



Estate Renewal: Our Commitments

*Estate Renewal
Rehousing and Payments Policy*

Estate Renewal Rehousing and Payments Policy

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1 Introduction

This policy updates the Council's previous Estate Renewal and Payments Policy which was approved in July 2016. It includes new commitments to tenants and leaseholders who are required to move because their home is being demolished as part of an estate renewal scheme. The policy will apply to all schemes where there are at least 20 existing homes on Council housing estates, to Haringey Development Vehicle (HDV) schemes and will be extended to Housing Association tenants and leaseholders where the Council is leading, or determines that it has a strategic interest in, an estate renewal scheme. The policy may also be applied to smaller schemes where the Council determines that it is appropriate to do so. The expectation is that in most cases it will be applied.

The Council is committed to giving residents a stake in growth. With major estate renewal currently underway or being considered for High Road West, Northumberland Park and the Wood Green area, the policy has been updated to clarify the Council's offer to residents.

The Council wants to ensure established communities are able to remain in the area and benefit from estate renewal schemes. To achieve these aims, this document sets out the Council's commitments to tenants, leaseholders and freeholders who are required to move due to an estate renewal scheme, including their Right to Return to a new home in the renewal area either directly or, where needed, with interim accommodation elsewhere.

The Policy also sets out the Council's commitments on affordability, ensuring that all tenants, leaseholders and freeholders get full compensation if they have to move and that they have an offer of a new home that ensures they are not financially worse off as a result of the renewal scheme.

These commitments represent a benchmark - the guaranteed minimum offer to all tenants, leaseholders and freeholders on renewal schemes and received overwhelming support during the 10-week consultation period. These offers can be expanded or extended where this can be accommodated and is appropriate within any particular scheme subject to Cabinet decision, but this Policy sets out a clear set of commitments to ensure all existing residents benefit from estate renewal in Haringey.

This policy came into force on 27 October 2017 and will only apply to moves made on or after this date. The policy does not replace any commitments on estate renewal schemes made prior to this policy coming into force unless the terms of those commitments are less than those offered in this policy.

2 The Council's Commitments to Residents

Secure and Assured Tenants

The Council makes the following commitments to tenants who need to move because of an estate renewal scheme led by the Council:

- **No tenant will be financially worse off as a result of estate renewal**

This means that tenants will receive at a minimum:

- A Home Loss payment of £6,100 (as at October 2017)
- A disturbance payment to cover the costs of moving

- **All tenants will have a guaranteed Right to Remain or Return on equivalent terms**

This means that tenants will have:

The right to move to, or return to a replacement home in the new development should they wish to do so and that:

- The new home will have an equivalent tenancy at an equivalent rent
- The new home will be appropriately sized for them and any dependants they live with, including incentives for those who move to a smaller property
- Family members living with them will not lose succession rights as a result of having to move due to Estate Renewal
- Council Tenants will retain the Right to Buy, although this may not apply for some Housing Association and HDV schemes

- **All tenants who wish to move away will be supported to do so**

This means that tenants who wish to move away will be offered:

- Priority to move to a comparable home in the borough
- An appropriate sized home for them and any dependants they live with, and incentives for those who move to a smaller property

The above commitments are set out in detail in sections 5 and 6 of this document and are subject to qualifying criteria and Government regulations. A fuller explanation of the commitments on the Right to Return and affordability is set out in section 4.3.

Each estate renewal scheme will be required to at least match these commitments, but may go above and beyond this offer where practical and appropriate.

Resident Leaseholders and Freeholders

The Council makes the following commitments to resident leaseholders and freeholders who need to move because of an estate renewal scheme led by the Council

- **No resident leaseholder or freeholder will be financially worse off as a result of estate renewal**

This means that resident leaseholders and freeholders will get at a minimum:

- The full market value for their current property
- A Home Loss payment, 10% of the market value with a minimum of £6,100 and a maximum of £61,000 (as at October 2017)
- A disturbance payment to cover the costs of moving

- **All resident leaseholders and freeholders will have a guaranteed Right to Return**

This means that resident leaseholders and freeholders will have:

- The right to purchase a replacement home in the new development should they wish to do so
- For leaseholders or freeholders who can afford to buy at least 60% of a replacement home, an Equity Loan offer will be made
- For leaseholders or freeholders who cannot afford to buy 60% but can afford to buy at least 25% of a replacement home, a Shared Ownership offer will be made, with no rent payable on the first 40% of the value of the property or on the share they own
- For leaseholders or freeholders who cannot afford to buy even 25% of a replacement home, the Council will review each case on its merits to provide the most suitable housing offer they can afford

- **All resident leaseholders and freeholders who wish to move away will be supported to do so**

This means that resident leaseholders and freeholders will have:

- Practical support and advice to purchase a replacement home elsewhere in the borough if they wish to do so
- For leaseholders or freeholders who cannot afford to buy a replacement home in the borough outright, an Equity Loan offer will be made elsewhere in the borough where they pay no rent on the equity they do not own, as long as they can afford 60% of the replacement home

The above commitments are set out in detail in sections 5 and 6 of this document and are subject to qualifying criteria and Government regulations. A fuller explanation of the commitments on the Right to Return and affordability is set out in section 4.3.

Each estate renewal scheme will be required to at least match these commitments, but may go above and beyond this offer where practical and appropriate.

Non-resident Leaseholders and Freeholders

The Council makes the following commitments to non-resident leaseholders and freeholders whose property is demolished because of an estate renewal scheme led by the Council:

- **No non-resident leaseholder or freeholder will be financially worse off as a result of estate renewal**

This means that non-resident leaseholders and freeholders will get:

- The full market value for their current property
- The statutory basic loss payment of 7.5% of the agreed value of the property, up to a maximum of £75,000 (as at October 2017)
- Compensation for the reasonable costs involved in purchasing another property in the UK

The above commitments are set out in detail in sections 5 and 6 of this document and are subject to qualifying criteria and Government regulations.

3 General Principles and Discretion

3.1 This policy sets out the payments and rehousing options that the Council guarantees for all residents. The aim of this policy is to achieve the outcomes set out below, and the application of this policy on individual schemes should always seek to do this.

- These commitments are the minimum that all residents are guaranteed, but the Council expects every scheme to seek to go beyond these where it can.
- The policy aims to ensure that there is an offer of a home in the renewal area that is the right size and is affordable to the resident. The offer may not necessarily be an exactly like for like offer in every case.
- These offers are made in order to help people who want to stay to afford to do so. They may not always be available to those who choose to leave the area.
- As far as possible owners with Equity Loans should be treated as having all the rights and responsibilities of any other home owner in the borough.
- The policy aims to ensure that estate renewal schemes never disadvantage existing residents. It does not seek to resolve other problems, which are not caused by the scheme itself, such as people's existing financial problems or costs that are beyond the Council's control.
- Although the Council expects every scheme to seek to go beyond these guaranteed minimums, offers that are overly generous to any one group of residents should be avoided where this imposes an unacceptable cost on, or reduces the quality of the scheme for, other groups of residents.
- The commitments in this Policy will apply to all relevant estates. Neither the Council nor any developer in Haringey can waive these commitments. Any decision to waive some or all of these guarantees can only be made by the residents themselves.

3.2 The Estate Renewal Rehousing and Payments Discretion Panel

In individual cases, the Council may need to apply discretion where the application of this policy would lead to an inequitable or unfair outcome for an individual resident, or to an outcome which is not in keeping with the principles above.

Any such decision on the use of discretion will be made by the Estate Renewal Rehousing and Payments Discretion Panel, and will be at the request of the resident affected. The Panel will have authority to apply or amend the application of this policy on individual cases where the specific circumstances would lead to outcomes which are not in keeping with these principles.

4 Application of this Policy

4.1 Where and when does this policy apply?

The Policy sets out the rehousing and payments framework for all residents who are required to move because their homes are being demolished as part of an estate renewal scheme led by Haringey Council. It also applies to all schemes led by the Haringey Development Vehicle and to Housing Association schemes where Haringey Council determines that it has a strategic interest in the scheme.

The Policy will be applied following a formal Council decision to implement an estate renewal project following statutory section 105 resident consultation, although the Council may decide to make 'early offers' to tenants or leaseholders prior to this decision formally being made. Consultation and discussion with residents will have happened before this decision is taken.

The Policy will apply to all schemes where 20 or more homes are being redeveloped. However, although the commitments in this policy are only guaranteed for schemes of over 20 homes, the Council will aim to deliver all these commitments in full on every scheme, where this is practical and appropriate.

The implementation date for rehousing priority will be determined at a local level and will be set by the Director of Housing & Growth in consultation with the Cabinet Member for Housing, Regeneration and Planning.

The effective date will act as the trigger for "rehousing status" (also called decant status) under the Housing Allocations Policy and Band A priority status being awarded to households eligible for rehousing under this policy.

The Policy will be applied both to permanent moves and to temporary moves where the resident has to move more than once while awaiting a replacement property to become available.

This policy will not apply in cases of emergency repairs or where there are major works being carried out which require residents to move out for short periods. These cases will be covered by the relevant aspects of the existing Council policies and procedures.

All schemes meeting these criteria will be required to abide by the commitments in this policy. These guarantees cannot be withdrawn or changed by the Council or developers and can only be waived if residents themselves decide to waive the rehousing commitments on an individual scheme. However, should residents choose to take this option, statutory rights will still remain and cannot be waived.

This policy came into force on 27 October 2017 and will only apply to moves made on or after this date. The policy does not replace any commitments on estate renewal schemes made prior to this policy coming into force unless the terms of those commitments are less than those offered in this policy.

4.2 To whom does this policy apply?

Subject to the criteria above, this policy sets out payments and rehousing options for:

- Secure Council tenants
- Assured or Secure tenants of Housing Associations including Fixed Term and Introductory Tenants
- Leaseholders and Freeholders who own a property in a renewal area

This policy does not offer payments or rehousing options for other residents including:

- Private tenants of affected leaseholders/freeholders
- Council or Housing Association tenants who hold a tenancy which is not an Assured Tenancy, Secure Tenancy or Introductory Tenancy
- Tenants or Licensees who have been placed in the property on a temporary basis eg under a homelessness or a temporary housing duty
- Non-authorized residents such as sub-tenants, lodgers and licensees
- Squatters
- Leaseholders with less than three years unexpired term on the lease
- Any other private rented sector tenant.

For the purpose of the payments set out in this policy, a resident leaseholder is defined as a leaseholder or freeholder who has lived in the dwelling, or a substantial part of it, as their only or main residence, for a period of not less than one year ending with the day they have to move out.

Resident leaseholders will be able to benefit from the rehousing offers such as Equity Loans and Shared Ownership.

4.3 Ensuring the Right to Return and affordability

Haringey Council recognises the significant impact of estate renewal schemes on residents when their homes are being demolished. Many residents have strong connections to their local area and wish to remain there and Haringey Council is committed to supporting this. A range of options will be made available to ensure those who wish to remain in or close to the renewal area can do so and those who wish to move elsewhere in Haringey are enabled to do so.

The policy offers a Right to Return which includes the right to move directly to a new home in the renewal area and a single move should be the preferred option wherever it is possible. Where people have to leave the renewal area temporarily, they will be offered the Right to Return, once the new homes are built. Those tenants who take up this offer will then have first refusal on an appropriate new home when it becomes available. If the offer of that new home is refused, the Right to Return is deemed to have ended. Where a resident has chosen to move to a new home out of the borough, the Right to Return would no longer apply. The rules on the size of homes for which they are eligible on return are the same as those set out below for the main rehousing offer.

Haringey Council is also committed to ensuring that no resident should be financially worse off as a result of the renewal scheme. But this does not necessarily mean that

every tenant, leaseholder and freeholder will pay exactly the same housing costs after the move as they did before the move.

For tenants, existing rules on social rents are quite complex. Social rent levels can vary between different social landlords and even within any landlord's stock, as they do for Council tenants. Rents also vary between property sizes and are subject to changing Government policy. This means that rents will change for some tenants, particularly if they move to larger or smaller homes, or change landlords, as a result of the renewal scheme. The commitment that no tenant will be financially worse off as a result of the renewal scheme is deemed as being met by ensuring that a home is available on the scheme at an equivalent rent, and by the payment of the Home Loss and Disturbance payments to cover tenants' costs. The commitment to ensuring that the new home is at an equivalent rent means that the rent for the new property will be calculated on the same basis as their current rent. Where a tenant is on a social rent, this means that the new rent will also be a social rent, calculated according to the rent policies of the new landlord, not for example an "Affordable Rent" at up to 80% of market rents.

For resident leaseholders and freeholders, it is noted that lending rates and criteria are subject to change over time, and are beyond the control of the Council, so the cost of the same value mortgage may be different at different properties. As with tenants above, this means that housing costs will change for some leaseholders and freeholders, particularly if they move to larger or smaller homes. The commitment that no leaseholder or freeholder will be financially worse off as a result of the renewal scheme is deemed as being met by the provision of Home Loss and Disturbance payments to cover the costs of moving and the commitment to ensuring there is always an offer available that is affordable to them, enabling them to stay within the original area. This offer may be open market purchase, with an Equity Loan or through Shared Ownership, either within or outside the estate renewal scheme.

For both tenants and leaseholders, other costs, such as utilities, insurance, service charges, Council Tax and mortgage rates will also change – some falling, some rising. The Council will work hard with developers to keep service charges in particular as low as possible. But any changes in these charges, which are outside the control of the Council, are not covered in, or part of, the commitment that no tenant or leaseholder will be financially worse off a result of the renewal scheme.

For non-resident leaseholders and freeholders, the commitment that no leaseholder or freeholder will be financially worse off as a result of the renewal scheme is deemed as being met by the statutory provisions.

5 Payments policy

Payments available

Payments will be made under three categories – Home Loss Payments, Disturbance Payments and the Purchase of the Property. These payments are summarised in the following table:

Payment	Description	Available to:
Home Loss Payments	A lump sum payment to compensate for the need to move. Amount set by the Secretary of State and updated annually	Secure tenants Assured tenants
	A lump sum payment to compensate for the need to move. Amount equal to 10% of the property value subject to minimum and maximum thresholds set by the Secretary of State and updated annually	Resident leaseholders Resident freeholders
Disturbance Payments	Payment for costs of moving home includes costs such as removal fees, disconnection and reconnection of services, inbuilt furniture etc. Claimants can choose a lump sum payment, or to submit receipts for each expense.	Secure tenants Assured tenants Resident leaseholders Resident freeholders
Purchase of the Property	Payment for a leaseholder / freeholder's home. The Council will pay full market value for the property.	All leaseholders & freeholders
Reasonable costs of purchasing a new property	Costs for purchasing a new property. Includes conveyancing costs, stamp duty, solicitor/legal fees etc.	All leaseholders & freeholders
Basic loss payments	A lump sum payment for basic loss of property. Value is set at 7.5% of the property value, up to a maximum of £75,000.	Non Resident leaseholders

5.1 Home Loss Payments

Home Loss Payments are statutory payments, which are paid to freeholders, leaseholders and tenants following a compulsory purchase order or displacement by housing orders as detailed in Sections 29-33 of the Land Compensation Act 1973.

To qualify, the property must be the claimant's only or main residence for a year prior to the date of displacement.

Home Loss payments are subject to maximum and minimum thresholds and are reviewed annually by the Secretary of State. The payments below are correct as of June 2017 but will need to be reviewed each time this policy is used.

Secure and Assured Tenants

Secure and Assured tenants receive a flat rate of £6,100 effective from October 2017 (subject to review).

Where a tenant does not qualify for a statutory Home Loss payment, for example, because they have been a tenant for less than a year, the Council may, in exceptional circumstances, make a discretionary Home Loss payment not exceeding the statutory amount.

Resident Freeholders/Leaseholders

Home Loss Payments to Freeholders/Leaseholders equate to 10 per cent of the Market Value of the property (with a minimum payment of £6,100 and a maximum payment of £61,000 from October 2017 (subject to review). To qualify, the property must be the claimant's only or main residence for a year prior to the date of displacement.

Where a leaseholder or freeholder does not qualify for a statutory Home Loss payment, for example, because the property has not been their only or main residence for a year prior to displacement, the Council may, in exceptional circumstances, make a discretionary Home Loss payment not exceeding the statutory amount.

Home Loss Payment Procedure

The following will apply to all Home Loss payments made for estate renewal schemes under this Policy:

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

5.2 Disturbance Payments

Disturbance Payments are made to financially compensate the displaced tenant, resident freeholder or resident leaseholder for expenses associated with the need to move. Disturbance Payments will be made under the Land Compensation Act 1973.

In cases where it is necessary to move tenants or resident leaseholders/freeholders twice, Disturbance Payments may need to be paid twice where the resident is required to make a temporary move before moving into permanent accommodation.

Payments to Secure/Assured tenants and resident Leaseholders/Freeholders

Disturbance Payments will be paid to tenants and resident leaseholders to cover reasonable costs associated with moving, and the list of items for which payment is considered reasonable under the Land Compensation Act 1973 is shown below:

- Removal costs from the current home to the new home, which will be paid directly to the Council's approved removal firm or to the tenant/leaseholder's removal firm where the tenant/leaseholder obtains two estimates which have been approved by the Council prior to the move. For vulnerable residents, this might include additional support, such as furniture packing and unpacking.
- Redirection of mail for each authorised surname living at the address.
- Telephone and internet disconnection and reconnection, including additional lines.
- Disconnection of any television aerials or satellite dishes connected either to an existing television or that allows the proper operation of television equipment. Reconnection will only apply with the express approval of the landlord at the new address. New homes may have television aerials and systems installed as part of the specification.
- Washing machine, cooker, dishwasher and plumbed fridge disconnection and reconnections to be carried out by the removal firm's operatives (who must be suitably qualified to the appropriate trade standards). In some cases, payments may also be made for replacing white goods or furnishings owned by the tenant where the existing white goods/furnishing do not fit into the new property.
- Curtain and Carpets options: It is generally expected that relocating residents will refit existing carpets wherever possible, and the costs of this will be covered by the Disturbance Payment. However, where this is not possible, the cost of new carpets to an equivalent standard will be covered through the Disturbance Payment. The existing carpet will be assessed and a quote obtained based on this. Any additional rooms in the new home will be carpeted, but the cost will be deducted from the Home Loss Payment.
- Special locks and alarm refitting if these are currently fitted at the old property. They must be dismantled and refitted by a qualified locksmith or recognised Alarm Company and all locks and alarms must meet the relevant British standard for security. Front door and window grilles would not be covered.
- Dismantling and re-fitting of fitted resident owned furniture (such as kitchen units and wardrobes).

- Any extra costs of new school uniform if moved to a different area, which necessitates a change of school (supported by letters from the respective schools).
- Reimbursements for wage or salary loss on the day of the removal, provided loss of earnings is certified by the employer, for up to 2 members of the household.
- the reasonable costs incurred by the tenant/leaseholder if approved in writing by the Council prior to the cost being incurred, for example travel to viewings, replacement of sheds, additional childcare paid for pre-school children on the day of the move and outside furniture which cannot be dismantled, etc. Redecorations may also be payable in particular circumstances and that this will be considered on a case by case basis.

Additional payments only available to Secure and Assured tenants

In addition to the agreed components of the Disturbance Payment listed above, Secure and Assured tenants can also claim the following costs:

- Home improvements that have been notified and approved by the Council, less the cost of depreciation. Receipts are not required, but the improvement must have been approved by the Council, as improvements carried out without the Council's consent could amount to a breach of tenancy.
- Where the costs of adaptations in the old home were previously met by a tenant, the Council will reimburse the tenant subject to relevant receipts being available.

Additional payments available to resident Leaseholders and Freeholders

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

- Early mortgage redemption fees at the existing property
- Conveyancing costs
- Mortgage and lender fees arising from the purchase of a replacement property
- Stamp duty land tax arising from the purchase of a replacement property
- Solicitor/legal fees arising from the purchase of a replacement property
- In some cases, payment for replacing white goods or furnishings owned by the leaseholder where the existing white goods/furnishing do not fit into the new property
- Removal and reinstatement of disabled adaptations as agreed by Haringey Council's Occupational Therapist

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

If the leaseholder is moving into one of the new build properties in the renewal area, disturbance payments may include expenses associated with moving twice if this involves first living in temporary housing. This will not apply if the leaseholder has

chosen to move into and fund their own temporary housing, because they want to return to a particular block or location on an estate and in these circumstances Haringey Council will only fund costs relating to one move.

Disturbance Payments Procedure

Disturbance payments will be made directly to the tenant or leaseholder/freeholder.

Disturbance payments will only be made in respect of one replacement property so in cases where joint leaseholders are not purchasing another property together, they will need to decide who will claim.

Secure/Assured tenants and resident leaseholders/freeholders will normally be offered two payment method options:

A Claim Option

Tenants/Leaseholders using this option can claim disturbance payments by submitting a Disturbance Payment claim form for any legitimate expenses they incur in relation to moving home, enclosing receipts or proof of expenses.

All disturbance claims must be supported by receipts and invoices bearing the name and address of the company providing such receipts and invoices, the details of which will be verified by Haringey Council.

Claimants should note that the level of payment assessed by the Council may be less than the “fixed payment” quoted under the Fixed Payment option below.

Payments listed as “Additional payments available to resident Leaseholders/Freeholders” will need to be claimed through receipts regardless of whether a fixed payment has been requested for all other costs.

A Fixed Payment option

Secure/Assured Tenants and Resident Leaseholders/Freeholders can also choose to receive a fixed sum payment instead of claiming for each expense.

Payment levels are based on the size of the property being vacated, updated periodically. These fixed payments do not cover the “additional payments available to resident Leaseholders/Freeholders” which will need to be claimed separately through the “claim option” described above.

The current fixed payment levels (as of September 2014) are set out below:

- One-bedroom property - £1,650
- Two-bedroom property - £2,000
- Three-bedroom property - £2,400

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

For leaseholders not moving into one of the new build properties in the renewal area, disturbance payments will need to be claimed within one year of their property being acquired unless there are exceptional circumstances.

Non-resident leaseholders and freeholders are not entitled to any disturbance payments.

5.3 **Purchase of a leasehold or freehold property**

All leaseholders and freeholders will be entitled to receive the full market value of their property. The Council will enter into negotiations with leaseholders and freeholders to seek a voluntary arrangement to buy their home, which will normally include valuations by both the Council and the leaseholder or freeholder.

Haringey Council will appoint a qualified valuer to act on its behalf to undertake a valuation of the property due to be acquired to determine its market value. Leaseholders can also appoint a qualified valuer to act on their behalf and reasonable costs associated with this will be reimbursed by Haringey Council.

Valuations will take into account any improvement works undertaken before the valuation date and are on the basis of open market valuations which, in effect, do not take into account any increase or decrease attributable to the estate renewal or the fact that the purchase is, or may be, compulsory.

If Haringey Council's and the leaseholder's valuer cannot reach agreement the matter may be referred for dispute resolution.

If the leaseholder does not accept the valuation agreed between their valuer and Haringey Council's valuer, or the valuation following any dispute resolution, they will be determined to have rejected the Council's offer to buy by agreement. They will in these circumstances have the statutory right to have the matter referred to Lands Chamber of the Upper Tribunal.

5.4 **Payment of costs of purchasing a new property**

Leaseholders and freeholders are also entitled to claim costs associated with selling their current property and purchasing a new one. The Council will reimburse leaseholders for reasonable legal costs incurred, up to the amount that would be payable if the purchase price of the new property was equivalent to the market value of the existing property.

Payment of these additional costs is dependent on the option taken by each individual leaseholder and freeholder in regards to rehousing, and can include:

- Early mortgage redemption fees at the existing property
- Conveyancing costs
- Mortgage and lender fees arising from the purchase of a replacement property
- Stamp duty land tax arising from the purchase of a replacement property
- Solicitor/legal fees arising from the purchase of a replacement property

The new home can be outside the renewal area, but must be within the UK and the property must be purchased and the claim made within one year of Haringey Council purchasing their previous property to be eligible for this payment.

In addition to these payments, additional support may be available to assist in the purchase of a new home as set out in section 6.2.

Basic Loss Payments to non-resident leaseholders and freeholders

In addition to the full market value of the property, and the reasonable costs of purchasing a new home as described above, non-resident leaseholders/freeholders are also entitled to receive a basic loss payment of 7.5% of the agreed value of the property, up to a maximum of £75,000 as at October 2017.

Scheme specific offers

The payment offers described above represent the minimum offer to tenants, leaseholders and freeholders. However, each renewal scheme may offer additional options where these can be accommodated within the finances of the scheme.

Right of return

Where a resident is required to move temporarily out of the area and a right of return is exercised, Disturbance payments are payable on both the original move and on the return. Home Loss payments however are only payable on the original loss of the home, not on the return.

Payments which are not used

Where payments set out in this policy are made in advance of completion of a transaction, and the transaction does not take place, payments received will need to be returned to the Council within three months.

5.5 Appeals

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

Where the appeal is regarding the compensation payment in respect of property acquired, leaseholders and freeholders have the statutory right to apply to a specialist tribunal to determine the appropriate level of compensation. Further advice on this can be provided by the Independent Tenant Advisor appointed to the renewal scheme.

6 Rehousing

General approach to rehousing

The Council will assess each resident's circumstances individually, and this section sets out the rehousing options available to the majority of residents. However, in all cases, the overriding aim of this policy is to maximise the ability of residents to move to or return to replacement homes in new developments where they wish to do so and to enable residents to move to comparable homes elsewhere in the borough where that is their preferred option, subject to any impact on schools and other social infrastructure.

6.1 Rehousing for tenants

In this section, the term 'Tenants' refers to Secure and Assured tenants who are required to move due to an estate renewal scheme covered by this policy.

In line with the legislation and existing best practice, the following people will be eligible for assistance and possible rehousing under this policy:

- a) Secure tenants, their children and partners/spouses who are identified as eligible through a Housing Needs Assessment and where those included on the application constitute a household as defined in the Council's Housing Allocations Policy.
- b) Assured tenants of Housing Associations their children and partners/spouses who are identified as eligible through a Housing Needs Assessment and where those included on the application constitute a household as defined in the Council's Housing Allocations Policy.

The Council will not rehouse unauthorised occupants, sub-tenants, lodgers, licensees, other non-secure occupants and persons included on applications for rehousing but are not considered to be part of the tenant's household. In cases of fraudulent applications, the Council will consider what sanctions might be pursued.

Assistance and rehousing will only apply to tenants and authorised household members identified as part of a Housing Needs Assessment

Assessment of a household's housing needs

Tenants will be offered a new home based on their assessed needs in accordance with the Council's Housing Allocations Policy, which is regularly reviewed. This policy has been written with reference to the Housing Allocations Policy 2015, as amended on 1 May 2017.

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

Hidden Households, including non-dependent Adult Children

Under this policy, hidden households including non-dependent adult children of tenants will be rehoused as part of the tenant's household if they fall within the eligibility criteria detailed in paragraph above. "Hidden households" are where there are adults living with the head of household, who would choose, if they could, to live independently. This may include grown up children who have not been able to move out, or extended family members who have nowhere of their own to live.

Where hidden households do not comply with the eligibility criteria and/or wish to be housed independently, the Council will provide advice and assistance, for example to help them secure private rented accommodation.

In exceptional cases, for example to alleviate severe overcrowding and/or to achieve a rehousing move necessary for an estate renewal scheme to progress, the separate rehousing of hidden households (including adult children) may be considered by the Estate Renewal Rehousing and Payments Discretion Panel. The size of any property allocated to a hidden household will be decided in accordance with the Housing Allocations Policy.

If a hidden household remains in the affected property when other members of the household have been rehoused, the tenant will be liable for use and occupation charges until vacant possession is achieved, either voluntarily or through possession action in the courts.

Meeting housing need

Tenants who wish to move to another home in the renewal area will be offered a property in line with their assessed housing need. The properties may therefore in some cases have fewer bedrooms than their current home.

Medical need for a particular type or size of accommodation will be assessed in line with the Housing Allocations Policy for all residents who have a medical need identified in the Housing Needs Assessments. Where a previous medical assessment has been carried out, the Council reserves the right to seek a new medical assessment.

In some renewal areas, there may be specialist housing which is not replaced. In these cases, and where the tenant wishes to stay in the area, the tenant will have the options of moving to a general needs tenancy in the renewal area with appropriate floating support or can be given priority to move to the nearest specialist accommodation.

Tenants who have a home currently larger than their Housing Need assessment

The commitment under this policy is that that all tenants who wish to remain or return to the renewal area will be offered a property on the basis of their assessed housing need. However, under the current Housing Allocations Policy 2015, as amended on 1 May 2017, tenants who are willing to transfer to a smaller property and who have more than one spare bedroom will be able to retain spare bedroom(s). This scheme is available to all under-occupying tenants across the borough and will continue to apply to tenants on estate renewal schemes who choose to move to a new home elsewhere in the borough.

In addition to the Home Loss and Disturbance Payments, tenants who move to a smaller property in or outside the renewal area will also be entitled to any financial incentives

available under existing policies to those who downsize to a smaller property. However, they will not receive any additional payments under the Housing Allocations Policy intended to cover the costs of moving, as these costs are covered by the Disturbance Payments.

Offers of alternative accommodation

Qualifying households will be offered alternative accommodation in accordance with section 15.15 of the Housing Allocations Policy 2015, as amended on 1 May 2017.

Qualifying households will be able to bid for accommodation under the Council's Choice Based Lettings scheme for a minimum period of 6 months, starting on a date agreed by the Director of Housing and Growth. This bidding period will normally be planned to end 12 months prior to demolition. After this free bidding period has elapsed, qualifying households will be able to continue to bid on Choice Based Lettings but may be made a 'direct offer' of suitable alternative accommodation. In other words, qualifying households will always have a minimum of 6 months to bid, normally much longer. Households will be able to continue bidding once the 12 months to demolition period has begun, up to the point they receive a 'direct offer' of suitable alternative accommodation.

Qualifying households who would prefer to only receive a 'direct offer' of accommodation rather than bid under Choice Based Lettings may choose to do so.

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

Type of Tenancy

Where a secure or assured tenant moves to a Council owned property they will be offered a secure tenancy, as set out in the Council's Tenancy Strategy. This is also the case if the offer is temporary rehousing, in which case both the final move to a permanent property and the temporary move will be in an equivalent tenancy to what the tenant currently has.

If a tenant moves to different landlord, either from the Council to a Housing Association, or between Housing Associations, then it cannot be guaranteed that the type of tenancy will be exactly the same. However, in all cases, they will be offered a tenancy which matches the security that the tenant currently has and at an equivalent social rent, set in line with national policy, as set out in 4.3 above.

6.2 Rehousing for leaseholders and freeholders

All leaseholders and freeholders will receive full market value, plus any Home Loss, Disturbance or Basic Loss payments to which they may be entitled as described in section 5.

These payments are intended to allow the leaseholder or freeholder to buy a new property on the open market, but can be used by the leaseholder or freeholder for other purposes if they desire. However, leaseholders and freeholders should note that the costs of purchasing a new home will only be met if the replacement property is in the UK.

Additional rehousing options

Leaseholders and freeholders who have been resident for 12 months prior to the date of eligibility may qualify for additional assistance from the Council.

A legal duty to rehouse leaseholders or freeholders only applies where suitable alternative residential accommodation on reasonable terms is not available to the residential occupier (as detailed in Section 39 of the Land Compensation Act 1973). In most circumstances it is anticipated this will be achieved on the open market, through the purchasing of a new property.

Practical help with buying another property outside Haringey

Where it is needed, Haringey Council can provide practical, non-financial help to assist leaseholders buy another property outside of Haringey. The need for this will be assessed on a case by case basis and will be limited to information on how to purchase a property on the open market such as finding solicitors, surveyors etc.

Practical help with buying a property in another part of Haringey

The level of help to be provided will be assessed on a case by case basis, in accordance with individual needs, and may include (but is neither guaranteed to include nor restricted to) the provision of:

- Information on how to purchase a property on the open market such as finding solicitors etc.
- Information on any other leasehold properties Haringey Council knows are for sale
- Advice on intermediate housing options in Haringey.

Additional Support to purchase a new property in another part of Haringey

Additional, more intensive support may be provided where the Council assesses that the leaseholder would have difficulty purchasing a new home on the open market – for example, those who purchased their home through Right to Buy or have support needs. This support may include practical assistance and help in arranging a new mortgage, arranging surveys and providing advice and support on the legal steps needed to complete a purchase. In exceptional cases, and where required, the Council may purchase a property on behalf of the leaseholder.

Any offer of additional support and the level of support given will be at the Council's discretion.

Equity Loans and Shared Ownership

To enable leaseholders and freeholders to remain in the area if they cannot afford to buy at full market price, all schemes will offer Equity Loans (where they can afford at least

60% of the purchase price) and Shared Ownership (where they cannot afford 60% but can afford at least 25%). These percentages are the minimum offer but each scheme may lower these equity requirements where this can be funded within the scheme.

The key features of both are summarised in the following table.

Option	Equity Loans	Shared Ownership
Description	The leaseholder will own 100% of the property, but part of the purchase price will be paid by the Council or other provider as a loan to be repaid when the property is sold or transferred to another owner.	The Shared Owner will own a share of the home, and pay rent on the portion of the property retained by the Council or other provider
Minimum % of the property purchased	Leaseholders must purchase at least 60% of the new property	Shared owners must purchase at least 25% of the new property
Minimum contribution	The minimum contribution is the full value of the leaseholder's existing property plus any Home Loss payments. Leaseholders/Shared Owners may also add further funds to the purchase if they wish.	
Location of replacement property	Anywhere in the borough	Only within the renewal area
Size of replacement property	Any size, but the Equity Loan will only offer the value required to purchase a property of the same size.	As appropriate to the household's needs
Interest	No interest will be charged on the unpurchased equity	
Rent	No rent payable	Reduced rent on the un-purchased share. No rent will be payable on the first 40% of the value of the property and no rent will be payable on the share they own.
Repayment	The Equity Loan is to be repaid when the property is sold or transferred to another owner, unless inherited by a resident partner. The repayment will be based on the market value of the property at the time of final sale/transfer and not on its value when originally purchased.	No repayment is needed
Inheritance	The Equity Loan will need to be paid in full except where there is a surviving resident spouse or partner, who can inherit the Equity Loan arrangement.	The Shared Ownership home will need to be staircased in full, except where there is a surviving resident spouse or partner, who can inherit the Shared Ownership arrangement.
'Staircasing' (Increasing the share owned /reducing the equity loan)	Leaseholders may choose to repay part of the loan at any time. The repayment will be based on the current market value of the property. This should be in tranches of no less than 10% in any single staircasing.	Shared owners may choose to increase their share of the property at any time. The increased share will be based on the current market value of the property. This should be in tranches of no less than 10% in any single staircasing.
Subletting	The owner may sublet the property as they wish, subject to any conditions within the lease.	Shared owners can only sublet the property with the permission of the Council or other provider.

6.3 **Equity Loans**

Resident leaseholders and freeholders who wish to remain in the renewal area, or borough, but who cannot afford to purchase a new property outright may be able to buy a new property with an Equity Loan from Haringey Council, the developer or a Housing Association. This offer is only open to those who are able to afford 60% of the full purchase price unless an individual scheme has offered a lower minimum percentage. It should be noted however, that total housing costs cannot be exactly replicated, as lender rates are subject to change. Utilities, ground rent and service charge costs may also be different at the new properties compared with the leaseholder's existing property.

Minimum percentages required for Equity Loans

The policy below has used an equity requirement of 60% to qualify for an Equity Loan. This percentage is the minimum requirement for all schemes where this policy applies. However, individual schemes may offer a lower minimum equity share which should be used in place of references to 60% in the text below.

The new property

New properties on the renewal scheme bought under this arrangement cannot have a greater number of bedrooms than the leaseholder's existing property unless the leaseholder finances the cost of any additional bedrooms themselves. The value of any additional bedrooms will be determined by taking the difference in value between the larger property the leaseholder wishes to purchase and the value of a comparable property which is the same size as the leaseholder's current property. The comparable property will be in the same location, condition and terms as the proposed larger property.

Leaseholder and freeholder contribution

Leaseholders are eligible for this option where they agree to contribute;

- The market value of the property of their current home, made up of any equity in the property, plus any outstanding mortgage, and
- Any Home Loss payment, ie 10% of the market value of the property being acquired, subject to the statutorily defined limit as outlined in section 4.

Equity Loans for new properties in the renewal area

The total leaseholder contribution must be at least 60% of the value of the new property. Leaseholders who are returning or remaining in the renewal area may also contribute any other capital or savings they may want to put into the purchase to take their contribution to more than 60%.

For those who wish to remain in the renewal area but who's equity is not 60% of the value of the new property in the area, the Shared Ownership option is available to ensure that there is an affordable offer that will enable them to remain. If they wish to

continue to be full owners, then the portable equity loan offer set out below would enable them to do so.

Portable Equity Loans

Equity Loans are available for properties in other parts of the borough. These loans are being made available primarily to help those who would not be able to purchase a home on the estate without the loan – they are not intended to help purchase more expensive properties off the estate or to be used to fund very high value properties. There is therefore a double cap on the value of the replacement home.

That is, the maximum value of the replacement home cannot be higher than the lower of the following two criteria:

- Where the value of the current property plus 10% Home Loss equals 60% of the value of the new property being purchased. This is equivalent to the new home being a maximum of 1.83 times the value of the current home.
- The borough-wide upper quartile house price. The most recent published value is £637,250 as reported by the GLA in August 2017 and will be updated every year.

Additional contributions

While the leaseholder may contribute any other capital or savings, these additional funds can only be used to reduce the size of the Equity Loan and cannot be used to purchase a higher value property. Equity Loans will not be available for the purchase of properties that are more expensive than these limits.

It should be noted that if the leaseholder's existing property was purchased using a mortgage, a further mortgage to at least the same value as the one held on the existing property being purchased by Haringey Council will need to be raised before (or at the same time as) the purchase of the new property can take place. Haringey Council and the independent financial advisor can assist leaseholders in finding a new mortgage.

The Equity Loan

Subject to the above maximum values and percentage contributions, and the investment of the value of the existing property plus Home Loss, the remaining proportion of the property will be funded by an interest free equity loan from Haringey Council, the developer or the Housing Association, which will be secured as a charge on the property.

Ownership and responsibilities

Properties bought using an Equity Loan are leasehold properties (similar to 'Right to Buy'), meaning that there is a lease for a fixed period of time, typically 99 years. The leaseholder is responsible for repairs, service charges and all other costs associated with the new property, but there is no interest payable on the equity retained by the provider.

The leaseholder is able to repay part of the Equity Loan at any time. In order to do so a new valuation of the property will need to be obtained and each partial repayment of the loan must be for at least 10% of the property's current value. This valuation, and any associated administrative costs, will be the responsibility of the leaseholder.

Under the Equity Loan arrangement, the leaseholder will be the sole legal owner and is able to sublet the property subject to the usual requirements to notify the freeholder or any other relevant terms in the lease.

Sale and Repayment of the Equity Loan

The Equity Loan only needs to be repaid upon sale of the property. Any increase or decrease in the value of the property will be apportioned between the leaseholder and the landlord or its appointed agent in line with their original contributions and any staircasing, which are calculated as percentages.

Prior to any sale the landlord or its appointed agent will require a further valuation to be obtained so that the amount that is due to be repaid to the landlord can be calculated. This will be at the expense of the leaseholder along with all associated administrative costs connected with the sale.

Inheritance and death of the leaseholder

Following the death of the leaseholder, the Equity Loan will need to be repaid when the property is transferred to another owner unless the property is inherited by the leaseholder's spouse, civil partner or a person living with them as their husband or wife. The partner may succeed to the property without having to repay the Equity Loan, so long as the partner resided at the home with the leaseholder at the time of the leaseholder's death.

Succession by a partner without repayment of the Equity Loan can take place on any property located in the borough, but can only take place once. This offer will be subject to the partner being able to retain at least a 60% equity share of the property's value at that time. Surviving partners who are unable to fund a 60% share may be offered a Shared Ownership arrangement as described below.

6.4 Shared Ownership

Resident leaseholders and freeholders who wish to remain in the renewal area, but who cannot afford to purchase 60% of a new property under the Equity Loan scheme may be able to buy a new property through Shared Ownership. In a Shared Ownership arrangement, a smaller share of the property is owned by the leaseholder initially, and a rent is paid on the part of the property which is not owned by the leaseholder.

The new property

A Shared Ownership property must be a new property in the estate renewal scheme.

New properties bought under this arrangement cannot have a greater number of bedrooms than the leaseholder's existing property being acquired by Haringey Council.

It should be noted that if the leaseholder's existing property was purchased using a mortgage, a further mortgage to at least the same value as the one held at the existing property being purchased by Haringey Council will need to be raised before, or at the same time as the purchase of the new property. Haringey Council and the independent financial advisor can assist leaseholders in finding a new mortgage.

Leaseholder and freeholder contribution

Leaseholders are eligible for this option where they agree to contribute at least 25% of the value of the new home

The leaseholder's contribution must be at least 25% of the value of the new home and will be made up of:

- The market value of the property being acquired, made up of any equity in the property plus any outstanding mortgage)
- Any Home Loss payment, ie 10% of the market value of the property being acquired, subject to the statutorily defined limit
- Any other capital or savings they may want to put into the purchase.

The remaining proportion of the new build property will be retained by Haringey Council, the developer or the Housing Association. A reduced rent will be payable on the proportion retained.

Minimum percentages required for Shared Ownership

The policy below has used an equity requirement of 25% to qualify for Shared Ownership. This percentage is the minimum requirement for all schemes where this policy applies. However, individual schemes may offer a lower minimum equity share which should be used in place of references to 25% in the text below.

Ownership and responsibilities

Shared Ownership properties are leasehold properties (similar to 'Right to Buy'), meaning that there is a lease for a fixed period of time, typically 99 years.

Under the Shared Ownership arrangement, the Shared Owner will be an Assured tenant (if the property is owned by a Housing Association) or a non-secure tenant (if the property is owned by Haringey) unless or until the Shared Owner has staircased (see below) to 100% of the property. The Shared Owner must remain in occupation of the property unless permission is given to temporarily move away from the home as described below. The Shared Owner would need to ask permission from the landlord if they wished to sub-let the property.

The Shared Owner is responsible for repairs, service charges and all other costs associated with the new property.

The Shared Owner is able to increase their share in the new property at any time. This is called 'Staircasing'. In order to do so a new valuation of the property will need to be obtained and each purchase of additional equity must be for at least 10% of the

property's current value. This valuation, and any associated administrative costs, will be the responsibility of the Shared Owner.

Rent and Service Charges

The Shared Owner will pay rent on the proportion of the property which is retained by the landlord, which is typically around 2.5% per annum. The Council is keen to ensure that these homes are affordable and that those in Shared Ownership are able to benefit from the same 40% free equity as the borough wide Equity Loan offer. Therefore, no rent will be payable on the first 40% of the value of the property or on the share they own. This percentage may be increased on individual schemes where this is practical but is independent of the minimum equity level offered.

Shared Owners will also need to pay a service charge for the property, which is usually charged on a monthly basis.

Sale of a Shared Ownership property

Upon sale of the property any increase or decrease in the value of the property will be apportioned between the Shared Owner and the landlord or its appointed agent in line with their original contributions and any staircasing, which are calculated as percentages.

Until the Shared Owner has staircased to 100%, s/he is only able to sell the property with the agreement of the landlord or its appointed agent, which will not be unreasonably withheld. Prior to any sale the landlord or its appointed agent will require a further valuation to be obtained so that the amount that is due to be repaid to the landlord can be calculated. This will be at the expense of the leaseholder along with all associated administrative costs connected with the sale.

Inheritance and death of the Shared Owner

Following the death of the Shared Owner, the Shared Ownership arrangement can be transferred to the Shared Owner's spouse, civil partner or a person living with them as their husband or wife. The partner may succeed to the Shared Ownership arrangement, so long as the partner resided at the home with the Shared Owner at the time of the Shared Owner's death.

The succession to the Shared Ownership arrangement can only take place once. This offer will be subject to the partner being able to retain at least a 25% equity share of the property's value at that time. Surviving partners who are unable to fund a 25% share may be offered assistance as described below.

Leaseholders and freeholders who cannot afford a 25% share of a new home

Where a resident leaseholder is unable to raise sufficient funds to qualify for an Equity Loan or Shared Ownership, the Council will sympathetically review the options available to each leaseholder to provide the most suitable offer they can afford. This may include alternative financing, smaller properties or a rental offer on the estate renewal scheme.

Where a rental offer is required to enable a resident leaseholder to remain in the renewal area, their application will be assessed in line with the Council's Housing Allocations Policy in force at the time of the assessment.

The application of any income or savings thresholds, or restrictions preventing leaseholders or home owners from joining the Housing Register, will be considered as necessary by the Estate Renewal Rehousing and Payments Discretion Panel. Rental offers will not normally be made outside of the renewal area unless the applicants meet the income and saving thresholds, and restrictions on home ownership. Any temporary moves off the estate will be held under a license.

6.5 Appeals

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

Tenants can ask for a review of the property allocated to them under the Choice Based Lettings scheme or as a direct offer. This review will follow the procedure laid out in the Housing Allocations Policy. There will be no further right of appeal from the decision on review.