

Phase 4 –The Right to Buy



Introductions

Charlotte Benstead – Chief Executive at Creation trust with responsibility for leaseholders

Dambile Nkunika – Resident Support Officer, Creation Trust

Sandy Stewart – Resident leaseholder (Northchurch) and Trustee of Creation

Gil Mutch – Phase 1 resident leaseholder

The regeneration story so far

- <http://creationtrust.org/map>
- <http://www.aylesburyleaseholders.org>
- Site 1a – Built L:&Q
- Site 7 – Demolished and under construction. Leaseholders went to CPO stage & some to Lands Chamber
- Site 1b & c – Currently being decanted ready for demolition, remaining leaseholders at CPO stage. One has gone to Lands Chamber. Site has been boarded up and empty blocks are being soft stripped around remaining leaseholders
- In June 2014 Notting Hill Housing won the bid to develop the rest of the estate
- Phase 2 – Current leaseholders have been surveyed by council surveyor. 32% have accepted offer
- Demolition order placed on Phase 3, so right to buy has been suspended
- Phase 4 tenants still being offered the Right to Buy.

What happens when your phase becomes active

- Currently Phase 4 is due to become active in 2020.
- Tenants get to bid on properties through the choice based lettings system HOMESearch and they become BAND 1 – the highest priority for re-housing.
- Leaseholders – receive their valuation for their property. For any who have purchased after Sept 2005. The Council has no obligation to help find alternative properties.

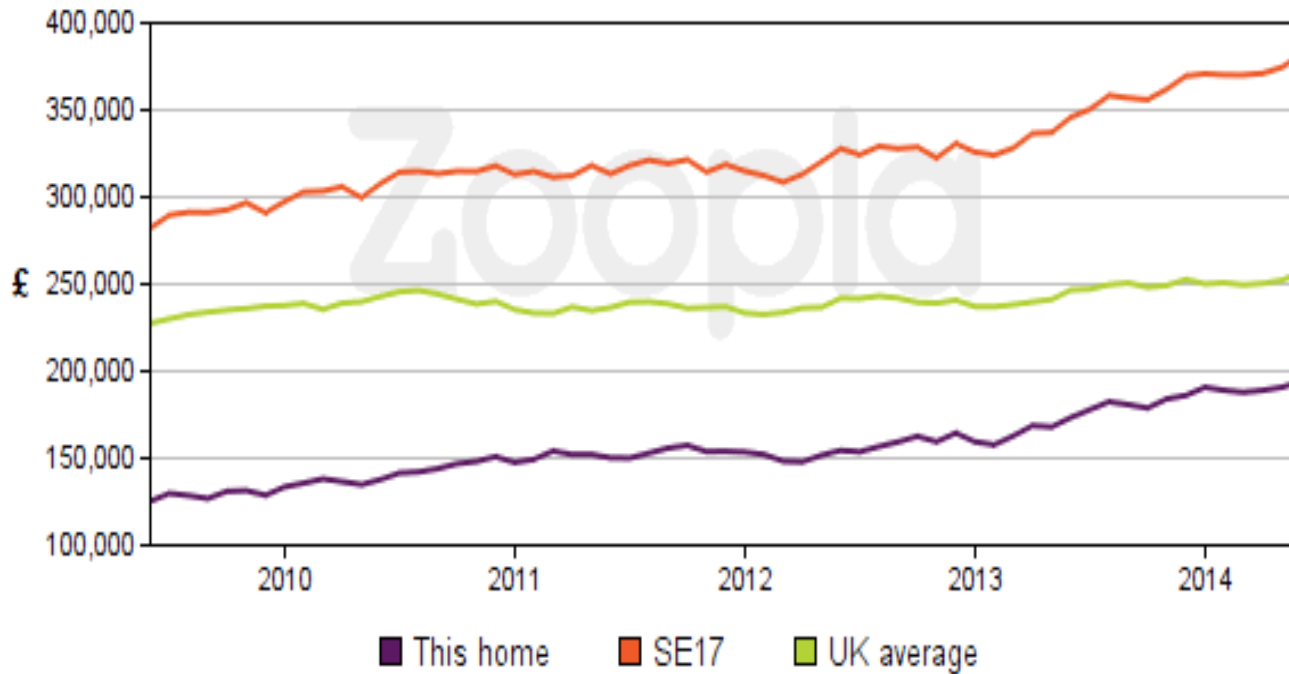
The Leaseholders journey through the buy back process

Step 1 - Receive a valuation from the council surveyor based on **market value** from **actual sales** and to some extent **the condition and aspects** of the property

Factors that affect valuations

Factor	positive	negative
Construction	Brick	concrete
Condition	neutral	poor decoration
Fittings	modern kitchen/bathr	dated decor & old fixtures
Garden	any	none
Balcony	panoramic/park views	none
Size	greater floor space	Limited floorspace & poor layout
Service charge	The lower the better	High or with substantial works planned
Type of block	low rise	high rise subject to views
Lifts	reliable/secure	unreliable poor design outdated

Average home values for SE17



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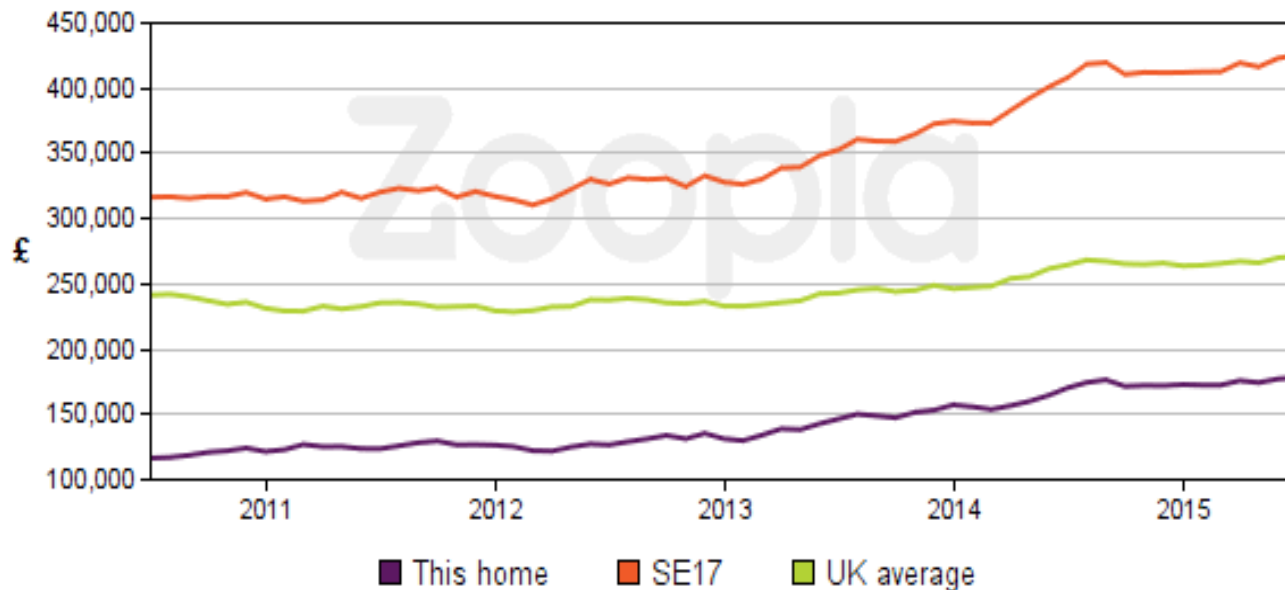
Zoopla info – marketed as 3 bed sold 5th March 2014, Wendover - £187,000

Zoopla information

- **Property type:** Flat | **Tenure:** Leasehold | **Last sale:** £171,000 | **Sale date:** 2nd Dec 2014 - Previous sales

This 3 bed leasehold flat is located at Taplow, Thurlow Street, London SE17 2UL and has an estimated current value of £177,433. [Thurlow Street, SE17](#) has 691 houses and flats on it with a current average value of £181,127. There have been 13 [property sales on Thurlow Street](#) over the last 5 years with an average sold house price of £154,038 and this flat was last sold on 2nd Dec 2014 for £171,000.

Average home values for SE17



Other recent sales on open market

- Dec 2014 [Flat 207, Taplow, Thurlow Street, London SE17 2UL](#)
- Flat, Leasehold
- **£171,000**

- 5th Sep 2014 [Flat 59, Wendover, Thurlow Street, London SE17 2UG](#)
- Flat, Leasehold
- **£160,500**

- 28th Aug 2014 [Flat 207, Taplow, Thurlow Street, London SE17 2UL](#)
- Flat, Leasehold
- **£140,000**

- 31st Jul 2014 [Flat 143, Taplow, Thurlow Street, London SE17 2UJ](#)
- Flat, Leasehold
- **£161,000**

- 12th May 2014 [Flat 98, Taplow, Thurlow Street, London SE17 2UH](#)
- Flat, Leasehold
- **£162,000**

The current valuations for Aylesbury properties and open market sales in SE17 mean that leaseholders on the Aylesbury do not have enough equity to buy outright and remain in the area.

Current valuations from the council are coming in at £170,000 (1 bed) - £230,000 (3 bed)

Step 2

You appoint your OWN surveyor

Your surveyor should be:

- RICS registered
- Able to agree a price with you and should fall into the recommended fees.
- Familiar with the area, what regeneration means and have experience of dealing with local authorities

Surveyors

We Commissioned 2 independent surveys with 2 surveyors.

- One quote came in at £160,000 one came in at £230,000 – not a precise science !! Professional opinions
- These are equivalent to the findings at the recent land tribunal & reflect open market sales for the estate

NOTE: THEY ARE NOT EQUIVALENT PRICES TO NEW BUILDS, NON EX LOCAL AUTHORITY OR OTHER PROPERTIES FOR SALE IN THE LOCAL AREA THAT ARE NOT COMPARABLE TO THE ESTATE !

If you can agree a price you appoint a Solicitor

You only need to appoint a solicitor when you are ready to sell and buy another property. Again the council say they will reimburse you reasonable costs.

	sale	purchase	
Glazer Delmar	1140.00	1260.00	excludes
JJ Solicitors	840.00	840.00	excludes
Hodders law	750.00	750.00	excludes
Anthony Gold	Joint price 4,096 – includes everything		

Negotiating with the council

- Once you appoint a surveyor negotiations are in their hands
- Keep a note of all correspondence
- If you are unable to reach a settlement. The council will start its **COMPULSORY PURCHASE PROCESS** and you may decide to take the council to the **LANDS CHAMBER.**

If your surveyors are unable to reach an agreed price

UPPER CHAMBER – LANDS TRIBUNAL

If you cannot agree on a valuation you can choose to go to the UPPER TRIBUNAL (LANDS CHAMBER). This is a legal process that is independent of the council. A hearing date is set and a member of the Tribunal hears the council's arguments for their valuation and your surveyor's arguments for a higher value. The Tribunal then makes a reasoned judgement that is binding on both parties. This is considered a high risk strategy as it is possible for the Tribunal to value the property below the Council's last offer. The Tribunal may also award costs including those incurred by the Council against the leaseholder and these may be substantial

Lands Chamber cont

We have 2 recent examples of a Wolverton and a Bradenham leaseholder going to the Upper Chamber of the Lands Tribunal

<http://www.landstribunal.gov.uk/Aspx/view.aspx?id=1100>

<http://www.landstribunal.gov.uk/Aspx/view.aspx?id=1088>

Update on the CPO

Compulsory Purchase Orders

If you cannot agree a price for your property as the Phase becomes empty of tenants the Council **MAY** use the Compulsory Purchase Order Process (CPO)

(CPO) is a legal power that allows certain bodies (including local authorities) which need to obtain land or property to do so without the consent of the owner

Current CPO for Phase 1b and c

Leaseholders are presenting a case at the CPO some of these points of argument

- Demolition was not agreed democratically
- Case for refurbishment was not properly considered and buildings are not beyond repair & there is a financial case for this instead of demolition
- Demolishing the estate is against the leaseholders human rights
- Loss of social homes should not be allowed
- Concerns about how homes were valued
- Concerns about rent levels on new builds

INSPECTOR CALLED FOR AN ADJOURNMENT AND WILL RECONVENE IN OCTOBER – SO BY JANUARY WE SHOULD KNOW OUTCOME.

SANDY'S STORY – Phase 2

GIL'S STORY – Phase 1

My Million Pound Council Home Documentary looks at the impact of the Right to Buy scheme introduced by prime minister Margaret Thatcher in 1980 to allow council tenants to purchase their homes at a discount. A man who bought his Hackney town house from the Greater London Council with an initial deposit of 1 pound prepares to put his house on the market, while a tenant who bought her flat on the *Aylesbury housing estate in Southwark faces an uncertain future as the area is undergoing a major regeneration programme.*



Summary

If you decide to buy your property on the Aylesbury now under the right to buy

You will be **liable for your share of major works**.

These are bills that leaseholders have to contribute to. The council decides the plan for spend. You **have to pay** these as well as your mortgage and insurances.

The council will **NOT** have an obligation to re-house you.

There is currently a lot of work scheduled for the Phase under the **WARM DRY SAFE** programme

- You **will NOT be eligible** for any re-housing assistance from the council and will need to seek to buy on the open market
- There may be shared equity offers available from the developer but this is not guaranteed
 - **Buyer beware !**