

## Report for Resolution

**Report to** Cabinet

10

21 September 2011

**Report of** Director - Regeneration and Development

**Subject** Review of the policies for the decommissioning of housing property and disposal of individual council housing assets

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### Purpose

To update the decommissioning policy including the separation of the arrangements for dealing with individual properties from area wide schemes.

### Recommendations

1. To adopt the revised decommissioning policy as part of the council's policy framework; and
2. To adopt the disposal of individual council housing assets policy as part of the council's policy framework.

### Financial Consequences

The financial consequences of this report are:

- Homeloss payments and disturbance allowances will be payable. However, since these help to secure vacant possession of the property, they are capital costs and can be offset against the capital receipt from disposal without consequence for the council's revenue budget. Where the disposal is to a registered provider for social housing, these costs will need to be taken into account in determining the net capital receipt available to finance any grant.
- One off costs of disposal can also be offset against the capital receipt and will also reduce the capital available for grant to registered providers. Ongoing costs of securing vacant property, are a revenue cost (as they only maintain the value of the asset) and will need to be funded from within approved budgets.
- Under the capital financing regulations receipts from the sale of HRA dwellings will be able to be pooled by central Government at a rate of 75% (the same rate as right to buy disposals) where the purchaser intends to occupy the property him/herself rather than refurbish for onward sale or letting.
- The increase in disturbance allowance against benchmarked costs represents an average 50% increase on the current levels of compensation.
- Disturbance allowances will be reviewed annually along with the statutory home loss payments set by Government.

## Housing decommissioning policy

### **Risk Assessment**

- The current policy is too rigid and does not reflect the size of the decommissioning project being undertaken.
- The new policy allows the option to dispose of properties on the open market giving more options to the council reducing the risk of vacant properties and sites
- The increase in disturbance allowance does carry a low financial risk. However if the amounts are not reviewed this could be challenged and lead to a reputational risk.
- Having a clear policy minimises risk to the Council in terms of reputational management, public perception, clear and transparent processes and public scrutiny.

### **Strategic Priority and Outcome/Service Priorities**

The report helps to meet the strategic priority “Safe and healthy neighbourhoods – working in partnership with residents to create neighbourhoods where people feel secure, where the streets are clean and well maintained, where there is good quality housing and local amenities and where there are active local communities”

**Cabinet Member:** Councillor MacDonald - Housing

**Ward:** All

### **Contact Officers**

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### **Background Documents**

### Report

#### Decommissioning policy background

1. The council adopted the current decommissioning policy in April 2009 to cover situations where one or more tenants or leaseholders of Norwich City Council will lose their home permanently due to demolition and redevelopment, whether that action is due to planned work or in response to an emergency situation.
2. The policy provides the framework under which the decisions to decommission properties are made, and the procedures through which residents are to be treated during this process.
3. The council has undertaken a number of projects utilising the policy and following feedback from residents and officers it was identified that the policy needed updating.
4. It was also recognised that in the specific circumstances of the council reviewing an individual dwelling that is tenanted and recommending disposal the tenants have a right to remain in the property and for repairs to be carried out. A separate disposal of council housing assets policy has been produced to address this circumstance.

#### Revised decommissioning policy

5. The current decommissioning policy has now been updated, see Appendix A. In addition to revised administrative arrangements the main areas of change are:
  - Specific mention of disposal on the open market as an option for the future of a property or properties.
  - The current decommissioning policy states that ward councillors will be invited to all meetings with residents where their property may be decommissioned. It was felt that it was too onerous for ward councillors to attend all meetings over individual properties and so they would therefore now be informed of such properties that are being considered and the outcome of the meetings held. Ward Councillors will still be invited to meetings where there are a group of properties together which may form a redevelopment opportunity.
  - Recognition that where the council is considering disposal of an asset due to repairs being uneconomic, tenants have the right to remain and for repairs to be carried out.
6. The amounts payable as a disturbance allowance have been reviewed against benchmarked costs. (See Appendix B). The changes in disturbance allowances will on average represent an increase of 50% across all property types. It is worth noting also that if the disturbance allowance had increased in line with inflation the average increase across all property sizes would have been 18%.

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The amount payable for disturbance allowances will be reviewed annually in line with benchmarked costs.

### **Disposal of individual council housing assets policy**

7. Since the adoption of the decommissioning policy there have been a small number of tenanted properties that have required extensive repairs works that are not economical for the council to undertake. It was recognised that the decommissioning policy did not adequately cover these circumstances as the tenants have a right for repairs to the property to be carried out and the council can not require possession.
8. Under Ground 10 of the Housing Act 1985 the council can only require possession of the property in the following circumstances:
  - o 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.
9. It was recognised that a separate policy was required to address the particular circumstances of this situation that would follow the principles laid out in the decommissioning policy. The disposal of individual council housing assets policy is attached at Appendix C. In addition to the points raised in paragraph 5 above, the main areas to note for this policy are:-
  - o Recognition that where we are considering disposal of an asset due to repairs being uneconomic, tenants have the right to remain and for repairs to be carried out. Any approval for disposal will have to be with the tenant's agreement.
  - o Where the council is disposing of a flat or flats within a block where the other dwellings have already been sold on leasehold arrangements consideration will be given to disposing of the freehold to the flats..
  - o The current decommissioning policy states that ward councillors will be invited to all meetings with residents where their property may be decommissioned. It was felt that it was too onerous for ward councillors to attend all meetings over individual properties and so would therefore now just be informed of properties that are being considered for disposal and the outcome of the meetings held.

### **Consultation with City Wide Board**

10. The City Wide Board has been consulted over the revised and new policies and

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was specifically asked to consider the issue of disturbance allowances. The unanimous feedback received was:

- Noted that tenants have the right to remain and for repairs to be carried out but supported the discussion of disposal as an option.
- To pay lump sum disturbance allowance as this will allow residents to purchase goods and services without being out of pocket. This will also remove the necessity for residents to gain quotes, provide receipts, and have a period of waiting for cheques to be raised.
- To review the amounts payable to ensure that residents were in no worse a position than if they were able to stay – the amounts should reflect actual costs rather than just be uplifted by inflation so it was suggested to benchmark particular costs.
- To consider discretionary additional amounts payable and support in extenuating circumstances if expenses incurred were above the set amounts. This may be considered appropriate for elderly and / or disabled residents.

11. The City Wide Board has agreed to the above changes and will award the 'tenant tick' to the disposal of individual council housing assets policy .

## Housing decommissioning policy

### Appendix A

<b>Policy:</b> Decommissioning Policy		<b>Ref:</b>
<b>Published date:</b>	<b>Last reviewed:</b>	
<b>Issued by:</b> Tracy John	<b>Author:</b> Andrew Turnbull	
<b>Approved by:</b> Click to select	<b>Date approved:</b>	
<b>Next review date:</b>		
<b>Purpose of guidance:</b> This policy will cover situations where one or more tenants or leaseholders of Norwich City Council will lose their home permanently due to demolition and / or redevelopment, whether that action is due to planned work or in response to an emergency situation. The policy details how properties are assessed, how tenants will be consulted, the decision making process, and the process of resettlement and compensation payable .		
<b>Relevant legislation / policy:</b> Housing Act 1985 The Home Loss Payments (prescribed Amounts) (England) Regulations 2008.		

### Document history

Version	Author	Date	Summary of changes
v1d	Andrew Turnbull	13/12/10	First Draft
v2d	Andrew Turnbull	09/05/11	HMT amendments
v3d	Andrew Turnbull	24/06/11	CWB amendments
v4d	Andrew Turnbull	17/08/11	Final draft

(For guidance on version control see page 11 of the [Shared Folder Policy](#))

## 1 Scope

This policy applies to: Norwich city council.

## 2 Policy Statement

This policy has been written in accordance with the corporate objective of a strong and prosperous city by reviewing the city's many assets to ensure they are well maintained and their value is maximised.

This policy will cover situations where one or more tenants or leaseholders of Norwich City Council will lose their home permanently due to disposal, demolition and / or redevelopment, whether that action is due to planned work or in response to an emergency situation.

The policy recognises the impact that the decommissioning and the consequent relocation has on the people concerned, and aims to help reduce the effects of unnecessary disturbance to them. It provides the framework under which the decisions to decommission properties are made, and the procedures through which residents are to be treated during this process.

## 3 Policy Aims

3.1 The aims of this policy are to ensure that:

- A framework exists in which properties are assessed to consider if repairs requested offer value for money;
- Tenants are consulted and their rights explained if the council wishes to decommission properties;
- A formal decision making process is followed; and
- Tenants are resettled in a timely manner to minimise disruption and compensated for their home loss.

## 4 Property Identification

Sites or properties requiring decommissioning can come forward from a variety of sources including, but not exclusively, the following:

- Housing property services – The asset management strategy provides a framework for the management of the council housing stock and includes carrying out condition surveys of all the stock owned and managed by Norwich City Council. The framework sets out the neighbourhood status, the address status, and the planned maintenance and repairs required over the next 30 years. This information once gathered may result in some stock being uneconomical to maintain and therefore requiring decommissioning.
- Neighbourhood housing – The teams can advise on properties and areas that are hard to let due to their location, anti-social behaviour or property type

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being unsuitable. They can also put forward properties to be considered following emergency decanting of tenants in conjunction with advice from Housing Property Services.

- The sheltered housing service, are also able to identify where sheltered schemes are no longer required, do not meet current standards, or where land holdings can be better used. For properties such as these, or those with other vulnerable residents in them, other relevant groups, for example Norfolk Supporting People, will be consulted to ensure that groups are not disadvantaged.
- Strategic property services – manage all the non-housing property owned by Norwich City Council. They can identify properties that are adjacent to housing land that are suitable for wider redevelopment or regeneration.
- Housing development - The housing development team work in partnership with local registered providers of affordable housing (RPs) and as such will look for opportunities for land assembly adjacent to partner's land holdings. The development team will also look at potential redevelopment sites on council-owned housing land where there are opportunities to better utilise the land or increase density.
- Local Delivery Unit – the local delivery unit consists of strategic housing, economic development and regeneration. They will provide a steer on areas of the city suitable for regeneration, current and future planned projects and highlight key priorities within the local investment plan.
- Residents / ward councillors - occasionally sites are identified by local residents and / or councillors that are causing concern to the local community or may require some land assembly to make them viable.

### 5 Analysis

Once a site or property has been identified an exercise will be carried out to analyse the potential for repair / renovation, redevelopment, regeneration or disposal.

This analysis will be carried out by officers of the council and they could be called from any or all of the teams identified above. It will also include members of the planning team to give advice on any potential redevelopment of the site.

A lead officer will be identified at this stage to project manage the progression of the site.

In order to reach a decision on decommissioning a site or property, the following factors will be taken into account:

- the age and condition of the property
- its location
- whether it is fit for purpose
- housing need
- financial viability



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- sustainability
- environmental concerns
- land usage
- any special features, landmark or conservation issues
- assessment of any benefits to the area that can be gained
- any other details deemed significant

The above factors are considered utilising an asset matrix tool. The tool is an assessment framework model designed by Norwich City Council's housing property services team. This will aid the council's decision making process when looking at the long term future of individual properties and / or sites in our ownership.

At the outset of any decommissioning proposal the aims and objectives will be outlined along with the success criteria that they will be measured against.

Once the potential options for the property or site have been analysed the lead officer will provide a briefing for the director of regeneration and development and relevant portfolio holders.

It is planned that following this assessment stage an informal consultation will be held with tenants and residents, providing as much information as is available in order that any representations can be considered prior to any decisions being taken. This consultation will be on the principle of decommissioning as well as the process of decommissioning if agreed.

A report will then be taken to the Housing Management Team (HMT) outlining the background, any feedback from consultations, and the options available including a recommendation for a preferred option. HMT consists of team managers from neighbourhood housing, housing property services, housing support, strategic housing, housing options and business planning.

Any recommendations arising from HMT will be considered before briefing the portfolio holder for housing and the director of regeneration and development.

A paper for the council's cabinet will then be prepared to make a formal decision on the preferred option to proceed recognising the wishes of the tenant. This formal decision will outline the aims, objectives and measurable success criteria for the project.

At all stages of the decision making process feedback will be given to all affected parties.

The portfolio holder for housing will be fully briefed throughout the progress of the project.

Once a formal decision has been made by the council's cabinet there will be further consultation with residents on the outcome and for the progression of any repair, redevelopment or disposal plans.

6 Consultation and information

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It is recognised that any decommissioning scheme is likely to involve a large amount of communication of information and consultation with local residents. It is therefore imperative that the communications team are fully briefed prior to the commencement of any project. The briefing will advise them of the project and to assess the most appropriate method of communication.

The briefing will include who we will engage / consult with, how and when we will engage or consult with those stakeholders and how we will work with the media if appropriate. We will identify any vulnerable tenants who may need carers, family members, or advocates to be consulted on their behalf or any tenants that have special requirements such as documents in another language or format.

Unless there are exceptional circumstances, a meeting with the affected tenants, with carers, family members, or advocates as necessary, is planned. Local tenant and resident associations, members of the sheltered housing tenants forum, representatives from City Wide Board and the Leaseholder Association will also be invited if appropriate. This meeting will, if possible, be held at a location close to the area affected or at the tenant's home and will be held at a time convenient for the tenants.

Information should also be provided in writing and as required in other accessible formats. Carers, family members or advocates can receive a copy of any correspondence and information provided, with the formal written consent of the resident concerned.

It is envisaged that tenant and resident engagement and consultation will be the responsibility of the neighbourhood housing service.

Local ward councillors should be kept informed of the engagement / consultation processes and sent copies of any correspondence relating to this.

The outcome of the engagement / consultation will be reported back to tenants and councillors in an appropriate format.

Any formal tenant consultation will meet any legislative requirements. For council tenants, as at the date of this policy, Part 5, section 105 of the Housing Act 1985 (as amended) covers "consultation on matters of housing management". This includes the decommissioning of council housing stock.

This legislation requires a reasonable amount of time to consult with all council tenants. The formal s.105 consultation period will be in accordance with current legislation, and will be for a minimum of 28 days. Wherever possible we will aim to extend this period and will only undergo the minimum required in urgent cases.

During this consultation period, tenants will be informed of the council's proposals for the property or site, including any phasing of work to minimise disruption, and will be able to make their views known to the council within this specified period either in writing or through meetings.

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When affected households are advised of the options for the future of their home, they will receive a comprehensive package of information that they can refer to throughout the process.

### 7 Vacant possession of property

Tenants and residents will be informed through the initial engagement process that if decommissioning is approved by council's cabinet that the council will require vacant possession of their property.

The cabinet should also come to a decision on which legal route to use to gain possession of those properties, should it not be possible to come to a voluntary agreement with tenants and residents.

The council's preference will always be to try to come to a voluntary agreement on the arrangements for moving out with those concerned. The lead officer for the scheme will determine the maximum length of time that is required for tenants and residents to move out. This period of notice will be at least in line with legal requirements, but will be agreed between the council and the tenant or property owner, and will be documented accordingly.

Where voluntary agreement cannot be reached the options for the council at the date of this policy are either the gaining of a compulsory purchase order (CPO), or (for council tenants) the gaining of a possession order.

A separate policy covering the disposal of individual tenanted council housing assets has now been produced as the legal rights are different for this situation. Under the Housing Act 1985 there are no grounds for possession of a property unless it requires demolition or work that cannot reasonably be carried out without gaining possession.

### **Compulsory purchase order**

If the council decides to pursue compulsory purchase then we will comply with legislation covering the use of compulsory purchase orders. As at the date of this policy this legislation is the Town and Country Planning Act 1990 (as amended by the Planning and Compulsory Purchase Act 2004). This legislation governs the length of notice to be given, formal mechanisms for accepting or objecting to compulsory purchase, and lays down what aspects can be negotiated on.

A compulsory purchase order (CPO) is made by the council, upon the formal decision of the cabinet. A CPO covers a defined area of land, and will include a schedule, a map of the affected area, and a statement of the reasons why it has been made.

### **Possession order**

If we need to apply for a possession order for a council tenant, then it is the court that will decide when the tenant will need to leave the property. As at the date of this policy the legislation governing this is the Housing Act 1985 (as amended)

- A notice will be served under Ground 10 or 10A of the Housing Act 1985 (as amended), followed by court action if it proves necessary.

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- The council will, as this act requires, offer “suitable alternative accommodation” to the tenant(s).
- In making the decision on the suitability of the accommodation, we will take into account the provisions in Schedule 2, Part 4 of the Housing Act 1985 (as amended), when looking at each households individual circumstances.

### **The right to buy**

The council has the right to halt the right to buy in certain circumstances. The decision whether to do this will be taken by the council's cabinet. We will do this in accordance with current legislation which allows for the following:

Under the Housing Act 2004, sections 182 and 183, the right to buy of any council housing stock scheduled for demolition will be suspended from the date that an initial demolition notice is served on the council tenant(s). This notice is served where we intend to demolish the property concerned within five years. It will include the reasons, and the timescales, for the demolition. It will stay suspended for as long as this notice remains in force, and means, that the council cannot be required to complete the transaction.

The service of a final demolition notice, extinguishes the right to buy on these properties completely. Any prospective right to buy purchases which are underway but have not completed will not now proceed.

No new right to buy application on these properties will be accepted.

In order to serve it we must have agreed to, or be entitled to, acquire all the affected properties. This notice is only served where demolition is expected within two years.

The tenant may have a right to compensation for certain expenses already incurred in the right to buy process. We will pay these expenses where required by law. This compensation includes relevant legal fees, surveyor's fees, and other disbursements which have already been paid.

### **8 Financial matters**

The council makes no commitment to provide payments for displacement beyond the statutory requirements.

#### **Payment made to the owner(s) of residential property to purchase that property**

Wherever possible, the council will endeavour to come to a voluntary agreement with a property owner regarding the purchase price of a property. If it is not possible to come to a voluntary agreement, the council will use the mechanisms provided by current legislation dealing with compulsory purchase. As at the date of this policy, this legislation is the Town and Country Planning Act 1990 (as amended by the Planning and Compulsory Purchase Act 2004).

The process of valuing and purchasing property affected by a decommissioning scheme will be dealt with by the council's property services team and the council's

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solicitors. The council will be the purchaser of the property bought due to a decommissioning scheme. It may then dispose of, or sell on, that property to a registered provider of affordable housing or developer who will be carrying out the actual redevelopment of a scheme.

The amount paid for a property will be the market value of that property, i.e. it is based on the amount the property might be expected to realise if sold on the open market by a willing seller. If a CPO has been made then any appeal on the valuation of the property will be to the Lands Tribunal.

If there is an outstanding mortgage or loan secured on the property, then the mortgagee (usually a bank or building society) will be paid off first. If the value of the property is less than the outstanding debt on the mortgage, then nothing of this money will be paid to the owner. The lender will still have the right to pursue the owner for any monies outstanding even after the payment for the property is made.

The amount paid for the purchase of the property concerned will not affect the amount of home loss, disturbance allowance, or disturbance payments, paid to affected owner occupiers.

### **Home loss compensation**

Home loss compensation is a sum paid to a council tenant, owner occupier or private tenant of residential property to reflect and recognise the distress and discomfort of having to move out of their home.

Where the council requires a tenant of residential property to move home to enable the decommissioning of council property, it will in most cases pay home loss compensation, in accordance with the Land Compensation Act 1973 and the Planning Compensation Act 1991. The processing of claims will also be dealt with in accordance with the council's financial regulations. See Appendix 3 – financial compensation glossary for the current prescribed amounts of home loss payment.

Squatters and trespassers will not be paid home loss compensation.

Before any home loss compensation is paid to a tenant, the council will deduct any housing debts owed to the council from this payment. A housing debt is one which arises from our "tenant/landlord" relationship.

Tenants who have not lived in the affected property long enough to qualify in law for home loss compensation, the minimum period is one year, will receive an ex-gratia lump sum goodwill payment which is pro-rata to the statutory home loss compensation subject to the exclusions above.

### **Disturbance allowances and payments**

Disturbance allowance or payments may be paid to a tenant, owner occupier or private tenant of residential property for the reasonable financial costs incurred, and any losses sustained, in connection with having to move home as a result of decommissioning. This is paid in addition to home loss compensation.

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The council can choose to pay either a disturbance allowance as a one off lump sum, or disturbance payments which are individual payments for each eligible item.

Trespassers and squatters will not be paid any disturbance allowance or disturbance payments.

Any housing debts owed to the council by a tenant will not be deducted from their disturbance allowance or payments, the council will however look to deducting these debts from their home loss compensation.

### **Disturbance Allowance**

A disturbance allowance is a lump sum, calculated to cover eligible items, paid to those required to move home.

In some cases the council may consider paying a removal company direct. Where this happens the council will deduct the cost from the disturbance allowance due.

In exceptional circumstances the council may consider paying above the set allowance and this will be considered on a case by case basis and agreed with the Director of Regeneration and Development.

Disturbance allowances are paid under the general power of Section 26 of the Housing Act 1985, whilst disturbance payments will be paid in accordance with the Land Compensation Act 1973.

### **Disturbance Payments**

Disturbance payments are individual payments made for each eligible item. In exceptional circumstances, for example needs arising from a physical, sensory, or mental impairment, consideration will be given to paying for other exceptional items on an individual basis.

The processing of claims will also be dealt with in accordance with the council's financial regulations. Disturbance payments (not the lump sum allowance) will only be made after a valid receipt, showing VAT where this is applicable, is received for each item claimed for.

The council is entitled to refuse to pay all costs where it is felt that some of the claim is unreasonable.

If there is a dispute over whether the council will pay for an item or an amount claimed for, and if agreement on this cannot be reached, then either the person concerned or the council can apply to the Lands Tribunal for a decision. This decision will be binding on all parties.

In consultation with the City Wide Board, the council will make payment of a disturbance allowance as set out in Appendix 3 in recognition that affected residents may not be in a position to pay for items and then claim money back. In exceptional

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circumstances the council may consider paying above the set allowance and this will be agreed on a case by case basis by Director of Regeneration and Development.

### **Housing and council tax benefit claimants**

As at the date of this policy, national housing benefit regulations state that home loss compensation is counted as capital for housing and council tax benefit purposes.

It is the legal responsibility of housing benefit and council tax benefit claimants to advise the housing and council tax benefits service as soon as they receive this increase to their capital. We will remind them of this legal duty when the payment is made.

In order to assist this process, a list of home loss compensation, paid due to the decommissioning of council housing stock, will be disclosed to the housing and council tax benefit service. Because the money involved can affect a person's benefit entitlement, it is reasonable for this information to be shared for these purposes.

National housing benefit regulations do not count disturbance payments and allowances as capital or income for housing and council tax benefit purposes.

#### **9 Resettlement of residents**

When a decision to decommission a property has been made this policy recognises that we will do what we can in the circumstances and with the resources available.

The council's cabinet will decide on the most appropriate method of support for the resettlement of tenants and residents taking into account the length of any project, the financial implications of the options and the support that tenants are likely to require. For vulnerable residents consideration will be given to providing additional support in the resettlement process such as procuring removal services.

For each project an officer will be appointed to oversee the resettlement and dependant upon available resources this role will either be taken up through existing staff members or by the recruitment of a specific project resettlement officer.

The resettlement of tenants and residents will be managed by the neighbourhood housing service, working in partnership with housing options, housing benefit and tenancy services.

A resettlement project plan will be drawn up for each project. This plan should lay out who will be responsible for each aspect of the resettlement and the timescales involved.

### **Rehousing**

This policy specifically relates to those who have to leave their home because it is being decommissioned, and who we have agreed to rehouse because of this. Other housing applicants are dealt with solely under the council's allocations policy...

This policy does not include unauthorised occupants or squatters.

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All tenants and residents that need to be rehoused under this policy will be given advice and assistance from the housing options team.

Under this policy we will rehouse any council tenant who will be displaced by the decommissioning of their home with the exception of tenants against which an outright possession order has been granted by the court for breach of tenancy conditions.

Private tenants of affected properties will be given advice and assistance by our housing advice service, if necessary, to find alternative privately rented accommodation. Early prevention work is the key however, if they fall within any categories or groups that we might have a duty to assist under current homelessness legislation, then we will assess their application under that legislation.

It is not expected that we will have to rehouse many owner-occupiers under this policy. This is due to the advice they will receive to help them find an alternative property, the home loss compensation and disturbance payments they will receive, and the likely availability of low cost home ownership options. They will be considered on a case-by-case basis by the housing options assessment team.

We will make every endeavour to rehouse tenants and residents within as short a time-span as possible. This is so that people are not left on the affected site for long once their fellow residents start to move out.

While we will do what we can to rehouse people in this situation quickly, it will also be in the interests of tenants and residents to consider properties and areas that give a realistic chance of rehousing within the timescales agreed.

### **Additional priority**

In order to facilitate the decommissioning of properties, it is recognised that there may be a need to give a higher housing priority to those tenants that are affected. This will be dependent upon the urgency that possession of the properties is required.

In order to facilitate the resettlement of tenants in a reasonable time frame it may be necessary for all tenants accepted under this policy to be considered for a higher banding on the choice based lettings system for a period of time. If the decommissioning is of an urgent nature then emergency banding will be considered for a period of six weeks.

If, after this period, there are still residents that have not been rehoused then the Greater Norwich Housing Partnership's direct let procedure will apply.

This policy recognises that residents need to be given a choice over where they move to in order to make the process as smooth as possible.

People accepted for rehousing under this policy, will be able to bid for another home using HOME OPTIONS. The exceptions to this are if timescales are too short to



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enable rehousing by HOME OPTIONS. In these cases, in any emergency situation, or where a person is unable to easily use HOME OPTIONS given their particular circumstances, direct lets will be used.

In this case they should have as much choice of area and location as possible, subject to their choices giving a realistic chance of rehousing within the timescales agreed.

### **Council tenants who are under-occupying their home**

Those tenants, who are under-occupying their home in accordance with the allocations policy, will be encouraged to move voluntarily to a smaller property by explaining:-

- What size and type of property they would be eligible for, as an underoccupier, if they choose to move to a smaller property. This will be in line with the property they would be eligible for as an under-occupier under the council's allocations policy.
- The advantages of living in a smaller home, for example, its being easier to manage or to heat.
- The practical help they would get in moving to a smaller home, in accordance with council policy.

Any tenant moving under this policy may not leave anyone in occupation of their property, for example a lodger or an adult child, when they move out.

If a council tenant under-occupying a council property does not wish to move to a smaller property, then they will be able to bid for, or be allocated under the direct let process, a property of the same size and type that they already occupy.

### **Rehousing (or not) where there are concerns about the unacceptable behaviour of an applicant**

Unacceptable behaviour is behaviour that would mean having to consider excluding someone from the housing list in accordance with the allocations policy, or that relates to possible risk issues.

The exclusion for unacceptable behaviour under the allocation policy does not apply to applicants who have to be rehoused by law, as they are losing their home due to its being decommissioned. However, even here, they will still be excluded if they are in the immediate process of being evicted for breaching a tenancy or lease condition, i.e. their eviction is due on or before the date their property is needed back for the decommissioning scheme..

Applicants who owe a housing debt to the council will, in the first instance have the amount outstanding deducted from any statutory home loss payment due. If the debt is still not cleared the tenant will take that debt with them to their new address in accordance with council policy on the recovery of housing debt. When an offer of a

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property is made, any such debts will be recorded in the information sent either to a receiving housing office, or in a nomination to a registered provider of affordable housing.

### **Applicants who want to return to the original site.**

If it is reasonably possible to give tenants or residents the choice of returning to the site they decanted from, then they will be given that choice. For example, if the new social housing on the site is of a suitable size and type for them.

If there is a choice to return to the site, then this will be agreed with any involved RP at the earliest possible stage. This choice will be made available to people when they are advised of the timetable for the decommissioning, unless there are very exceptional circumstances for not doing so, for example an emergency situation.

In order that people may make an informed decision on whether to return to the site, they should be given the following information as far in advance as possible of their having to make that decision:-

- What type and size of property they could expect to be offered.
- Whether this property will be owned by the council or an RP, and what an RP is.
- If the new tenancy agreement will have different requirements from their current one, e.g. on right to buy, car parking, and any different clauses on rent arrears, etc.
- What the layout and appearance of the site will be.
- What, if any, extra compensation, disturbance allowance or assistance with the move will they get if they move home twice, in order to return to the original site after being decanted.

There is no statutory right to return to a site that has been redeveloped, but we will offer this as an option to the original residents whenever it is reasonably possible to do so. This section will be included in any local nominations agreement made with the RP for a specific site.

### **10 Managing empty properties**

It will be decided on a scheme by scheme basis at what stage the empty properties become the responsibility of the developer or contractor carrying out the redevelopment of the decommissioned scheme. This will include taking on the responsibility for the security of the site. Until then the council will be responsible for its property.

As soon as households move from the affected property, appropriate security measures will be applied. This is to ensure that the safety of people living nearby is not compromised by the presence of the empty property.

The options to be considered for the security of the properties and the remaining residents whilst the decommissioning process is undertaken will include:-

## Housing decommissioning policy

- Regular monitoring of the property for damage and / or trespass;
- The use of the properties as temporary accommodation for homeless applicants to the council.
- The boarding up and securing of empty properties.
- Employing a security company to manage the properties by letting them on a temporary basis to private residents for the duration of the decommissioning
- Early demolition

On any scheme one or more of the above options will be considered and the most appropriate measure(s) to take will be decided by the council's cabinet. When making this decision the cabinet should be mindful of the impact on remaining residents, the length of any project, and the financial implications of the proposed measures.

Norwich City Council will not use decommissioned properties as temporary accommodation for staff either relocating to Norwich or otherwise.

### 11 Monitoring

It is expected that the rehousing of tenants and residents will be monitored in order to keep a check on the progress and cost of their rehousing, and to be of use when planning for any future disposals.

After they have moved, it is also expected that all decanted tenants and residents will, where reasonable to do so, be asked their opinions on the following:-

- Their new home, the standard it was offered to them in, and (if new build) its features.
- How they felt about the resettlement process.

The purpose of this evaluation exercise is to learn from any issues raised and to assist in future planning of any disposal projects.

### 12 Redevelopment

On any decommissioning project we will identify early on what the council's aims and objectives are from any redevelopment.

The density, property types and tenure mix of any redevelopment will be advised by the strategic housing service in line with the Greater Norwich strategic housing market assessment and in consultation with planning policy.

Where appropriate the strategic housing team will liaise with planning and other departments to develop a design brief for the affected site.

Where re-provision of 100 per cent affordable housing will be required on the site officers will work in partnership with local RPs to develop a scheme that meets the identified aims and objectives.

Where larger sites are identified, or where mixed tenure development is required including open market housing, or where regeneration opportunities exist, sale to a

## Housing decommissioning policy

private developer may be explored. This decision will be determined by the council's cabinet following consultation with various departments across the council and consideration by HMT, Director of Regeneration and Development and in consultation with the portfolio holder for housing.

### 13 Disposal

Where a decision is taken to dispose of an asset rather than redevelop the council will consider the following two options:-

- Dispose on the open market through an auction.
- Dispose of individual properties to an interested RP to repair. Norwich City Council would have nomination rights to the property.

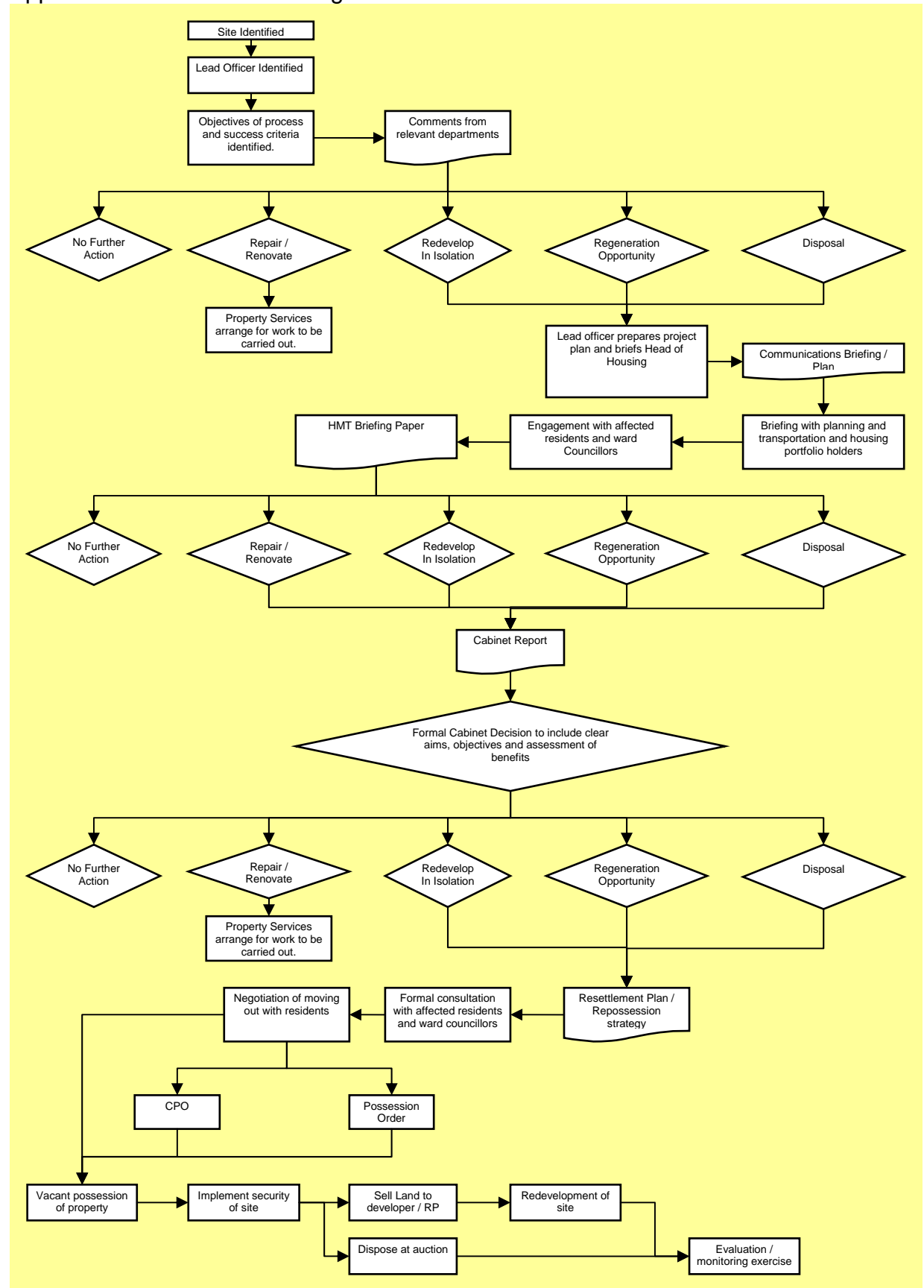
The disposal of individual assets will be subject to a separate policy and the funds generated from these sales will be used as part of the capital programme for improving, repairing and maintaining our housing stock or for enabling new affordable housing in the city.

The Private Sector Housing Team will be advised of any properties to be disposed in order that required repair work can be monitored and followed up after disposal.

Where the property for disposal is a flat in a block the council may also consider disposing of the freehold interest of the block if others in the block have already been sold under the Right to Buy.

# Housing decommissioning policy

## Appendix 1 – Decommissioning flowchart



## Housing decommissioning policy

### Appendix 2 – Decommissioning Checklist

**Property Address** .....

#### Property Identification

*Each service to consider and advise on relevant strategies and policies.*

Strategic Housing comments	<input type="checkbox"/>
Property Services comments	<input type="checkbox"/>
Neighbourhood Housing comments	<input type="checkbox"/>
Finance comments	<input type="checkbox"/>
Legal comments	<input type="checkbox"/>

#### Analysis

Officers preferred option:-	
Repair / Renovate	<input type="checkbox"/>
Disposal	<input type="checkbox"/>
No further action	<input type="checkbox"/>

#### Consultation

Communications Advised	<input type="checkbox"/>
Briefing with Head of Housing	<input type="checkbox"/>
Portfolio holder briefing	<input type="checkbox"/>
Information Pack	<input type="checkbox"/>
Tenants Meeting	<input type="checkbox"/>

#### Tenant Preferred Option

Repair / Renovate	<input type="checkbox"/>
Dispose	<input type="checkbox"/>

#### Housing Management Team (HMT)

HMT paper prepared	<input type="checkbox"/>
--------------------	--------------------------

Date of HMT meeting .....

HMT preferred option:-	
Repair / Renovate	<input type="checkbox"/>
Dispose to RP	<input type="checkbox"/>
Dispose at auction	<input type="checkbox"/>
No further action	<input type="checkbox"/>

## Housing decommissioning policy

### **Cabinet**

Paper prepared ☐

Date of Cabinet Meeting .....

Decision of Cabinet

*(Insert text of decision here)*

Cabinet preferred option:-

Repair / Renovate

☐

Dispose to RP

☐

Dispose at auction

☐

No further action

☐

### **Resettlement of Tenants**

Resettlement officer identified

☐

Resettlement plan

☐

### **Managing Empty Properties**

Boarding up and securing of empty properties. ☐

### **Future of Property**

Maintain until Void

☐

Dispose at auction

☐

Sell to a registered provider of affordable housing

☐

Demolition

☐

Appendix 3 - Financial compensation glossary

**To be reviewed annually in August. (No change 2009 or 2010)**

**Home Loss Payments**

S T A T U T O R Y   I N S T R U M E N T S

2008 No. 1598

ACQUISITION OF LAND, ENGLAND

COMPENSATION, ENGLAND

The Home Loss Payments (Prescribed Amounts)  
(England) Regulations 2008

*Made*  
*19th June 2008*  
*Laid before Parliament*  
*26th June 2008*  
*Coming into force*  
*1st September 2008*

The Secretary of State, in exercise of the powers conferred by section 30(5) of the Land Compensation Act 1973(1), makes the following Regulations:

**Citation, commencement and application**

1.—(1) These Regulations may be cited as the Home Loss Payments (Prescribed Amounts) (England) Regulations 2008 and shall come into force on 1st September 2008.

(2) These Regulations shall apply in relation to cases of displacement in England only.

**Revision of prescribed amounts for home loss payment**

2.—(1) this regulation applies where the date of displacement is on or after 1st September 2008.

(2) For the purposes of section 30(1) of the Land Compensation Act 1973—

(a) The prescribed maximum amount of home loss payment (2) shall be £47,000; and

(b) The prescribed minimum amount of home loss payment shall be £4,700.

(3) For the purposes of section 30(2) of the Land Compensation Act 1973, the prescribed amount of home loss payment shall be £4,700.

**Revocation and savings**

3.—(1) Subject to paragraph (2), the Home Loss Payments (Prescribed Amounts) (England) Regulations 2007(3) are revoked.

(2) The Regulations mentioned in paragraph (1) shall continue to have effect in relation to a displacement occurring before 1st September 2008.

Signed by authority of the Secretary of State

*Iain Wright*

Parliamentary Under Secretary of State

Department for Communities and Local Government



## Housing decommissioning policy

19th June 2008

### EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations increase the amount of home loss payments payable in England under section 30 of the Land Compensation Act 1973 ("the Act"). A person is entitled to a home loss payment when they are displaced from a dwelling by compulsory purchase or in the other circumstances specified in section 29 of the Act.

Section 30(1) of the Act provides that in cases where a person occupying a dwelling on the date of displacement has an owner's interest, the amount of home loss payment is calculated as a percentage of the market value of the interest, subject to a maximum and minimum amount.

Section 30(2) specifies the amount of the home loss payment in any other case.

Regulation 2(2) (a) of these Regulations increases the maximum amount payable under section 30(1) of the Act from £44,000 to £47,000 and regulation 2(2) (b) increases the minimum amount from £4,400 to £4,700.

Regulation 2(3) increases the home loss payment under section 30(2) of the Act from £4,400 to £4,700.

These increases have been calculated by reference to the Department for Communities and Local Government's house price index, which varies in line with changes to house prices.

The revised amounts apply where the displacement occurs on or after the 1st September 2008.

Regulation 3 revokes, with savings, the Home Loss Payments (Prescribed Amounts) (England) Regulations 2007.

A full impact assessment has not been produced for these Regulations, as they put into effect an annual up-rating in line with house price inflation.

(1)

1973 c.26. Section 30 was substituted by section 68(3) of the Planning and Compensation Act 1991 (c. 34).  
Back [1]

(2)

For the definition of "home loss payment", see section 29(1) of the Land Compensation Act 1973. Back [2]

(3)

S.I. 2007/1750. Back [3]

### **Disturbance Allowance Payments**

Disturbance Allowance (to be reviewed annually in August)

An allowance payable to assist tenants with all reasonable expenses relating to moving home. These payments are based upon the size of property to which the tenant will be moving:-

1 bedroom	£1,270
2 bedroom	£1,520
3 bedroom or larger	£2,070

## Housing decommissioning policy

### **Appendix B - Disturbance Allowance Costs**

<b>Property size</b>	<b>Removals <sup>1</sup></b>	<b>Carpets <sup>2</sup></b>	<b>Curtains <sup>3</sup></b>	<b>Disconnect / Reconnect Appliances <sup>4</sup></b>	<b>Redirect Post <sup>5</sup></b>	<b>Total</b>	<b>Current Allowance</b>	<b>% Increase</b>
<b>1-bedroom</b>	£500	£500	£100	£150	£20	£1,270	£890	42.70%
<b>2-bedroom</b>	£550	£650	£150	£150	£20	£1,520	£1,095	38.81%
<b>3-bedroom +</b>	£850	£850	£200	£150	£20	£2,070	£1,250	65.60%

1. Removals based on Pickfords website calculator
2. Carpets based at £10 / sq m multiplied by average sq m for the property size
3. Curtains based on £50 per room (bedrooms and living room)
4. Includes cooker, washing machine, telephone and TV (satellite)
5. Based on Royal Mail charge for 3 months

## Disposal of individual council housing assets policy

### Appendix C

<b>Policy:</b> Disposal of Individual Council Housing Assets		<b>Ref:</b>
<b>Published date:</b>	<b>Last reviewed:</b>	
<b>Issued by:</b> Tracy John	<b>Author:</b> Andrew Turnbull	
<b>Approved by:</b> Click to select	<b>Date approved:</b>	
<b>Next review date:</b>		
<b>Purpose of guidance:</b> This policy sets out the council's approach to situations where an individual property requires extensive or expensive repair work and the council's preferred option would be to dispose of the property and should be read in conjunction with the council's corporate asset management strategy. The policy details how properties are assessed, how tenants will be consulted, the decision making process, and if tenants are in agreement the process of resettlement and compensation payable . The council recognises that where the property is occupied, tenants of the council have a right to remain in the property and a right for the repair work to be carried out. In these circumstances the council will negotiate with tenants to find the most appropriate solution and reach agreement. This may include carrying out repairs or resettling tenants and disposing of the property.		
<b>Relevant legislation / policy:</b> Housing Act 1985 The Home Loss Payments (prescribed Amounts) (England) Regulations 2008.		

### Document history

Version	Author	Date	Summary of changes
v1d	Andrew Turnbull	13/12/10	First Draft
v2d	Andrew Turnbull	04/05/11	HMT
v3d	Andrew Turnbull	24/06/11	CWB
V4f	Andrew Turnbull	17/08/11	Cabinet

(For guidance on version control see page 11 of the [Shared Folder Policy](#))

## Disposal of individual council housing assets policy

### 1 Scope

This policy applies to: Norwich city council.

### 2 Policy Statement

This policy has been written in accordance with the corporate objective of a strong and prosperous city by reviewing the city's many assets to ensure they are maintained and their value is maximised.

This policy will cover situations where an individual property requires extensive or expensive repair work and the council's preferred option would be to dispose of the property.

The policy recognises that where the property is occupied, tenants of the council have a right to remain in the property and a right for the repair work to be carried out. In these circumstances the council will negotiate with tenants to find the most appropriate solution and reach agreement. This may include carrying out repairs or resettling tenants and disposing of the property.

The policy recognises the impact that resettlement has on the people concerned, and aims to help reduce the effects of unnecessary disturbance to them. It provides the framework under which the decisions to dispose of properties are made, and the procedures through which residents are to be treated during this process.

### 3 Policy Aims

3.1 The aims of this policy are to ensure that:

- A framework exists in which properties are assessed to consider if repairs requested offer value for money;
- Tenants are consulted and their rights explained if the council wishes to dispose of the property;
- A formal decision making process is followed;
- If in agreement tenants are resettled in a timely manor to minimise disruption and compensated for their home loss; and
- Properties are disposed to maximise the capital return to the council.

### 4 Property Identification

Properties identified for disposal can come forward from a variety of sources including, but not exclusively, the following:

- Housing property services – The asset management strategy provides a framework for the management of the council housing stock and includes carrying out condition surveys of all the stock owned and managed by Norwich City Council. The framework sets out the neighbourhood status, the

## Disposal of individual council housing assets policy

address status, and the planned maintenance and repairs required over the next 30 years. This information once gathered may result in some stock being uneconomical to maintain and therefore requiring decommissioning for disposal.

- Neighbourhood housing – The teams can advise on properties and areas that are hard to let due to their location, anti-social behaviour or property type being unsuitable. They can also put forward properties to be considered following emergency decanting of tenants in conjunction with advice from Housing property services.
- Housing development - The housing development team work in partnership with local registered providers of affordable housing (RPs) and as such will be aware of opportunities and funding for refurbishment of properties that RPs may have access to.
- Residents / ward councillors - occasionally properties are identified by local residents and / or councillors that are causing concern to the local community.

### 5 Analysis

Once a property has been identified an exercise will be carried out to analyse the potential of the property for repair / renovation, or disposal.

This analysis will be carried out by officers of the council and they could be called from any or all of the teams identified above.

A lead officer will be identified at this stage to project manage the process.

In order to reach a decision on whether the preference for the council would be disposal of a property, the following factors will be taken into account:

- the age and condition of the property
- its location
- whether it is fit for purpose
- housing need
- financial viability
- sustainability
- environmental concerns
- land usage
- any special features, landmark or conservation issues
- assessment of any benefits to the area that can be gained
- any other details deemed significant

The above factors are considered utilising an asset matrix tool. The tool is an assessment framework model designed by Norwich City Council's housing property services team. This will aid the council's decision making process when looking at the long term future of individual properties and / or sites in our ownership.

## Disposal of individual council housing assets policy

Once the potential options for the property have been analysed the lead officer will provide a briefing for the strategic housing manager and the head of neighbourhood and strategic housing services.

It is planned that following this assessment stage an informal consultation will be held with any tenants, providing as much information as is available in order that any representations can be considered prior to any decisions being taken. This consultation will be on the principle of decommissioning for disposal as well as the process of decommissioning if agreed by the tenant.

A report will then be taken to the housing management team (HMT) outlining the background, any feedback from consultations, and the options available including a recommendation for a preferred option. HMT consists of team managers from neighbourhood housing, housing property services, housing support, strategic housing, housing options and business planning.

Any recommendations arising from HMT will be considered before briefing the portfolio holder for housing and the director of regeneration and development.

A paper for the council's cabinet will then be prepared to make a formal decision on the preferred option to proceed recognising the wishes of the tenant.

At all stages of the decision making process feedback will be given to all affected parties.

Once a formal decision has been made by the council's cabinet there will be further consultation with residents on the outcome and for the progression of any repair or disposal plans.

### 6 Consultation and information

It is recognised that any decommissioning for disposal of a property is likely to involve a large amount of communication of information and consultation with tenants. It is therefore imperative that the communications team are fully briefed prior to the commencement of any project. The briefing will advise them of the project and to assess the most appropriate method of communication.

The briefing will include who we will engage or consult with, how and when we will engage or consult with those stakeholders and how we will work with the media if appropriate. We will also need to identify any vulnerable tenants who may need carers, family members, or advocates to be consulted on their behalf or any tenants that have special requirements such as documents in another language or format.

Unless there are exceptional circumstances, a meeting with the affected tenants, with carers, family members, or advocates as necessary, is planned. This meeting will, if possible, be held at the tenant's home and will be held at a time convenient for the tenants.

Information should also be provided in writing and as required in other accessible formats. Carers, family members or advocates can receive a copy of any

## Disposal of individual council housing assets policy

correspondence and information provided, with the formal written consent of the resident concerned.

It is envisaged that tenant and resident engagement and consultation will be the responsibility of the neighbourhood housing service.

Local ward councillors should be kept informed of the engagement / consultation processes and sent copies of any correspondence relating to this.

The outcome of the engagement / consultation will be reported back to tenants and councillors in an appropriate format.

Any formal tenant consultation will meet any legislative requirements. For council tenants, as at the date of this policy, Part 5, section 105 of the Housing Act 1985 (as amended) covers "consultation on matters of housing management". This includes the decommissioning of council housing stock.

This legislation requires a reasonable amount of time to consult with all council tenants. The formal s.105 consultation period will be in accordance with current legislation, and will be for a minimum of 28 days. Wherever possible we will aim to extend this period and will only undergo the minimum required in urgent cases.

During this consultation period, tenants will be informed of the council's proposals for the property, including any phasing of work to minimise disruption, and will be able to make their views known to the council within this specified period either in writing or through meetings.

When affected households are advised of the options for the future of their home, they will receive a comprehensive package of information that they can refer to throughout the process.

### 7 Vacant possession of property

If a tenant agrees to be resettled and the property is to be disposed of tenants will be informed through the initial engagement process that, if approved by council's cabinet, the council will negotiate with them to gain a voluntary agreement for vacant possession of their property.

The council can not require a tenant to move under Ground 10 of the Housing Act 1985 unless the property requires demolition or substantial repairs that require vacant possession.

If the tenants agree to the disposal of their home the lead officer for the scheme will determine the length of time that is likely to be required for tenants to be resettled to a suitable alternative property. This period will be discussed at an early stage between the council and the tenant, and will be documented accordingly.

Where a tenant does not wish to be resettled the option available to the council would be to carry out the repairs to the property and maintain it or to consider disposal of the property if it becomes empty in the future.

## Disposal of individual council housing assets policy

In exceptional circumstances the council could resort to its Compulsory Purchase powers to acquire the tenant's interest in the property.

### **8 Home loss compensation**

Home loss compensation is a sum paid to a council tenant, owner occupier or private tenant of residential property to reflect and recognise the distress and discomfort of having to move out of their home.

Where the council requires a tenant of residential property to move home to enable the decommissioning of council property, it will in most cases pay home loss compensation, in accordance with the Land Compensation Act 1973 and the Planning Compensation Act 1991. The processing of claims will also be dealt with in accordance with the council's financial regulations. See Appendix 3 – financial compensation glossary for the current prescribed amounts of home loss payment.

Squatters and trespassers will not be paid home loss compensation.

Before any home loss compensation is paid to a tenant, the council will deduct any housing debts owed to the council from this payment. A housing debt is one which arises from our "tenant/landlord" relationship.

Tenants who have not lived in the affected property long enough to qualify in law for home loss compensation, the minimum period is one year, will receive an ex-gratia lump sum goodwill payment which is pro-rata to the statutory home loss compensation subject to the exclusions above.

### **9 Disturbance allowances and payments**

Disturbance allowance or payments are paid to a tenant of residential property for the reasonable financial costs incurred, and any losses sustained, in connection with having to move home as a result of decommissioning. This is paid in addition to home loss compensation.

The council can choose to pay either a disturbance allowance as a one off lump sum, or disturbance payments which are individual payments for each eligible item.

Trespassers and squatters will not be paid any disturbance allowance or disturbance payments.

Any housing debts owed to the council by a tenant will not be deducted from their disturbance allowance or payments, the council will, however look to deduct these debts from their home loss compensation.

## **Disturbance Allowance**

A disturbance allowance is a lump sum, calculated to cover eligible items, paid to those required to move home.



## Disposal of individual council housing assets policy

In some cases the council may consider paying a removal company direct. Where this happens the council will deduct the cost from the disturbance allowance due.

In exceptional circumstances the council may consider paying above the set allowance and this will be considered on a case by case basis and agreed with the Director of Regeneration and Development.

Disturbance allowances are paid under the general power of Section 26 of the Housing Act 1985 and should be reviewed on an annual basis.

### **Disturbance Payments**

Disturbance payments are individual payments made for each eligible item. In exceptional circumstances, for example needs arising from a physical, sensory, or mental impairment, consideration will be given to paying for other exceptional items on an individual basis.

The processing of claims will also be dealt with in accordance with the council's financial regulations. Disturbance payments (not the lump sum allowance) will only be made after a valid receipt, showing VAT where this is applicable, is received for each item claimed for.

The council is entitled to refuse to pay all costs where it is felt that some of the claim is unreasonable.

Disturbance payments will be paid in accordance with the Land Compensation Act 1973. If there is a dispute over whether the council will pay for an item or an amount claimed for, and if agreement on this cannot be reached, then either the person concerned or the council can apply to the Lands Tribunal for a decision. This decision will be binding on all parties.

In consultation with the City Wide Board the council will make payment of a disturbance allowance as set out in Appendix 3 in recognition that affected residents may not be in a position to pay for items and then claim money back.

### **10 Housing and council tax benefit claimants**

As at the date of this policy, national housing benefit regulations state that home loss compensation is counted as capital for housing and council tax benefit purposes.

It is the legal responsibility of housing benefit and council tax benefit claimants to advise the housing and council tax benefits service as soon as they receive this increase to their capital. We will remind them of this legal duty when the payment is made.

In order to assist this process, a list of home loss compensation, paid due to the decommissioning of council housing stock, will be disclosed to the housing and council tax benefit service. Because the money involved can affect a person's benefit entitlement, it is reasonable for this information to be shared for these purposes.

## Disposal of individual council housing assets policy

National housing benefit regulations do not count disturbance payments or allowances as capital or income for housing and council tax benefit purposes.

### 11 Resettlement of residents

When a tenant has agreed to be resettled this policy recognises that we will do what we can in the circumstances and with the resources available.

The council's cabinet will decide on the most appropriate method of support for the resettlement of tenants taking into account the length of any project, the financial implications of the options and the support that tenants are likely to require. For vulnerable residents consideration will be given to providing additional support in the resettlement process such as procuring removal services.

For each project an officer will be appointed to oversee the resettlement and dependant upon available resources this role will either be taken up through existing staff members or by the recruitment of a specific project resettlement officer.

The resettlement of residents will be managed by the neighbourhood housing service, working in partnership with housing options, housing benefit and tenancy services.

A resettlement project plan will be drawn up for each project. This plan should lay out who will be responsible for each aspect of the resettlement and the timescales involved.

### **Rehousing**

This policy specifically relates to those who have decided to leave their home because it is being decommissioned for disposal, and who have agreed to be rehoused because of this. Other housing applicants are dealt with solely under the council's allocations policy.

This policy does not include unauthorised occupants or squatters.

All tenants that need to be rehoused under this policy will be given advice and assistance from the housing options team.

Under this policy we will rehouse any council tenant who will be displaced by the decommissioning of their home with the exception of tenants against which an outright possession order has been granted by the court for breach of tenancy conditions.

While we will do what we can to rehouse people in this situation quickly, it will also be in the interests of tenants and residents to consider properties and areas that give a realistic chance of rehousing within the timescales agreed.

### **Additional priority**

In order to facilitate the decommissioning of properties, it is recognised that there may be a need to give a higher housing priority to those tenants that are affected.

## Disposal of individual council housing assets policy

This will be dependent upon the urgency that possession of the properties is required.

In order to facilitate the resettlement of tenants in a reasonable time frame it may be necessary for all tenants accepted under this policy to be considered for a higher banding on the choice based lettings system for a period of time. If the decommissioning is of an urgent nature then emergency banding will be considered for a period of six weeks.

If, after this period, there are still residents that have not been rehoused then the Greater Norwich Housing Partnership's direct let procedure will apply.

This policy recognises that residents need to be given a choice over where they move to in order to make the process as smooth as possible.

People accepted for rehousing under this policy, will be able to bid for another home using HOME OPTIONS. The exceptions to this are if timescales are too short to enable rehousing by HOME OPTIONS. In these cases, in any emergency situation, or where a person is unable to easily use HOME OPTIONS given their particular circumstances, direct lets will be used.

In this case they should have as much choice of area and location as possible, subject to their choices giving a realistic chance of rehousing within the timescales agreed.

### **Council tenants who are under-occupying their home**

Those tenants, who are under-occupying their home in accordance with the allocations policy, will be encouraged to move voluntarily to a smaller property by explaining:-

- What size and type of property they would be eligible for, as an underoccupier, if they choose to move to a smaller property. This will be in line with the property they would be eligible for as an under-occupier under the council's allocations policy.
- The advantages of living in a smaller home, for example, its being easier to manage or to heat.
- The practical help they would get in moving to a smaller home, in accordance with council policy.

Any tenant moving under this policy may not leave anyone in occupation of their property, for example a lodger or an adult child, when they move out.

If a council tenant under-occupying a council property does not wish to move to a smaller property, then they will be able to bid for, or be allocated under the direct let process, a property of the same size and type that they already occupy.

### **Rehousing (or not) where there are concerns about the unacceptable behaviour of an applicant**

Unacceptable behaviour is behaviour that would mean having to consider excluding someone from the housing list in accordance with the allocations policy, or that relates to possible risk issues.

The exclusion for unacceptable behaviour under the allocation policy does not apply to applicants who have to be rehoused by law, as they are losing their home due to its being decommissioned. However, even here, they will still be excluded if they are in the immediate process of being evicted for breaching a tenancy or lease condition, i.e. their eviction is due on or before the date their property is needed back for the decommissioning scheme.

Applicants who owe a housing debt to the council will, in the first instance have the amount outstanding deducted from any statutory home loss payment due. If the debt is still not cleared the tenant will take that debt with them to their new address in accordance with council policy on the recovery of housing debt. When an offer of a property is made, any such debts will be recorded in the information sent either to a receiving housing office, or in a nomination to a registered provider of affordable housing.

#### **12 Managing empty properties**

Until the sale of the property at auction the council will be responsible for the security of its property.

As soon as households move from the affected property, appropriate security measures will be applied. This is to ensure that the safety of people living nearby is not compromised by the presence of the empty property.

The options to be considered for the security of the property once the tenant has moved out until the property is sold are:-

- Regular monitoring of the property for damage and / or trespass;
- The boarding up and securing of empty properties.

Norwich City Council will not use decommissioned properties as temporary accommodation for staff either relocating to Norwich or otherwise.

#### **13 Monitoring**

It is expected that the rehousing of tenants will be monitored in order to keep a check on the progress and cost of their rehousing, and to be of use when planning for any future disposals.

After they have moved, it is also expected that all decanted tenants will, where reasonable to do so, be asked their opinions on the following:-

## Disposal of individual council housing assets policy

- Their new home, the standard it was offered to them in, and (if new build) its features.
- How they felt about the resettlement process.

The purpose of this evaluation exercise is to learn from any issues raised and to assist in future planning of any disposal projects.

### 14 Disposal

Where vacant possession of a property is gained following a decision to dispose of an asset the council will consider the following two options:-

- Dispose of poor condition stock on the open market through an auction.
- Dispose of individual properties to an interested RP to repair. Norwich City Council would retain nomination rights to the property.

The funds generated from the sale of properties within the housing revenue account will help fund the capital programme for improving, repairing and maintaining our housing stock or for enabling new affordable housing in the city.

The relevant legislation allowing a Local Authority to dispose of assets is Section 32 of the Housing Act 1985 for the disposal of Part II houses and land (houses or land held for Housing purposes). This legislation provides General Consents to sell in restrictive ways.

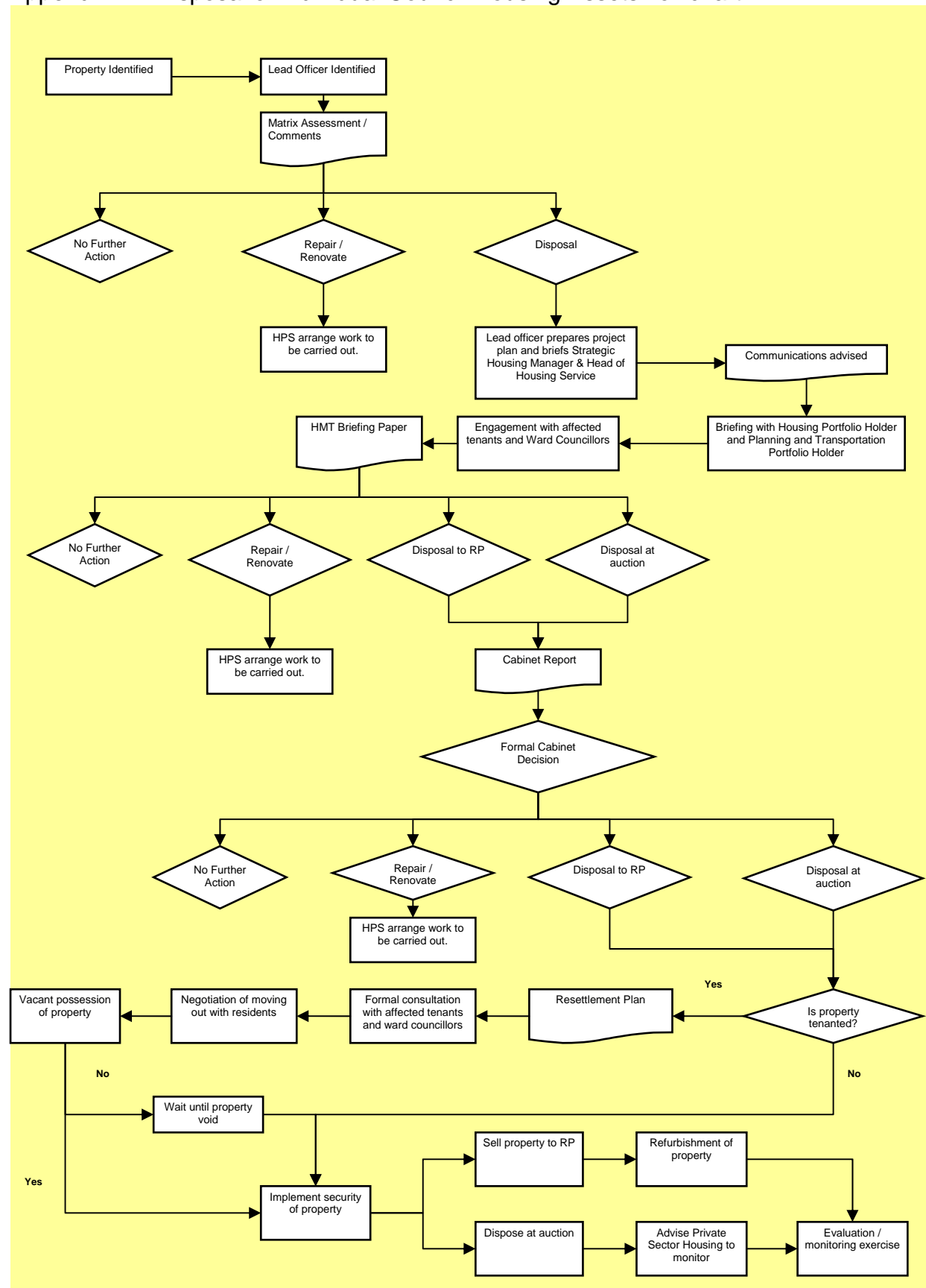
In order to maximise the income to the council it is necessary to currently seek Secretary of State Approval to sell HRA assets outside of the General Consents.

Where the property for disposal is a flat in a block the council may also consider disposing of the freehold interest of the whole block if others in the block have already been sold under the Right to Buy.

The Private Sector Housing Team will be advised of any properties to be disposed of in order that required repair work can be monitored and followed up after disposal.

## Disposal of individual council housing assets policy

## Appendix 1 – Disposal of Individual Council Housing Assets flowchart



## Disposal of individual council housing assets policy

## Appendix 2 – Decommissioning Checklist

**Property Address** .....**Property Identification***Each service to consider and advise on relevant strategies and policies.*

Strategic Housing comments	<input type="checkbox"/>
Housing Property Services comments	<input type="checkbox"/>
Neighbourhood Housing comments	<input type="checkbox"/>
Finance comments	<input type="checkbox"/>
Legal comments	<input type="checkbox"/>

**Analysis**

Officers preferred option:-	
Repair / Renovate	<input type="checkbox"/>
Disposal	<input type="checkbox"/>
No further action	<input type="checkbox"/>

**Consultation**

Communications Advised	<input type="checkbox"/>
Briefing with Head of Neighbourhood and Strategic Housing	<input type="checkbox"/>
Portfolio holder briefing	<input type="checkbox"/>
Information Pack	<input type="checkbox"/>
Tenants Meeting	<input type="checkbox"/>

**Tenant Preferred Option**

Repair / Renovate	<input type="checkbox"/>
Dispose	<input type="checkbox"/>

**Housing Management Team (HMT)**

HMT paper prepared	<input type="checkbox"/>
--------------------	--------------------------

Date of HMT meeting .....

HMT preferred option:-	
Repair / Renovate	<input type="checkbox"/>
Dispose to RP	<input type="checkbox"/>
Dispose at auction	<input type="checkbox"/>
No further action	<input type="checkbox"/>

## Disposal of individual council housing assets policy

**Cabinet**

Paper prepared ☐

Date of Cabinet Meeting .....

Decision of Cabinet

*(Insert text of decision here)*

Cabinet preferred option:-

Repair / Renovate ☐

Dispose to RP ☐

Dispose at auction ☐

No further action ☐

**Resettlement of Tenants**

Resettlement officer identified ☐

Resettlement plan ☐

**Managing Empty Properties**

Boarding up and securing of empty properties. ☐

**Future of Property**

Maintain until Void ☐

Dispose at auction ☐

Sell to a registered provider of affordable housing ☐

Demolition ☐



Disposal of individual council housing assets policy

Appendix 3 - Financial compensation glossary

**To be reviewed annually in August. (No change 2009 or 2010)**

**Home Loss Payments**

S T A T U T O R Y   I N S T R U M E N T S

2008 No. 1598

ACQUISITION OF LAND, ENGLAND

COMPENSATION, ENGLAND

The Home Loss Payments (Prescribed Amounts)  
(England) Regulations 2008

*Made*  
*19th June 2008*  
*Laid before Parliament*  
*26th June 2008*  
*Coming into force*  
*1st September 2008*

The Secretary of State, in exercise of the powers conferred by section 30(5) of the Land Compensation Act 1973(1), makes the following Regulations:

**Citation, commencement and application**

1.—(1) These Regulations may be cited as the Home Loss Payments (Prescribed Amounts) (England) Regulations 2008 and shall come into force on 1st September 2008.

(2) These Regulations shall apply in relation to cases of displacement in England only.

**Revision of prescribed amounts for home loss payment**

2.—(1) this regulation applies where the date of displacement is on or after 1st September 2008.

(2) For the purposes of section 30(1) of the Land Compensation Act 1973—

(a) The prescribed maximum amount of home loss payment (2) shall be £47,000; and

(b) The prescribed minimum amount of home loss payment shall be £4,700.

(3) For the purposes of section 30(2) of the Land Compensation Act 1973, the prescribed amount of home loss payment shall be £4,700.

**Revocation and savings**

3.—(1) Subject to paragraph (2), the Home Loss Payments (Prescribed Amounts) (England) Regulations 2007(3) are revoked.

(2) The Regulations mentioned in paragraph (1) shall continue to have effect in relation to a displacement occurring before 1st September 2008.

Signed by authority of the Secretary of State

*Iain Wright*

Parliamentary Under Secretary of State

## Disposal of individual council housing assets policy

Department for Communities and Local Government  
19th June 2008

### EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations increase the amount of home loss payments payable in England under section 30 of the Land Compensation Act 1973 ("the Act"). A person is entitled to a home loss payment when they are displaced from a dwelling by compulsory purchase or in the other circumstances specified in section 29 of the Act.

Section 30(1) of the Act provides that in cases where a person occupying a dwelling on the date of displacement has an owner's interest, the amount of home loss payment is calculated as a percentage of the market value of the interest, subject to a maximum and minimum amount.

Section 30(2) specifies the amount of the home loss payment in any other case.

Regulation 2(2) (a) of these Regulations increases the maximum amount payable under section 30(1) of the Act from £44,000 to £47,000 and regulation 2(2) (b) increases the minimum amount from £4,400 to £4,700.

Regulation 2(3) increases the home loss payment under section 30(2) of the Act from £4,400 to £4,700.

These increases have been calculated by reference to the Department for Communities and Local Government's house price index, which varies in line with changes to house prices.

The revised amounts apply where the displacement occurs on or after the 1st September 2008.

Regulation 3 revokes, with savings, the Home Loss Payments (Prescribed Amounts) (England) Regulations 2007.

A full impact assessment has not been produced for these Regulations, as they put into effect an annual up-rating in line with house price inflation.

(1)

1973 c.26. Section 30 was substituted by section 68(3) of the Planning and Compensation Act 1991 (c. 34).  
Back [1]

(2)

For the definition of "home loss payment", see section 29(1) of the Land Compensation Act 1973. Back [2]

(3)

S.I. 2007/1750. Back [3]

### **Disturbance Allowance Payments**

Disturbance Allowance (To be reviewed annually in August)

An allowance payable to assist tenants with all reasonable expenses relating to moving home. These payments are based upon the size of property to which the tenant will be moving:-

1 bedroom	£1,270
2 bedroom	£1,520
3 bedroom or larger	£2,070