

Appendix 8 - Home Loss and Disturbance Payments

There are two types of compensatory payments made to Council tenants who have to move due to improvements to, or redevelopment of, their home:

1. Home Loss payments

This payment is only made when a **permanent move** is required or agreed.

¹Legislation determines the criteria for when a home loss payment must be made:

- The tenant must be required to move because of the need to carry out some improvement or redevelopment to their property (including change of use i.e. decommissioning sheltered properties)
- The tenant must have lived in the property as their only or principal home for at least the preceding 12 months
- The tenant must move as a result of the improvement or redevelopment i.e. it cannot be because they wanted to move and had achieved a transfer in the usual manner under the allocations policy

Where the tenant does not meet this criterion he/she may be entitled to a lesser amount of discretionary compensation – Disturbance Payment.

²The amount that must be paid is currently **£4700 per household**

2. Disturbance Payments

This payment may be made for permanent moves, (where a home loss payments is not applicable) but can also be offered for temporary moves. Whilst it is a discretionary payment, it is generally viewed as good practice within the housing industry, and is designed to cover the costs of moving. This includes but is not limited to:

- Disconnection and reconnection of services
- Removals
- Storage
- Carpets & Curtains

The amount paid should be the actual cost incurred but should not be more than the equivalent home loss payment i.e. less than £4700.

Sheltered housing tenants, moving to alternative sheltered accommodation because of decommissioning, may be entitled to both Home Loss and Disturbance payments up to a maximum of £9400 per household.

¹ The Land Compensation Act 1973, (s29 and s30) as amended by the Planning and Compensation Act 1991 (s68)

² The Home Loss Payments (Prescribed Amounts) (England) Regulations 2008 SI 1598

Appendix 8

Cost of decommissioning

If 157 sheltered properties were decommissioned over the next 5 years – the maximum cost in terms of compensation would be £1.5 million or £300k per year.