



Advice Note: Increase in Home Loss Payments

This note is to advise all Registered Social Landlords that home loss payments have been increased to £4000.

Home loss and disturbance payments are set out in section (30) of the Land Compensation Act 1973. This note replaces previous circulars on this subject.

Home loss payments

Home loss payments are made in recognition of the personal distress and inconvenience suffered by people who are displaced from their homes as a result of compulsory purchase or under other qualifying circumstances.

Normally to qualify for a mandatory home loss payment, the conditions listed below would need to have been met by the tenant for a period of one year ending with the date of displacement:

- The displacement must be permanent;
- The displacement must be as a consequence of improvement or redevelopment. Repairs, even if major, do not justify payment;
- The tenant must have been in occupations of the dwelling, or a substantial part of it, as his/her only main residence;
- The tenant must have been in such occupation by virtue of an interest or a right to occupy the dwelling.

Disturbance payments

Disturbance payments are made to compensate for reasonable expenses incurred in moving; for example, removal expenses, cost of altering soft furnishings, reconnecting movable fixtures and fittings, telephone connection charges.

The payment

From 1 September 2006, home loss payments have been increased to £4000. This only applies when displacement occurs on or after 1 September 2006. If the occupier is moved before that date, last year's prescribed amount applies i.e. £3,800.

The Statutory Instrument updating the amount can be found at:

<http://www.opsi.gov.uk/si/si2006/20061658.htm>