

**HOME LOSS AND DISTURBANCE PAYMENT POLICY**

**2024**

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| **1. Policy Statement**  On occasions it is necessary for occupiers of properties to be permanently displaced from their home so that Sandwell Council can make improvements to the property or redevelop the land the property is on.  This document sets out Sandwell Council’s policy towards compensating tenants who have been permanently moved out of their home because of improvement or redevelopment works carried out by Sandwell Council.  This policy applies to all general needs tenants, tenants of extra care schemes, owners within leasehold properties and affected owner-occupiers.  This policy will be implemented from February 2024. |
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**2. Scope and definitions**

2.1 A home loss payment is intended to compensate people for the inconvenience of having to move permanently to another home at a time not of their choosing.

2.2 A disturbance payment is made to compensate the occupier of the property for the reasonable expenses and losses involved in moving from their home.

2.3 Entitlement to home loss and disturbance payment depends on a number of qualifying circumstances and the calculation of amounts due, if not determined by law, will be based on a fair assessment of the loss or costs incurred by customers losing their homes.

**3. Aims**

The aims of the policy are to:

* Define what home loss and disturbance payments are
* Clarify a claimant’s eligibility for home loss and disturbance payment

**4. Home Loss Payments**

4.1 Statutory home loss payments will only apply to those who are permanently and compulsorily moved from their home. Section 29(1) of the Land Compensation Act 1973 sets out the circumstances in which a person displaced from a dwelling is entitled to a home loss payment, these are that:

* A claimant must have occupied the property as his/her sole residence for at least a year prior to the date of displacement. If a tenant is sub-letting or an owner is letting the property but living elsewhere, then no home loss will be payable to the tenant or owner
* The displacement must be permanent
* The claimant’s removal is a result of

1. Compulsory purchase of the property
2. Making of a housing order in respect of the dwelling (that is prohibition order under Part 1 of the Housing Act 2004 or demolition order)
3. Redevelopment of land or improvement of any dwelling on land previously acquired or appropriated by an Authority possessing compulsory purchase powers and currently held by such an Authority
4. Making of an order for possession because the landlord intends to demolish or redevelop the dwelling or carry out extensive work, or the area is to be sold and redeveloped
5. The carrying out of any improvement to the dwelling or of redevelopment on the land by a housing association which has previously acquired the land and at the date of the displacement is either a private registered provider of social housing ora registered social landlord within the meaning of the [Housing Act 1985](https://uk.practicallaw.thomsonreuters.com/Document/I135D9630E4A811DA9407CBB86AE37856/View/FullText.html?originationContext=document&transitionType=DocumentItem&contextData=(sc.DocLink))

* Where tenants or owners have been decanted into temporary accommodation, home loss payments are triggered by removal from the original property. An additional home loss payment should not be available when tenants or owners move from temporary accommodation to new permanent accommodation.

4.2 Entitlement to statutory home loss payment starts at the point at which a decision has been taken e.g. to demolish or alter a property, and that decision has been made known to the customer. The knowledge of the claimant is important because the removal must be the consequence of a qualifying event, as detailed in part 4.1 of this policy.

4.3 A customer who qualifies for a statutory home loss payment will receive a flat rate payment of £8,100, in accordance with the Home Loss Payments (prescribed amounts) (England) Regulations. The value of home loss payments is reviewed annually. If two or more persons are entitled to a home loss payment in respect of one property, then the payment will be divided equally between them.

4.4 There may be circumstances e.g. demolition of a block of flats which contain owner occupied properties, where the owners are entitled to claim for home loss payments. In these situations, an owner is entitled to receive up to 10% of the market value of their home with a minimum payment of £8,100 and a maximum payment of £81,000. Owners who do not think that their home has been valued correctly can appeal to the Upper Tribunal (Lands Chamber).

**5. Discretionary Home Loss Payment**

Where a customer does not qualify for a statutory home loss payment, then

Sandwell Council may decide whether to make a discretionary home loss payment. The circumstances under which discretionary payments could be made will vary, payments may be made for one or more of the following reasons:

* Sandwell Council have made the decision to decant the customer permanently from their home but the qualifying criteria in section 4.1 is not met; or
* To prevent a delay in taking projects or plans forward; or
* The customer does not qualify for a statutory home loss payment because of their tenure type or length of time that they have occupied the property

The Housing Operations Manager will be responsible for identifying the need for a discretionary payment. Each case will need to be considered on its own merit and any decision taken will not set a precedent. The Head of Housing or Assistant Director will need to approve any payment.

**6. Disturbance Payment**

A disturbance payment can only be paid to customers who are permanently moved form their home. The payment is intended to cover the reasonable expenses of moving.

In order qualify for a disturbance payment, the claimant must be in the occupation of their home at the ‘applicable date’ and the move must be a direct consequence of one of the criteria listed in section 4.1 above.

The ‘applicable date’ will be one of the following:

* The date the compulsory purchase order was reached
* The date Sandwell Council makes a demolition, closing or improvement order
* The date the customer agrees to move for improvement or redevelopment
* The date that a Court Order is granted for repossession of the property

We will pay up to £1500 to compensate our customers and homeowners for any reasonable expenses incurred in moving from their home due to demolition or any other redevelopment plans that affect their property. Any customers who dispute this amount will need to provide receipts to demonstrate their reasonable expenses.

The following list, which is not exhaustive, is an example of the type of items that may be claimed for:

* Removal costs
* Disconnection and reconnection of cookers, internet routers, landline telephones, house alarms, washing machines and television satellites
* Replacement cooker if the current appliance cannot be connected to the new energy supply
* Redirection of mail for 6 months
* Salary/wage loss of the day of moving (proof will be needed from the Employer)

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| * We will not in general cover costs for new or replacement items such as carpets or furnishings. However, all cases will be reviewed with regard to the individual circumstances of the case. * Any payment for replacement items will be made on a like for like basis and not for replacing old with new   **7. Discretionary Disturbance Payment**  Where a customer does not qualify for disturbance payment or it is agreed that the initial disturbance payment is not adequate compensation, then Sandwell Council may decide whether to make a discretionary disturbance payment. The circumstances under which discretionary payments could be made will vary, payments may be made for one or more of the following reasons:   * Sandwell Council have made the decision to decant the customer permanently from their home but the qualifying criteria in section 6 is not met; or * To prevent a delay in taking projects or plans forward; or * The customer does not qualify for a statutory home loss payment because of their tenure type or length of time that they have occupied the property   The Housing Operations Manager will be responsible for identifying the need for a discretionary payment. Each case will need to be considered on its own merit and any decision taken will not set a precedent. The Director of Housing will need to approve any payment.  **8. Additional Payments**  In accordance with the Housing Act 1985, customers have the right to compensation for certain improvements, made at their own expense to their home. This payment will only apply to qualifying improvements where Sandwell Council’s prior permission had been obtained. The claim only applies to work undertaken after 1 April 1994.  **9. Outstanding Debt**  Where a home loss or disturbance payment is to be made, and the customer receiving the payment has rent arrears of other debts owing to Sandwell Council, then arrangements will be made with the customer for the outstanding debt to be recovered form the home loss or disturbance payment.  **10. Review**  This policy will be reviewed every 5 years or sooner if there are any legislative changes that affect the policy. |