need
- Paragraph 15.23.3 makes provision for tenants willing to transfer from a large adapted home
- Section 15.28 concerns the discretionary powers of the Exceptions Panel

### **5. Consultation and Communication**

#### Consultation when using the Re-housing and Payments Policy

5.1 Consultation will take place early in the estate renewal scheme process, before a decision is taken to conduct estate renewal in an area.

5.2 A separate consultation must take place in regards to re-housing tenants, as detailed in Section 105 (consultation on matters of housing management) of the Housing Act 1985. It should take into account all secure tenants' views.

5.3 Consultation processes should take into account existing resident groups and associations, as well as direct consultation with each household.

5.4 The consultation period will be in accordance with current legislation, and will be for a minimum of 28 days.

#### Equal Opportunities

5.5 An Equalities Impact Assessment, specific to the area of estate renewal, will need to be completed before a decision is taken to proceed with an estate renewal scheme and in applying this Re-housing and Payments Policy to such a scheme.

#### Site Specific Re-housing and Payments Plans

5.6 The Re-housing and Payments Policy provides a borough-wide policy which will be applied across all estate renewal schemes. However, some site

specific plans may need to be developed, in consultation with residents, for example, in respect of:

- (a) Local Lettings Policies (if applicable);
- (b) Option for secure tenants to return to a new permanent home on their estate
- (c) Options for leaseholders

### Communications Plan

5.7 With every estate renewal scheme, it is necessary to produce a clear communication plan to ensure active resident awareness and involvement, in addition to statutory consultation.

### Independent Tenant and Leaseholder Adviser

5.8 An Independent Tenant and Leaseholder Adviser will normally be engaged by the Council for each estate renewal scheme at an appropriate stage, to provide support to tenants and leaseholders on the issues set out in this policy.

## **6. The Re-housing and Payments Programme**

- 6.1 This Re-housing and Payments Policy should only be used once a Cabinet decision has been made to implement an estate renewal project. Consultation and discussion with residents will have happened before this decision is taken. The effective date for activation of this policy in respect of an individual estate renewal project (or phases of that project) will be decided by the Assistant Director for Regeneration, in consultation with the Cabinet Member for Housing and Regeneration, taking into account the circumstances of each project. The effective date will act as the trigger for 'decant status' under the Allocations Scheme and band A priority being awarded to households eligible for re-housing under this policy.
- 6.2 The Re-housing and Payments Policy will provide the means to manage the re-housing and payments process for residents affected by estate renewal proposals, ensuring sufficient priority and time is given to support residents, manage the process effectively and ensure all legal requirements are fulfilled.
- 6.3 The re-housing and payments programme related to this policy is split into the different tenures, with a section applicable to eligible tenants and a section for freeholders and leaseholders.

## **7. The Re-housing and Payments Programme - tenants**

- 7.1 The Re-housing and Payments Policy will be applied to both temporary and permanent moves, where the Council is progressing development

works in regeneration and estate improvement schemes, where 10 or more units are being improved or redeveloped.

- 7.2 The Council will aim to offer secure tenants the option of returning to a new permanent home on their estate where possible, on a scheme by scheme basis. Therefore, tenants may need to move on a temporary basis whilst permanent accommodation on their estate is being provided. Alternatively, tenants may need to move directly to permanent accommodation elsewhere.
- 7.3 Some existing policies refer to these types of moves as permanent and temporary decants. A ‘permanent decant’ is when a resident is moved out of their property to another property where they will remain permanently. A ‘temporary decant’ is when a resident is moved to a property temporarily until a permanent property is available.

#### Individual Housing Needs Assessments

- 7.4 Individual Housing Needs Assessments of all occupiers at the affected estate renewal site should be completed to:
  - (a) better understand the specific requirements of the proposed estate renewal scheme and
  - (b) ensure a suitable re-housing programme is followed, by establishing which occupiers are eligible for assistance under this policy and assessing their re-housing needs.

The Individual Housing Needs Assessments should be commenced after the Cabinet decision to implement an estate renewal scheme and should normally be completed prior to the effective date for activation of this policy in respect of an individual project (see paragraph 6.1 above).

- 7.5 The results of the Individual Housing Needs Assessments will need to be updated during the course of the estate renewal scheme until the re-housing occurs, and should be carried out as frequently as determined necessary for each estate renewal scheme. Residents eligible for assistance should be encouraged to provide updates on any significant changes in their circumstances.

#### Qualifications and exclusions

- 7.6 In line with the legislation and existing best practice, the following people will be eligible for assistance under this policy and possible re-housing:
  - a) Secure tenants, their children and partners/spouses who are identified as eligible through a Housing Needs Assessment
- 7.7 The Council will not re-house unauthorised occupants, sub-tenants, lodgers, licensees and other non-secure occupants.

- 7.8 In assessing the eligibility of occupiers under this policy, account will be taken of their length of occupation (which should be recorded during the Individual Housing Needs Assessments).

#### Assessment Criteria

- 7.9 Assistance and re-housing will only apply to tenants and authorised household members identified as part of a Housing Needs Assessment
- 7.10 Secure tenants are entitled to Home Loss Payment and Disturbance Payments, as detailed in paragraphs 7.41 – 7. 51 below.
- 7.11 Tenants will be offered a new home based on their assessed needs in accordance with the council's Allocations Scheme.
- 7.12 Tenants with a home bigger than they need who are willing to transfer from a large family home with 4 or more bedrooms may, at the Council's discretion, be allowed to under-occupy their new home by one bedroom, as set out in paragraph 15.22.7 of the Allocations Scheme.
- 7.13 Tenants who are willing to transfer from a family home that has 3 or more bedrooms and has been substantially adapted to meet the needs of a wheelchair user or someone with very limited mobility may, at the Council's discretion, be allowed to under-occupy their new home by one bedroom, as set out in paragraph 15.23.3 of the Allocations Scheme.
- 7.14 Medical need for a particular type/size of accommodation will be assessed in line with the Allocations Scheme for all residents who have a medical need indentified in the Individual Housing Needs Assessments. Where a previous medical assessment has been carried out, the Council reserve the right to seek a new medical assessment.

#### Hidden Households, including non-dependent Adult Children

- 7 .15 Under this policy, hidden households including non-dependent adult children of secure tenants, will be re-housed as part of the tenant's household if they fall within the eligibility criteria detailed in paragraph 7.6 above.
- 7 .16 Consideration will be given to providing separate housing (in two smaller properties) for families that are under-occupying their home, however, such moves must always achieve a net reduction of at least 2 bedrooms, as set out in paragraph 15.22.5 of the Allocations Scheme.
- 7 .17 In exceptional cases, for example to alleviate severe overcrowding and/or to achieve a re-housing move necessary for an estate renewal scheme to progress, the separate re-housing of hidden households (including adult children) will be considered by the Exceptions Panel at

the Council's discretion, as provided for in section 15.28 of the Allocations Scheme.

- 7.18 It is recommended that hidden households, including non-dependent adult children, must leave the property first to avoid the necessity of legal action to remove them later in the process. Where possible, an eligible hidden household being re-housed in separate accommodation should be accommodated first.
- 7.19 Hidden households (including non-dependent adult children) making their own arrangements to secure separate accommodation should be advised and encouraged where possible to achieve an early move.
- 7.20 If a hidden household remains in the affected property when other members of the household have been re-housed, an agreement must be made to ensure vacant possession of the property when needed otherwise possession action will be taken.
- 7.21 The size of any property allocated to an identified hidden household will be decided in accordance with the Allocations Scheme.

#### Service tenancies

- 7.22 Any residents with service tenancies, for example resident caretakers, will be offered re-housing in accordance with the Allocations Scheme and on the same terms as the current arrangements in place for service tenants, depending on the circumstances of each case.

#### Re-housing tenants

- 7.23 Offers of accommodation will be made taking into account the Individual Housing Needs Assessments and any subsequent medical assessment(s), to ensure accommodation meets the requirements of the households. Tenants will receive advice and support throughout the re-housing process, with a view to achieving positive outcomes for all tenants and avoiding the risk of possession action.
- 7.24 Extra assistance will be offered in line with the Disturbance Payments and any specific support packages arranged in accordance with this policy.
- 7.25 In accordance with section 15.15 of the Allocations Scheme, qualifying households will be given a 'bidding window' closing 12 months prior to the date when the Council requires vacant possession, in which they can bid for suitable alternative accommodation through the Council's Choice Based Lettings Scheme.
- 7.26 Once the bidding window has closed, suitable accommodation will be offered directly to the qualifying households.

7.27 Tenants will need to be clearly advised that only one direct offer will be made. If the offer is refused, a review of the suitability of the accommodation offered will be conducted. A further offer will only be considered if the first direct offer was unsuitable. In the absence of a further offer or exceptional circumstances, the Council will, as a last resort, commence possession proceedings to ensure vacant possession of the property within a timely fashion to permit the estate renewal scheme to proceed.

#### Type of Tenancy

7.28 Where the secure tenant moves to another council owned property they will be given a lifetime secure tenancy, unless it is a 'temporary decant', in which case the final move to a permanent property will be a lifetime secure tenancy.

7.29 Where the secure tenant chooses to move to a property owned by a registered provider (housing association) they may be given an Assured Tenancy depending on the policy of the particular registered provider. Alternatively, they may only be offered a fixed term tenancy. Registered provider properties will not normally be used for a 'temporary decant'.

#### Local Lettings Policies

7.30 The Allocations Scheme allows the Council to establish local lettings policies. A local lettings policy may be set up as part of an estate renewal scheme, when the Re-housing and Payments Policy is used, in order to ensure that households required to move have the opportunity to remain in their community and ensure that voids created by the estate renewal re-housing process are used effectively and do not represent a wasted asset. Where local lettings policies involve Council nominations to registered provider properties, lifetime tenancies will be negotiated where possible.

#### Gaining possession

7.31 Advice and support will be provided to tenants throughout, to help ensure appropriate re-housing is achieved. Once the Council has come to a decision on an estate renewal scheme, it will only offer accommodation in line with this policy and the Allocations Scheme from the effective date for implementation of this policy in respect of individual projects (see paragraph 6.1 above).

7.32 Once decant status is authorised, tenants will be placed into Band A, possibly on a phased basis, to bid for an alternative home. If the tenant has not bid for and been offered accommodation 12 months prior to the Council requiring vacant possession, the Council will reserve the right to make a direct offer of accommodation. If this offer is refused a further offer of accommodation will only be considered if the first offer is unsuitable or in exceptional circumstances and, if neither of these

conditions apply, the Council may decide to take legal action to gain possession.

- 7.33 Legal action to gain possession of tenanted properties will be a last resort, but will be taken where necessary to ensure that timely vacant possession is obtained. Depending on the circumstances, possession may be sought under Housing Act 1985 (as set out in paragraphs 7.34 and 7.35 below) or, alternatively, by using the Council's CPO powers under Town and Country Planning Act 1990 (as set out in paragraph 7.36 below).
- 7.34 The two grounds for possession relevant to estate renewal in Schedule 2 of Housing Act 1985 are Grounds 10 and 10A (following approval from the Secretary of State).

**Ground 10:**

"The Landlord intends, within a reasonable time of obtaining possession of the dwelling-house:

- a) to demolish or reconstruct the building or part of the building comprising the dwelling-house, or
- b) to carry out work on that building or on land let together with, and thus treated as part of, the dwelling-house,  
and cannot reasonably do so without obtaining possession of the dwelling-house."

**Ground 10A**

"The dwelling-house is in an area which is the subject of a redevelopment scheme approved by the Secretary of State or the Housing Corporation in accordance with Part V of this schedule and the landlord intends within a reasonable time of obtaining possession to dispose of the dwelling-house in accordance with the scheme" or

"Part of the dwelling-house is in such an area and the landlord intends within a reasonable time of obtaining possession to dispose of that part in accordance with the scheme and for that purpose reasonably requires possession of that dwelling- house."

- 7.35 Possession proceedings may be commenced on one of these grounds to ensure vacant possession of the properties. The Court has discretion on whether to order possession, and needs to be satisfied that suitable alternative accommodation is available at the date of the hearing. Therefore, in practice, a tenant would normally have the opportunity to accept, and move into, suitable alternative accommodation around the time of the hearing, rather than face eviction and would need to be advised accordingly. If, in an exceptional case, the tenant opted to not accept alternative accommodation found to be suitable and a possession order was granted, the household would be entitled to make a homelessness application which would need to be assessed to

establish what re-housing or advice and assistance duties, if any, were owed to the household.

- 7.36 Alternatively, the Council can, as a last resort, use its CPO powers under s226 of Town and Country Planning Act 1990 (subject to Secretary of State approval) to acquire the interests in land owned by secure tenants, where attempts to acquire such land by agreement have failed.

#### Tenancies in breach

- 7.37 Proceedings against tenants in breach of the terms of their tenancy must be pursued separately to the estate renewal re-housing process.

#### Suspension of Right to Buy

- 7.38 The “Right to Buy” of any affected council housing stock will be suspended from the date an initial demolition notice is served on the tenants concerned as defined in the Housing Act 1985 Section 138 A-C and Schedule 5 paragraph 13 – 16.

#### Appeals against offers of alternative accommodation

- 7.39 Tenants can ask for a review of the property allocated to them under the Choice Based Lettings scheme or as a direct offer. This review will follow the procedure laid out in the Allocations Scheme. There will be no further right of appeal from the decision on review.
- 7.40 For estate renewal re-housing programmes the bidding window period specified will supersede any other bidding period specified in the Allocations Scheme.
- 7.41 Further guidance on appeals can be found in Compulsory Purchase Guidance Booklets 1 and 4.

#### Financial Implications

- 7.42 Secure tenants will be entitled to Home Loss payment and Disturbance Payments as set out below.

#### Home Loss Payments

- 7.43 Home Loss Payments are statutory payments, which are paid to freeholders, leaseholders and tenants following a compulsory purchase order or displacement by housing orders, and are not to pay for the cost of moving, as detailed in Sections 29-33 of Land Compensation Act 1973.

- 7.44 Home Loss payments are subject to maximum and minimum thresholds. Tenants receive a flat rate of £4,900 effective from October 2014 (subject to review), which is equal to the minimum payment to owner-occupiers. To qualify, the property must be the claimant's only or main residence for a year prior to the date of displacement.
- 7.45 Given the thresholds are subject to change annually by the Secretary of State, the levels of payment will be reviewed annually.
- 7.46 Where a tenant does not qualify for a statutory Home Loss payment, for example, because they have been a tenant for less than a year, the Council may, in exceptional circumstances, make a discretionary Home Loss payment not exceeding the statutory amount.

#### Home Loss Payment Procedure

- 7.47 A suitable payment procedure for regeneration schemes under this Re-housing and Payments Policy will include the following: -
- a) Payments will be made directly to the tenant
  - b) Claims can be made for up to 6 years after the offer of accommodation, and must be paid within 3 months of receiving the claim. Under the Land Compensation Act 1973, there is a right of appeal to the Lands Tribunal.
  - c) Payments will normally be made only after the return of keys to the property the tenant is vacating, however, an earlier advance payment of at least part of the total payment may be considered in exceptional cases of financial hardship.
  - d) All arrears will normally be offset against any Home Loss payment. This includes rent arrears for tenants.

#### Disturbance Payments

- 7.48 Disturbance Payments are made to financially compensate the displaced tenant, resident freeholder or resident leaseholder for expenses associated with the need to move.
- 7.49 Disturbance Payments will be made under the Land Compensation Act 1973.
- 7.50 In cases where it is necessary to move tenants and resident leaseholders twice, Disturbance Payments may need to be paid twice where a resident is required to make a temporary move before moving into permanent accommodation.
- 7.50 Disturbance Payments will be paid to tenants to cover reasonable costs associated with moving, and the list of items for which payment is considered reasonable under the Land Compensation Act 1973 is shown below:

- Removal costs from the current home to the new home, which will be paid directly to the Council's approved removal firm or to the tenant's removal firm where the tenant obtains two estimates which have been approved by the Council prior to the move. For vulnerable residents, this might include additional support, such as furniture packing and unpacking.
- Redirection of mail for each authorised surname living at the address.
- Telephone and internet disconnection and reconnection, including additional lines.
- Disconnection of any television aerials or satellite dishes connected either to an existing television or that allows the proper operation of television equipment. Reconnection will only apply with the express approval of the landlord at the new address. New homes may have television aerials and systems installed as part of the specification.
- Washing machine, cooker, dishwasher and plumbed fridge disconnection and reconnections to be carried out by the removal firm's operatives (who must be suitably qualified to the appropriate trade standards).
- Curtain and Carpets options: It is generally expected that relocating residents will refit existing carpets wherever possible, and the costs of this will be covered by the Disturbance Payment. However, where this is not possible, the cost of new carpets to an equivalent standard will be covered through the Disturbance Payment. The existing carpet will be assessed and a quote obtained based on this. Any additional rooms in the new home will be carpeted, but the cost will be deducted from the Home Loss Payment.
- Special locks and alarm refitting if these are currently fitted at the old property. They must be dismantled and refitted by a qualified locksmith or recognised Alarm Company and all locks and alarms must meet the relevant British standard for security. Front door and window grilles would not be covered.
- Home improvements that have been notified and approved by the Council, less the cost of depreciation.
- Dismantling and re-fitting of fitted resident owned furniture (such as kitchen units and wardrobes).
- Any extra costs of new school uniform if moved to a different area, which necessitates a change of school (supported by letters from the respective schools).
- Where the costs of adaptations in the old home were previously met by the tenant, the Council will reimburse the tenant subject to relevant receipts being available.
- Reimbursements for wage or salary loss on the day of the removal, provided loss of earnings is certified by the employer, for up to 2 members of the households.
- Other reasonable costs incurred by the tenant if approved in writing by the Council prior to the cost being incurred, for example travel to viewings, replacement of sheds and outside furniture which cannot be dismantled, etc.

## Disturbance Payment Procedure

7.51 Disturbance Payments will be made directly to the tenant. Tenants will normally be offered two payment method options:

- a) A 'fixed payment' option, with pre-determined fixed payment levels based on the size of the property being vacated, updated periodically. The current fixed payment levels (as of September 2014) are set out below:

1 bedroom property - £1,650  
2 bedroom property - £2,000  
3 bedroom property - £2,400

For 3 bedroom plus properties, £380 will be added to the 3 bedroom figure above (i.e.£2,400) for each additional bedroom.

- b) A claim option, with the tenant submitting a Disturbance Payment claim form for any legitimate expenses they incur in relation to moving home, enclosing receipts or proof of expenses. However, the level of payment assessed by the Council under this option will be progressed, even if this is less than the 'fixed payment' quoted under (a) above.

## Appeals

7.52 The Council has a three-stage complaints process, which can be used in relation to appeals against the application of this policy.

## **8. The Re-housing and Payments Programme - Leaseholders and Freeholders**

8.1 This Re-housing and Payments Policy should only be used once a Cabinet decision has been made to implement an estate renewal project. Consultation and discussion with residents will have happened before this decision is taken. The effective date for activation of this policy in respect of individual estate renewal projects or phases of those projects will be decided by the Assistant Director for Regeneration, in consultation with the Cabinet Member for Housing and Regeneration, taking into account the circumstances of each project.

## Assessment, qualifications and exclusions

8.2 All leaseholders and freeholders will be entitled to receive the full market value of their property. The Council will enter into negotiations with leaseholders and freeholders to seek a voluntary arrangement to buy

their home, which will normally include valuations by both the Council and the leaseholder or freeholder.

- 8.3 Leaseholders and freeholders will receive full market value plus any Home Loss Payment and Disturbance Payment to which they may be entitled (as detailed below), to allow them to buy a new property on the open market.

#### Additional Assistance for Resident Leaseholders and Freeholders

- 8.4 Leaseholders and freeholders who have been resident for 12 months prior to the date of eligibility and who do not own any other leasehold or freehold interests may qualify for additional assistance from the Council.
- 8.5 Additional options may be offered to resident leaseholders and freeholders affected by estate renewal to assist them purchase an alternative home. These options will be decided for each estate renewal scheme, but could include options such as purchasing a new outright sale property or shared ownership home in the new development, or purchasing elsewhere.
- 8.6 A duty to re-house leaseholders or freeholders only applies where "suitable alternative residential accommodation on reasonable terms" is not available to the residential occupier (as detailed in Section 39 of the Land Compensation Act 1973). In most circumstances it is anticipated this will be achieved on the open market, through the purchasing of a new property.
- 8.7 There is a possibility that existing leaseholders or freeholders will not be able to purchase a suitable home on the open market. Under section 5.8 of the Allocations Scheme, such leaseholders or freeholders may be placed on the Housing Register in limited circumstances (for example, where they are aged over 50 or disabled requiring adapted accommodation) and their application assessed, as set out in paragraphs 5.8.4 to 5.8.6 of the Allocations Scheme.

#### Non-Resident Leaseholders and Freeholders

- 8.8 Non-resident leaseholders and freeholders will not be offered options other than the full market value, plus Home Loss Payments, where applicable.

#### Gaining possession

- 8.9 A voluntary agreement will be sought to acquire the property, with vacant possession. However if this cannot be obtained, a Compulsory Purchase Order (CPO) can be applied for under Section 226 of the Town and Country Planning Act 1990, detailed below: -

Compulsory acquisition of land for development and other planning purposes

(1) A local authority to whom this section applies shall, on being authorised to do so by the Secretary of State, have power to acquire compulsorily any land in their area which—

(a) is suitable for and required in order to secure the carrying out of development, redevelopment or improvement; or

(b) is required for a purpose which it is necessary to achieve in the interests of the proper planning of an area in which the land is situated.

- 8.10 The Council will use informal negotiations with landowners in parallel with formal compulsory purchase order proceedings to increase the likelihood of acquiring the land. Given the length of time that CPO applications can take, for practical purposes the application for CPOs will take place at the same time as informal negotiations.
- 8.11 All estate renewal schemes which propose a CPO must be justified on a number of grounds (including financial viability and the public interest) and consideration should be given to the rights of residents given under the Human Rights Act 1998.

#### Financial implications

- 8.12 For residential properties, two forms of payment will be paid to tenants, leaseholders and freeholders under this policy:

#### Home Loss Payments

- 8.13 Home Loss Payments are statutory payments, which are paid to freeholders, leaseholders and tenants following a compulsory purchase order or displacement by housing orders, and are not to pay for the cost of moving, as detailed in Sections 29 -33 of Land Compensation Act 1973.
- 8.14 Home Loss payments are subject to maximum and minimum thresholds. Home Loss Payments equate to 10 per cent of the Market Value of the property (with a minimum payment of £4,900 and a maximum payment of £49,000 from October 2014 (subject to review)). To qualify, the property must be the claimant's only or main residence for a year prior to date of displacement.
- 8.15 Given the thresholds are subject to change annually by the Secretary of State, the levels of payment will be reviewed each time this policy is used.
- 8.16 Where a leaseholder or freeholder does not qualify for a statutory Home Loss payment, for example, because the property has not been their only or main residence for a year prior to displacement, the Council may, in exceptional circumstances, make a discretionary Home Loss payment not exceeding the statutory amount.

## Home Loss Payment Procedure

8.17 A suitable payment procedure for estate renewal schemes under this Re-housing and Payments Policy will include the following:

- a) Payments will be made directly to the resident leaseholder or freeholder .
- b) Claims can be made for up to 6 years after the purchase of accommodation, and must be paid within 3 months of receiving the claim. Under the Land Compensation Act 1973, there is a right of appeal to the Lands Tribunal.
- c) Payments will normally only be made after sale completion/return of keys to the property the leaseholder/freeholder is vacating, however, an earlier advance payment of at least part of the total payment may be considered in exceptional cases of financial hardship.
- d) All arrears will normally be offset against any Home Loss Payment. This includes service charge or major works arrears for leaseholders.

## Disturbance Payments

8.18 Disturbance Payments are made to financially compensate the displaced resident freeholder or leaseholder for expenses associated with the need to move.

8.19 Disturbance Payments will be made under Land Compensation Act 1973.

8.20 In cases where it is necessary to move resident leaseholders twice, Disturbance Payments may need to be paid twice.

8.21 Emergency payments may be made available to those who will need this payment to secure a new home.

8.22 In addition to the agreed components of the Disturbance Payment for tenants, leaseholders and freeholders are also entitled to claim any additional costs associated with selling their current property and purchasing a new one. The payment of these additional costs is dependent on the option taken by each individual leaseholder and freeholder in regards to re-housing, and can include:

- Solicitor's costs
- Conveyancing costs
- Surveyor's fees
- Stamp Duty Land Tax
- Land registry fees
- Local search fee

- Possible other associated costs with moving in addition to those offered as part of the Disturbance Payments for secure tenants.

### Disturbance Payment Procedure

8.23 A suitable payment procedure will be agreed for each regeneration scheme using the Re-housing and Payments Policy. It will typically include the following:

- Payments will be made directly to the resident leaseholder or freeholder.
- The resident leaseholder or freeholder will have to complete a Claim for Disturbance Payment form for any legitimate expenses they incur in relation to moving home, enclosing receipts or proof of expenses.

### Appeals

8.24 The Council has a three-stage complaints process, which can be used in relation to appeals against the application of this policy.

## **9. The Re-housing and Payments Programme – Additional Areas**

### Adaptations

9.1 Any necessary adaptations to properties identified through the Individual Housing Needs Assessments will be provided for tenants, leaseholders and freeholders re-housed under this policy, either through the Council's aids and adaptations budget for HRA properties or the Disability Facilities Grant procedure.

9.2 Existing adaptations will be taken into account and re-used where possible.

9.3 Priority will be given in line with our current Allocations Scheme for affected residents with medical need.

### Private tenants of affected leaseholders and freeholders

9.4 Private tenants have a right to re-housing advice and may have a right to re-housing under homelessness legislation. In most circumstances it is anticipated that suitable alternative accommodation will be available on the open market. If a CPO is applied for, a notice will be served on the occupier and the owner.

### Non-authorised residents

9.5 Non-authorised residents have no right to re-housing under this Re-housing and Payments Policy. This category includes sub-tenants, lodgers and licensees.

### Squatters

9.6 The approach taken to squatters varies depending upon whether the Council has vacant possession of the property at the point when squatting is identified:

- a) Where the Council has control of a property or estate, it will use its powers as detailed in the relevant legislation to remove squatters. Where squatters are found in tenanted properties, the Council will take the necessary action to ensure vacant possession of the property.
- b) Squatters in leasehold properties will be the responsibility of the leaseholder. The Council will alert the leaseholder to the problem and if necessary action will be taken against the leaseholder.

### Practical help

9.7 Practical help may be offered to affected residents in the following ways:

#### **Independent Tenant and Leaseholder Adviser**

An Independent Tenant and Leaseholder Adviser will normally be engaged by the Council for each estate renewal scheme, to provide support to tenants and leaseholders on the issues set out in this policy.

#### **General advice**

General advice will be given, in conjunction with the Council's housing advice services, on:

- (a) Housing options;
- (b) Accessing a solicitor, and getting information on their legal rights;
- (c) Benefits entitlement;
- (d) Completing forms and legal paperwork;
- (e) Assistance and advice on how to move home, the bidding process and viewings; and
- (f) The processes involved in compulsory (or voluntary) purchase.

#### **Assistance to view the property offered to them**

Applicants may be offered the opportunity of assistance on an accompanied viewing of any property that they are offered.

### **Housing benefit claims**

If a tenant is in receipt of housing benefit, the Council will consider whether it can pay housing benefit on two homes at once, if there is a period of overlap in the moving process.

### **Clearance of unwanted items**

Assistance might be offered to help clear unwanted items from the properties, but the cost would be deducted from the Disturbance Payment.

### **Support for vulnerable residents**

If an eligible resident is an older person, or identified as being particularly vulnerable, for example due to physical, sensory or mental health impairment, and likely to have difficulty with the move, then extra support will be offered. This may include support with bidding under Choice Based Lettings, including proxy bidding (as set out in paragraph 6.5.7 of the Allocations Scheme) and direct offers of supported housing in appropriate cases (as set out in paragraph 6.8.1 of the Allocations Scheme). Support for vulnerable households may also include packing and help on the day of the move and help with viewings. Effective joint work with Adult Services and other agencies will be important to achieving effective support for vulnerable households.

9.8 The above is a recommended list which will be considered when estate renewal is being progressed in an area, and in each estate renewal scheme there will be flexibility to decide what practical support is offered to affected residents.

### Empty properties on an estate renewal site

9.9 Void properties and properties purchased by the Council through the buyback provisions will be made safe and secured using appropriate means. This may include using the property as temporary accommodation.

9.10 Following the re-housing of secure tenants needing to move, the Council will consider placing households into vacant units on the site on a temporary basis until the whole site has been vacated and works can begin.

9.11 It will be decided on a scheme by scheme basis at what stage the empty properties become the responsibility of the developer. This will include taking on the responsibility for the security of the site.

9.12 Before this agreed date, the Council will be responsible for its property. Action will be taken to ensure vacant possession and appropriate security measures will be applied to the empty properties and to the site as a whole.