

Compensation and Disturbance Payments



You should read this leaflet to find out how the value of your property is determined and what compensation and disturbance payments you are entitled to.

Compensation and Disturbance Payments

What will I be offered for my property?

Owners who wish to sell to the Council will receive the open market value as determined by the District Valuer who is from a Government agency that is completely independent of Oldham Council.

How will the value of my property be determined?

The District Valuer will arrange to visit and inspect your property to determine its open market price. This will take into account its condition, size and location including any improvements you may have carried out, together with fixtures and fittings etc. The valuer will also refer to other recently completed sales of similar properties within the locality.

If you disagree with the valuation offered you may wish to engage your own valuer to negotiate with the District Valuer on your behalf. The Council cannot recommend someone but you should choose a qualified Royal Institution of Chartered Surveyors (RICS) valuer experienced in compulsory purchase work and familiar with the local housing market.

The Council will meet the reasonable cost of this service together with your solicitor's fees associated with the sale on legal completion.

What is the compensation package?

Generally, if you have lived in the property for 12 months, compensation is available to reflect and recognise the inconvenience and discomfort of having to move out of your property. It comprises a home loss payment, and a disturbance payment.

- If you are living in a property as an owner occupier, you will receive a separate home loss payment equal to 10% of the determined market value of your property with a minimum payment of £4,000*.
- If you are an eligible tenant, you will receive a home loss payment of £4,000*.

**The compensation for home loss is set by the Government and is reviewed periodically.*

- All residents moving out will also receive a disturbance payment to cover certain costs incurred in moving into another property.
- First Choice Homes Oldham (FCHO) offer a specific disturbance package to their tenants.
- For all other residents the current system allows you a choice to either apply for a fixed payment or to make a claim based on the submission of paid receipts.
- If submitting receipts for your claim these should be based on the reasonable costs actually incurred as a direct consequence of moving to another property. The Council will assess the nature and circumstances of each claim on an individual basis.
- Alternatively, you may apply for a fixed payment in the following ways; for people who are going to move into rented accommodation, there is an option of taking a fixed disturbance payment of £750. For people who are going to buy an alternative home within which to live, the fixed sum is currently £1,800. This higher amount reflects the extra costs arising from legal, surveying and mortgage arrangement fees.

This section explains how and when you will receive your compensation

There are trained staff who can go through this with you, the telephone numbers are on the back page

- Owner occupiers selling to the Council will have the legal fees on the sale paid in addition to these accounts.

If I am an owner occupier when will I receive my compensation package?

When selling to the Council you will receive the compensation payment on completion of the sale. However, you may receive a proportion of your disturbance payment to cover your moving costs, if requested, at the exchange of contracts. Where a person owes the Council outstanding debts e.g. Council Tax, then these will be recovered from the compensation payment.

When would I need to vacate my property?

You will be required to vacate your property and hand over the keys on completion of the sale. Fixtures and fittings are included in the valuation and should be left in the property unless prior arrangements have been made with the Council.

What compensation will I be entitled to as a landlord of a residential property?

This is available to landlords who own the freehold or who have a least one year left to run on their lease. Landlords who meet the criteria are entitled to the full open market value of the property along with the reasonable legal fees involved in the sale of the property plus a payment equivalent to 7.5% of the value. If you disagree with the valuation offered you may wish to engage your own valuer to negotiate with the District Valuer on your behalf. The Council cannot recommend someone but you should choose a qualified Royal Institution of Chartered Surveyors (RICS) valuer experienced in compulsory purchase work and familiar with the local housing market. **The Council will meet the reasonable cost of this service together with your solicitor's fees associated with the sale on legal completion.**

In addition you may be entitled to claim the reasonable costs incurred in the purchase of similar alternative investment property if purchased within one year of the sale to the Council. For more information please contact the Property Development and Investment Section.

What if I own commercial premises or have a business?

If you own a commercial property and/or run a business you will need to contact the Council's Property Development and Investment Section based within the Regeneration Department for further advice. Compensation to business owners and occupiers is a specialised area and the Council's valuer will be consulted to give you general advice or discuss specific issues with you in order to reach an acceptable settlement.

Financial Advice

If you are currently claiming benefits you may find your benefits affected by compensation payments. *If you think you may need further advice on this please speak to a Community Housing Officer* who will refer you to the appropriate person.

Useful Contacts

Community Housing Officers -

Derker Team (0161) 652 8873

Flint Street, Derker, OL1 4EX

Community Housing Officers -

Werneth/Freehold Team (0161) 911 4246

80 Tamworth Street, Werneth, OL9 7QY

Oldham Council's Property Development and Investment Section -
(0161) 911 4133/4134/4143


Community Links Support Officers -

(0161) 331 2611/2632

Oldham Law Centre -

(0161) 627 0925

1st Floor, Archway House, Bridge Street, Oldham, OL1 1ED



There are trained staff on these telephone numbers who can give you guidance and help



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www.oldhamrochdalehmr.co.uk

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