

# A guide for Aylesbury homeowners

Aylesbury  
estate  
regeneration



## Foreword

The council and its partner Notting Hill Genesis are committed to the regeneration of the Aylesbury Estate in order to build new homes our residents need alongside providing new and improved facilities for our communities in order to provide as many opportunities for our residents to strive to fulfil their potential as possible. We want to create a sustainable vibrant community with new homes, better open spaces, new and improved community facilities and improved public transport.

As part of this process we need to knock down the existing estate and so will need to buy back your property. We appreciate this may be a difficult time for some homeowners, but we are determined to make this process as smooth for you as possible.

The council has offered a generous rehousing assistance package since 2007 for those resident homeowners who would be unable to otherwise afford to secure themselves suitable alternative accommodation after the repurchase of their property. However we have continued to listen to homeowners and have made various amendments to that policy since.

This guide therefore provides you with the most up to date information of the process involved in the council's buy back of your property and the options available to you dependent on your circumstances.

Please take the time to read this information carefully and if you have any queries feel free to contact the Aylesbury Regeneration Team or any of the other individuals set out on page 30 of this guide.



**Councillor Johnson Situ**

Cabinet Member for Growth, Development and Planning

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## Introduction

With the support of local residents, the council decided to regenerate the Aylesbury Estate in 2005 in order to address a range of physical and social challenges. In 2010 the Aylesbury Area Action Plan was adopted that set out the planning policy framework for the new homes, amenities and new public spaces that would be built in the area.



The first 261 new homes were completed at Site 1a in the south west corner in 2012 and a further 147 new homes were completed on Site 7 in the north east corner of the estate in 2017. The council appointed Notting Hill Genesis as its Development Partner in 2014 to take forward the continued regeneration of the area over the next twenty years and across four phases. This will include a further 3,500 new high quality homes, of which 50% will be affordable, great new streets and squares, as well as new community and retail facilities.

To view the latest plans for the regeneration and find out how you can get more involved, see the Aylesbury Now website at **[www.aylesburynow.london](http://www.aylesburynow.london)**

In order to progress the regeneration the council needs to purchase all privately owned properties on the estate from leaseholders and freeholders (hereafter referred to as homeowners). This guide provides an overview for all Aylesbury homeowners of how the council will purchase your property, how you can find a new home and what support we may be able to provide.

We understand that having to sell your home to the council can be an unsettling and challenging experience, but we will do our best to give you

the support and information you need to make it as straightforward as possible. We hope that the information set out here will reassure you about the process and the rehousing options available to you and our officers are on hand to explain the process in more detail and answer any questions you might have. Whatever your preferred rehousing option is, we aim to make the purchase of your home as straightforward as possible.

Homeowners make up a significant part of the community and it is therefore the aim of our policies to encourage resident homeowners to remain in the local area in order that they can benefit from the changes that the regeneration will bring to the area. The options set out in this document therefore seek to ensure that:

- All resident homeowners have the offer of a suitable housing option either on the estate or in the local area
- Homeowners are not financially disadvantaged, or advantaged, by the regeneration

We appreciate that any policy we put in place cannot cover every situation, and so all the council's policies include sufficient flexibility to address the personal circumstances of affected homeowners. The principles within this guide provide all homeowners with details of the general approach in buying back all properties, but any case falling outside of this standard approach will be considered on its own merits on a case by case basis.

Finally the regeneration of the estate will be a long process and so please be aware that the council remains responsible for all communal repairs to the estate and your block during the regeneration process and up to the point of demolition. This does mean that you will continue to receive annual service charge and major works bills during the regeneration programme up until you sell your property back to the council.

## When will I have to sell my property?

The redevelopment of the estate is organised on a phased basis, which means that properties are redeveloped in accordance with a programme, which was agreed through the Aylesbury Area Action Plan. The table below sets out the current rehousing phasing of the Aylesbury regeneration. The council is currently actively seeking to purchase properties from all homeowners in phase 1b/1c, phase 2 and phase 3. The programme is subject to change and the council will endeavour to keep you as up to date as possible about any changes to the rehousing programme as and when any changes occur.

If your property is in phase 4 of the regeneration and you are about to sell or are thinking about selling your property for whatever reason, the council will consider purchasing your property at an earlier stage. However please be aware that you will not necessarily be eligible for the rehousing options set out in this guide if you do choose to sell your property back to the council before your phase is activated for rehousing.

Rehousing phase			
Phase 1b/1c	Phase 2	Phase 3	Phase 4
1-28 Arklow 42-256 Bradenham 1-149 Chartridge 1-172 Chiltern	140 Albany Road 1-14 Brockley House 1-30 Foxcote 57-76 Northchurch 1-25 Padbury 1-81 Ravenstone 1-471 Wendover 1-30 Winslow 60-192 Wolverton	184 A-F East Street 218 A-F East Street 1-56 Northchurch 1-215 Taplow	198-202a Albany Road 1-8 Chadwell House 1-31 Calverton 1-31 Danesfield 1-8 Darvell House 1-35 Emberton 1-66 Gaitskell House 1-162 Gayhurst 1-20 Hambledon 51-67 Inville Road 1-141 Latimer 1-12 Lees House 1-105 Michael Faraday Hse 1-299 Missenden 1-35 Soane House

## Am I a resident or non-resident homeowner?

# 3

You may have heard the council describe homeowners as resident or non-resident, but what does this mean in the context of the regeneration?

### For the purposes of rehousing through the council:

#### A resident homeowner

**a)** is someone who has been in occupation of their Aylesbury property as their sole and principal home for at least one year immediately preceding the date of their application for rehousing; and **b)** who purchased their property before 27 September 2005.

To be eligible for the rehousing processes set out in this guide you will be required to demonstrate that your property on the Aylesbury has been your sole and principal home for at least one year. The council will conduct thorough residency checks in association with a homeowner's claim for rehousing.

#### A non resident homeowner

is one that is not in occupation of their Aylesbury property and lives in alternative accommodation as their principal residence.

The entitlement for non-resident homeowners differs slightly from resident homeowners and is set out in section 6 of this guide.

If you are a non-resident homeowner it is important to note that the council is under no formal obligation to rehouse your tenant(s) or any other occupant(s) in the property and the purchase will only be concluded once you have provided vacant possession of the property.

## Overview of the buy-back process

Once your block or property becomes part of an active rehousing phase, the council will write to you to inform you that the council intends to buyback your property and will provide information on the rehousing process for resident homeowners.



We will invite you to an

open day to explain the process in more detail and this will provide you with the opportunity to meet with officers of the council, Creation Trust and Notting Hill Genesis who can provide you with on-going assistance and support to you and your family.

The council employs an external firm to undertake valuations on the estate. At the same time that you are contacted by the council you will also be separately contacted by an external surveyor to arrange a visit to your home, where they will inspect your property and carry out a valuation.

Once you come to an agreement to sell your property to the council you will need to appoint solicitors to act on your behalf through the sale of your property. At the point that the sale completes you and anyone living in the property will need to leave your home. You will also need to ensure that all your, or your tenants' belongings have been removed from the property. Any outstanding payments due to the council, for example service charges or Council Tax, will be deducted from the proceeds prior to the money being transferred to your solicitor.



## Valuing your home

Following an inspection of your property the council's external surveyors will send you a written offer for your property. This will be the market value of the property.

The market valuation offered to homeowners is based "upon what the land might be expected to realise if sold in the open market by a willing seller. In assessing the open market value of your land you are assumed to be a willing seller. However, it is assumed that you would only be willing to sell at the best price which you could reasonably achieve in the open market<sup>1</sup>."

In coming to the market value of the property the surveyor will have considered:

- The internal condition
- Any internal improvements to the property such as new bathrooms and kitchens
- The location of the property and aspect of the property within the area
- Anything else that in the reasonable opinion of the council's external surveyor has a material impact on the value of the property.

Valuations are not based on website estimates or estate agent asking prices, but instead on actual completed sales on the footprint of the Aylesbury estate. There have also been two Aylesbury sales where the prices were determined by the Upper Tribunal (Lands Chamber), which is the highest court in the country for determining valuation issues. These Tribunal decisions acknowledged that the redevelopment of the estate has an impact on values (referred to as 'blight') and made adjustments to compensate homeowners for any effect this might have. These adjustments are therefore reflected in the values offered by the council.

The written offer will also include details of the compensation to which you are entitled. Please see Section 6 for further information regarding compensation.

1 Compulsory Purchase and Compensation: Compensation to Residential Owners and Occupiers, Ministry of Housing, Communities & Local Government

## Am I entitled to my own surveyor?

All homeowners are encouraged to obtain their own valuation completed by a chartered surveyor who will act for you. The surveyor will be able to advise you and negotiate with the council's external surveyor on your behalf. The surveyor will need to be Royal Institute of Chartered Surveyors (RICS) qualified and with experience of compulsory purchase in order that you receive the best advice possible.

If the terms of the buy back are agreed and we purchase your property, the council will reimburse the surveyor's reasonable and agreed costs. It is important that before you engage your surveyor to undertake any work, you ensure that they have contacted the council to agree their fees, so you do not find yourself liable for any costs later down the line.

We can provide you with details of independent chartered surveyors if needed or more information about appointing a surveyor can be found on the RICS website - **[www.rics.org](http://www.rics.org)** or by contacting them by email at **[contactrics@rics.org](mailto:contactrics@rics.org)**

## What happens if I cannot come to an agreement with the council?

Once you have employed a RICS qualified surveyor they will act in your interests to enter into a dialogue on the value of the property with the council's external surveyor. If after extensive dialogue between surveyors they are not able to reach agreement over the value of your property then there are other methods to come to an agreement over value.

If the valuations of the two surveyors differ significantly and there is no prospect of reaching an agreement, then with the agreement of all owners of the property, and the council, the parties can seek to resolve the dispute through alternative dispute resolution (ADR). In the first instance this will

most likely be the offer of mediation. Mediation can be carried out by a qualified barrister or surveyor with appropriate experience in compulsory purchase valuation cases. All parties will need to agree on a mediator and the council would advise that you are professionally represented by your surveyor or solicitor in any mediation. The



council will cover the costs of the mediator and also the reasonable costs for you to be professionally represented through this process.

Once mediation has taken place it is hoped that agreement between the parties would be reached. If this is still not possible, then the council's surveyor and your surveyor will need to come to an agreement as to how to move forward, which could include other methods of ADR including binding arbitration by reference to the Upper Tribunal (Lands Chamber).

The Lands Chamber is part of the Justice system and is a court that decides disputes concerning land and property. Usually the Tribunal will determine who is responsible for paying the costs in taking a case to the Upper Tribunal. When the matter is voluntarily referred to the Upper Tribunal the council can pay the homeowner 90% of the valuation of your property, with the final valuation to be determined by the Tribunal, whereupon the balance would be paid. Your surveyor will be able to provide you with more advice about taking your case to the Upper Tribunal.

The value agreed by the Tribunal is the value you will receive for your home, with no further negotiation or right of appeal, and this could be higher or lower than the council's offer.

## Compensation

As the council wants to buy your property, you will be reimbursed for any relevant costs that you incur as a direct consequence of you moving home. The amount and type of compensation you are entitled to depends on your circumstances and whether you are a resident or non-resident homeowner.

You have up to 12 months following the buy back of your property to make a claim for compensation, in line with government guidance:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/571453/booklet4.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/571453/booklet4.pdf)

### Compensation for resident homeowners

#### Home loss

Homeowners who have lived in their property for at least 12 months prior to the council's acquisition of the property are entitled to a home loss payment which is in addition to the payment of the market value for your home. As a resident homeowner you will be entitled to receive 10% of the market value of your home up to a maximum payment which is set by the government annually.

You must have owned the property and be able to demonstrate that you have lived in the property as your sole and principal residence for at least a year to qualify for this level of payment.

#### Disturbance payments

A disturbance payment is intended to compensate you for certain costs that you may incur as a result of having to move home. For the most part it is only available to resident homeowners.

**Some of the items that can be claimed are listed below, although this is not an exhaustive list:**

- Legal (conveyancing) fees arising from the buy back of your Aylesbury home and the purchase of a new property
- Stamp Duty Land Tax for the purchase of a new property (to the value of your Aylesbury home)
- Surveyor's fees arising from the buy back of your Aylesbury home and the replacement property
- Survey fee and costs in connection with the redemption/transfer of an existing mortgage or raising a new one
- Removal costs
- Altering soft furnishings and moveable fixtures and fittings to fit your new home
- Disconnection and reconnection of services and appliances
- Redirecting mail
- Other expenses that may be considered appropriate and agreed with the council

All homeowners must take steps to mitigate their costs. If costs are increased as a result of your actions, or lack of them, you may not receive disturbance for these increased losses. It is important that you keep all receipts and invoices as evidence of the costs incurred in connection with your move as you will be required to submit them to the council.

## Compensation for non-resident homeowners

### Basic Loss payment

Non-resident homeowners are entitled to a Basic Loss payment which is in addition to the payment of the market value for your property. This will be 7.5% of the market value of your property up to a maximum payment which is set by the government annually.

You must have owned the property for at least a year to qualify.

### Expenses incurred in purchasing another property

In addition to the Basic Loss payment there is a limited right for non-resident homeowners to the reasonable incidental costs of buying an alternative property within the UK within 12 months.

#### Examples of compensation include:

- Stamp Duty Land Tax arising from the purchase of a replacement property (to the value of your existing property);
- Legal (conveyancing) fees arising from the buy back of your Aylesbury property and purchase of a replacement property; and
- Surveyor's fees arising from the buy back of the Aylesbury property and the purchase of a replacement property.

## Finding a new home

For resident homeowners, we appreciate that finding a new home can be a challenging prospect. The council wants to work with all resident homeowners in the active phases to help you find a new home that meets your needs, is affordable and provides you with opportunities which will enable you to stay in the local area.

The council also has free drop-in sessions for resident homeowners which are held most weekdays between 10am and 4pm at the Aylesbury Housing Office on the estate. If you are unable to attend the drop in sessions, council officers will also look to make themselves available out of normal working hours if this is more convenient for you. Contact details are available at the end of this guide.

**The rehousing option that is most appropriate to you will depend on your individual circumstances, but the options available are:**

- a) Purchasing a property on the open market
- b) Purchasing a shared ownership or shared equity property with Notting Hill Genesis
- c) Purchasing a shared ownership property with another housing association
- d) Rehousing through the council; to either;
  - i. Purchase a council property on shared ownership, shared equity or equity loan terms
  - ii. Becoming a council or registered social landlord tenant.
- e) Not purchasing a new home but renting on the private market

### **a) Purchasing a property on the open market**

Many homeowners will wish to make their own arrangements when they have agreed a valuation for their existing property and simply purchase a home on the open market without any further involvement from the council. There are many national websites, such as Rightmove, [www.rightmove.co.uk](http://www.rightmove.co.uk) or Zoopla [www.zoopla.co.uk](http://www.zoopla.co.uk) that provide information about properties available nationwide.

This option is open to both resident and non-resident homeowners.

### **b) Purchasing a shared ownership or shared equity property with Notting Hill Genesis**

The council's development partner, Notting Hill Genesis, will be providing a range of homeownership products that aim to meet the needs and individual financial circumstances of resident homeowners.

For residents in the later phases of the regeneration, as new homes are built on the footprint of the estate, Notting Hill Genesis will be offering resident homeowners the opportunity to purchase a new home on affordable terms on the footprint of the existing estate.

In addition, throughout the regeneration, Notting Hill Genesis will also be offering new homes on other developments as they come forward. Resident homeowners will be offered the opportunity to purchase homes on these developments, many of which will be located within Southwark, on affordable terms. For full details and comparisons on the various products Notting Hill Genesis can offer, as well as the various locations to choose from please visit the partnership website: <http://www.aylesburynow.london/new-homes>

If you have any questions or would like to book an appointment to discuss the housing options available to you through Notting Hill Genesis, contact details are available at the end of this guide.



### c) Purchasing a shared ownership property with another housing association

If you are interested in shared ownership with any other housing association you will need to either go direct to the housing association where you have seen the property or apply through the Mayors new website: Homes For Londoners: <https://www.london.gov.uk/what-we-do/housing-and-land/homes-londoners/search/>

You will find all London Housing Association's are advertising their affordable products on this website. Other websites that may have additional options including homes outside of London are [www.sharetobuy.co.uk](http://www.sharetobuy.co.uk) or [www.propertybooking.co.uk](http://www.propertybooking.co.uk)



Completed development by L&Q at Aylesbury Site 7 (Harvard Gardens)

### d) Rehousing assistance from the council

If you want to seek council rehousing assistance, you will need to make an application to the council through the council's Specialist Home Purchase team, whose details can be found on page 30 of this guide. You will only be eligible for rehousing assistance through the council if you fulfil the following criteria:

- Currently live in your property as your sole or principal home and have done so for a full 12 months before applying for rehousing assistance; and
- Either submitted a successful claim for the Right to Buy the property before 27 September 2005; or
- Bought the property from another homeowner before 27 September 2005.

### Our assessment will take into consideration:

- 1 Housing assessment:** This will tell us what your housing requirements are, such as the number of bedrooms you need for your family.
- 2 Financial assessment:** This will tell us whether or not you are able to afford a council home that meets your needs.

Our Specialist Home Purchase team will meet you to explain the assessment process in detail and leave a copy of the assessment form with you. When you return the completed form to us, you will be required to include a comprehensive set of original documents that confirm the information within your rehousing application.

If you have any difficulties in completing the forms or providing the necessary documentation, please contact the Specialist Home Purchase team. They can assist you in person, over the telephone or by email, or they can arrange a home visit if you are unable to go to their offices. Creation Trust can also provide further advice and guidance (see p35 for further details).

Once your rehousing assessment has been completed and we have established whether or not you qualify for rehousing assistance, an officer will contact you to arrange an appointment to give you a written outcome of the assessment. At the appointment you will be advised which rehousing category is suitable for you based on the information that you have submitted at the time of your application. This appointment will enable you to have the opportunity to ask us questions about the outcome of the assessment and the next stages of the process.

Should you decide to appeal the outcome of the assessment, you will have a period of ten days to do so. Your appeal must be in writing and state the grounds for appealing the decision and include any relevant documentation in support of the appeal.

### Outcome of the assessment process

The council may be able to offer you council rehousing assistance, depending on your housing needs and financial circumstances. There are four categories of assistance that you may be eligible for:

- **Shared ownership with the council:** You can purchase a minimum 25% share of a vacant council property, although you can buy a larger portion of the property of either 50% or 75% initially. You will need to pay rent on the portion of the property that you do not purchase and an apportioned service charge on the share that you do purchase. Homeowners who choose not to re-invest the full value of their Aylesbury home are able to purchase the minimum 25% share as long as they are able to fund the on-going shared ownership rent.
- **Shared equity with the council:** You can purchase a minimum 25% share of a vacant council property, and not pay a rent on the proportion that you do not own. Unlike shared ownership, in order to purchase a property from the council under shared equity terms you

will be required to invest the full market value of your Aylesbury property (but not your Home Loss payment) into the purchase of your future home.

- **Equity loan with the council:** This is similar to shared equity, with the main difference being that you will own 100% of the replacement property, with the council taking an interest free charge against the property equivalent to the 'unaffordable' share. This will be similar to a secured loan, however the sum will not have to be repaid until the property is sold. Under equity loan terms you will be required to invest the full market value of your Aylesbury property (but not your Home Loss payment) into the purchase of your future home.
- **Tenancy with the council or a housing association:** If the outcome of your rehousing assessment is that you are unable to afford the purchase of a council property on shared ownership, shared equity or equity loan terms, our recommendation will be the offer of a tenancy. You will be paid the full market value of your existing property plus your full Home Loss payment.

For further information on the main differences between council shared ownership, shared equity and equity loan see the table on page 22.

### **Southwark's Homesearch system**

If our rehousing assessment process concludes that you are eligible for assistance for either a purchase of a council property on shared ownership/shared equity/equity loan terms or a council or housing association tenancy, then you will need to be registered on our Homesearch system to find your future home.

When you have been approved for rehousing assistance from the council, you will be given the highest priority status on the system (band one).

Homesearch is a choice based lettings system where you can view properties that become available every week. It is up to you to decide where you would like to live within Southwark. The longer you have been registered on Homesearch the more chance you have of securing a property when bidding against other Homesearch users. This is why it's important that homeowners in an active rehousing phase are proactive and make a rehousing assistance application as soon as possible.



Properties are advertised on Homesearch every Thursday and the bidding deadline is Sunday at midnight. You will be provided with a factsheet on how to bid when you are approved to bid on the system and our dedicated acquisitions officers are available every week to assist you with the bidding process.

If you are eligible to purchase under shared ownership, shared equity or equity loan terms you can only place a bid for properties that are owned by Southwark Council. However if the outcome of your assessment is a tenancy then you will be able to bid for both Southwark and housing association properties through Homesearch.

### **e) Private renting**

If you do not wish to purchase a home and you do not want to apply to the council for rehousing assistance, then you have the option to rent a property in the private sector. The council has a list of accredited landlords in the private sector that can be made available for you if you wish to rent in the private sector.

## Key differences between the different rehousing routes

	Council shared ownership	Council shared equity	Council equity loan
Minimum initial purchase level	25%	25%	100% *
Maximum initial purchase level	75%	90%	100% *
Available ownership levels	25%, 50% and 75%	25%, 35%, 45%, 50%, 60%, 70%, 80% and 90%	100% *
Is there a choice of ownership level?	Yes, as long as the purchase is affordable	No – Market value of the existing property must be invested with the purchaser purchasing the nearest affordable 10% share as set out above	No – The council will support homeowners to purchase 100% through a charge held against the property provided a minimum of 25% of the purchase price is paid by the council by the homeowner and at least the Market Value of the existing property is invested. The homeowner has a choice to invest additional capital should they wish
Staircasing	Yes – (subject to revaluation and recalculation of relevant proportions)	Yes – (subject to revaluation and recalculation of relevant proportions)	The amount of the charge may be reduced over time (subject to revaluation and recalculation of relevant proportions)
Do I have to invest any of my savings?	No	No	No

*Table continues on next page*

## Key differences between the different rehousing routes

	Council shared ownership	Council shared equity	Council equity loan
Is a rent payable on the unowned share?	Yes – Rent is calculated at 3% of the unowned share on flats & 2.75% on houses	No	No – No interest payable on charge held against the property
Ground rent	£50 per annum	£200 per annum for the first 25 years, rising by £100 every 25 years	£200 per annum for the first 25 years, rising by £100 every 25 years
Major works Service charge liability	Apportioned to owned share	Apportioned to owned share	Apportioned to owned share
Annual revenue service charge liability	Full payment for buildings insurance, ground rent and communal heating/ hot water (if provided), payment for all other services apportioned to owned share	Full payment for all services	Full payment for all services
Pre-emption (Right of first refusal)	No	No	No
Sale of share	No – Open market sale at 100% only	No – Open market sale at 100% only	Not applicable

*Table continues on next page*

## Key differences between the different rehousing routes

	Council shared ownership	Council shared equity	Council equity loan
Am I able to add owners after initial purchase?	Yes	Not while ownership is less than 100%	Yes
Can the property be passed on through inheritance?	Share can be inherited (no restrictions)	One inheritance allowed to pass the property to a spouse, civil partner or other family member who has been living in the property with the homeowner	One inheritance allowed to pass the property to a spouse, civil partner or other family member who has been living in the property with the homeowner
Subletting	Prohibited while ownership is less than 100%	Prohibited while ownership is less than 100%	Prohibited while charge still subsists
Term	125 years (or remainder of term less 5 days where the council is not the freeholder)	125 years (or remainder of term less 5 days where the council is not the freeholder)	125 years (or remainder of term less 5 days where the council is not the freeholder). Where a freehold property is purchased this will not apply

\* The homeowner will not have to find the capital to purchase 100% of the market value of the replacement property as a mechanism is available whereby the council will take a charge over the proportion of the property's value (maximum 75%) which is unaffordable to the homeowner.



## Case studies

### Supporting Aylesbury homeowners to find a new home

#### **Example 1: Shared ownership with the council**

Mr Drummond owned his property on the Aylesbury Estate outright and his income was made up of both state and private pensions.

The council assisted Mr Drummond to purchase a council home within 1/4 mile of his Aylesbury property on a shared ownership basis.

Mr Drummond sold his existing Aylesbury home to the council and re-invested some of this money into another Southwark Council property which had been advertised through the choice based letting system 'Homesearch'.

The market value of this property was £400,000 and Mr Drummond had the option of buying a minimum 25% share (£100,000), or 50% (£200,000), or 75% (£300,000)

Mr Drummond decided to purchase the minimum share of 25% with Southwark Council retaining 75%.

Mr Drummond pays rent on the share that he does not own plus apportioned service charge and major works costs meaning that the total outgoing for rent and service charges are just under £550 per month.

If he had chosen to purchase a larger initial share these monthly costs would have been reduced by approximately £250 per month

If Mr Drummond wishes to sell the shared ownership property the sale proceeds will be split 25% to him and 75% to Southwark Council.

**Example 2: Tenancy with the council or housing association**

Mrs Ahmed owned her property on the Aylesbury which was valued at £200,000.

Mrs Ahmed had a mortgage balance of £110,000 outstanding over a 15 year period

Mrs Ahmed was on limited income and was now reliant on state benefits due to poor medical health with no prospect of going back to work.

The state benefits were covering the interest on the mortgage and no capital was being paid.

Mrs Ahmed was also getting behind with payments on her annual service charge account and owed the council £10,000.

An affordable one bedroom property within Southwark was approximately £300,000.

Mrs Ahmed's total income every month was £1,500 and her total expenditure was £1,400.

As Mrs Ahmed would not be able to maintain future service charges and major works charges because of her limited income, the council's decision on the rehousing application was to offer a council or housing association tenancy.

From the buy back of Mrs Ahmed's Aylesbury property, the mortgage company was paid the final balance on the account. The service charge debt of £10,000 was paid in full. The final sum of £80,000 was transferred to Mrs Ahmed's bank account. Mrs Ahmed now pays a weekly rent for the property that she lives in.

### **Example 3: Shared Equity with the council**

Ms Narty lived in a one bed property on the Aylesbury estate which was valued at £215,000

Ms Narty had two years to retirement age and her outstanding mortgage was £15,000.

As Ms Narty was near to retirement age, she was not in a position to gain another mortgage.

Ms Narty wanted to be in a similar financial situation as she was with her Aylesbury home in regards to paying her monthly service charges.

The council assisted Ms Narty and she made a successful bid for a property through the council's choice based letting system "Homesearch". Ms Narty had selected a property within Southwark that was closer to where her daughter lived in SE1.

The market valuation of the SE1 property was £400,000. Ms Narty paid back the money owed to the mortgage company for her Aylesbury home and then transferred the sum of £200,000 to her new home. Ms Narty decided that she would purchase the property on Shared equity terms (Pay no rent on the remaining share).

Ms Narty continued to pay a service charge on the SE1 property and all future major works will be charged at 50% as she had purchased a 50% share of the property.

#### **Example 4: Council Equity Loan**

Mr Apiah lived in a 3 bedroom property on the Aylesbury estate with his family. The property was valued at £260,000.

Mr Apiah was employed full time and had 17 years left until retirement. Mr Apiah had a mortgage of £37,000 on the Aylesbury property and he had been advised that he was able to gain another mortgage for 17 years for £40,000.

Mr Apiah wanted to own 100% of a future home and he wanted to ensure that his children who reside with him could inherit the property in the future.

The council assisted Mr Apiah and he made a successful bid through the council's choice based letting system "Homesearch". Mr Apiah had selected a property within Southwark which was closer to one of the children's school in SE5.

The market valuation of the SE5 property was £330,000.

Mr Apiah transferred the sum of £223,000, plus a new mortgage of £40,000 to the SE5 property. The council supported Mr Apiah to purchase the property at 100% by holding a charge listed on the property of 20.31% of the value of the property.

Within the terms of the lease, one inheritance is allowed to pass onto Mr Apiah's children if they are living in the property.

## Compulsory Purchase Orders

We aim to negotiate the buy back of your property by agreement and where you are a resident homeowner we will work with you to find a rehousing solution that works for you. However to ensure the redevelopment can proceed, the council may make a Compulsory Purchase Order (CPO). This, subject to confirmation by the Minister for Housing, Communities and Local Government, will allow the council to buy back properties without the agreement of the owner.

The council is likely to start this process about two years before the planned redevelopment of a particular phase and we will inform all homeowners by letter that this is proposed.

More detailed information on the formal CPO process can be found in a guide produced by the Department of Communities and Local Government [www.communities.gov.uk/documents/planningandbuilding/pdf/147639.pdf](http://www.communities.gov.uk/documents/planningandbuilding/pdf/147639.pdf)

The council will take all steps set out in this guide to reach agreement, but should that not be possible and the council ultimately takes possession of your home via the CPO process before an agreement is reached on value, the council will pay 90% of the council's valuation and in addition we will pay 90% of the Home Loss or Basic Loss payment. When we take possession of your property, the matter can then be referred to the Upper Tribunal (Lands Chamber) for determination. The balance of what you may be owed (if any) will be paid after the decision of the Upper Tribunal (Lands Chamber).

## Useful contacts

### General regeneration enquires

For any general enquiries about the regeneration please contact the regeneration team at [aylesburyteam@southwark.gov.uk](mailto:aylesburyteam@southwark.gov.uk) or 020 7525 4817

### Estate enquires

For enquiries regarding your block please contact your resident services officer from the Aylesbury Area Housing Office on Thurlow Street.

### Council rehousing assistance

For any information about the council's rehousing assistance, please contact the council's Specialist Home Purchase Team on 020 7525 4342 or 020 7525 2710, or via email on [specialist.homepurchase@southwark.gov.uk](mailto:specialist.homepurchase@southwark.gov.uk)

An officer from the Specialist Home Purchase Team is available most weekdays at the Aylesbury Housing Office, Taplow Housing block, Thurlow Street SE17 2UB from 10am to 4pm to assist you with your rehousing assistance application.

### Information regarding rehousing options with Notting Hill Genesis

For any information regarding the products and properties that Notting Hill Genesis may be able to offer, please contact Notting Hill Genesis on 020 3815 1394 or [aylesbury@nhhg.org.uk](mailto:aylesbury@nhhg.org.uk)

### Independent advice

For independent advice and guidance about the process of selling your home to the council or anything regarding the regeneration of the estate you can contact Creation Trust on: [info@creationtrust.org](mailto:info@creationtrust.org) or there are alternative means of contact on their website [www.creationtrust.org/contact-us](http://www.creationtrust.org/contact-us)

### Advice for non-resident owners and private tenants

If your property has been let to occupant(s), you will need to recover possession in order to complete the sale process. Southwark Council has a dedicated Tenancy Relations Service who are able to provide specialist advice and support to private tenants as well as landlords. The team ensure that the rights and responsibilities of both parties are observed and protected. The team support landlords to recover possession correctly and to support occupants in securing alternative accommodation.

Please feel free to contact the team on either **020 7525 4113** or by emailing **[tenancy.relations@southwark.gov.uk](mailto:tenancy.relations@southwark.gov.uk)** for an initial conversation.

## Glossary

### **Basic Loss payment**

An additional sum of money that non-resident homeowners are entitled to if they are being compelled to sell their home as a result of a regeneration scheme. This payment is in addition to the payment of the market value of your home and is prescribed by legislation at 7.5% of the valuation.

### **Compulsory Purchase Order (CPO)**

A CPO allows certain public bodies, i.e. Southwark Council, which need to acquire land or property for purposes such as regeneration, to do so without the consent of the owner. The council is only able to use its powers to acquire property without the owner's consent with the approval of the Secretary of State for Housing, Communities and Local Government.

### **Disturbance payment**

Disturbance payments are made to compensate for reasonable expenses incurred in moving home during a regeneration process, for example removal expenses, cost of altering soft furnishings, reconnecting movable fixtures and fittings, telephone reconnection charges and additional costs incurred such as Stamp Duty.

### **Equity loan**

This is a part buy scheme in which you purchase the property in full with an interest free loan from the council, which is repayable when you sell the property. This is suitable for homeowners who are unable to purchase a property at its full value.

### **Housing Association**

Also referred to as Registered Provider ("RP") or **Registered Social Landlord** ("RSL") Landlords who provide social housing and are registered with the Homes and Communities Agency as providers.





Completed development by L&Q at Aylesbury Site 1a

### **Upper Tribunal (Lands Chamber)**

The tribunal has the statutory power to deal with various types of dispute involving land or property such as valuation disputes.

### **Non-resident homeowner**

A homeowner for whom the Aylesbury property is not their primary residence.

**Resident homeowner**

A homeowner is one that has been in occupation of the property as their sole and principal home for a period of at least one year.

**Market value**

The amount for which a property would sell for between a willing buyer and a willing seller on the open market if the regeneration of the estate was not happening.

**Shared Equity**

This is a part buy scheme in which you purchase a share in the property however no rent is paid on the unowned share. This is suitable for homeowners who are unable to purchase a property at its full value.

**Shared Ownership**

This is a part-buy, part-rent scheme under which you own a share of the property and pay a rent on the unowned share.

**Staircasing**

The term used for when you buy greater shares in your home. The process is set out in your shared ownership or shared equity lease. It is possible to staircase to 100% ownership.

**Succession rights**

Terms within the lease governing how homeowners are allowed to transfer their share in a property upon death.

**Vacant possession**

The council can only buy back your property once it has been cleared of any furniture, belongings and anyone in residence of your property has left.



## DEDICATED TO RESIDENTS ON THE AYLESBURY ESTATE

Creation is a charity based on the Aylesbury estate. We work to make sure that residents receive the benefits of the regeneration, by improving health, well-being and employment.

We can help you find work and training. We can also offer advice and housing support. Call us for free, confidential advice.

## SUPPORT, ADVICE, GUIDANCE

[WWW.CREATIONTRUST.ORG](http://WWW.CREATIONTRUST.ORG)

0207 7038923

[INFO@CREATIONTRUST.ORG](mailto:INFO@CREATIONTRUST.ORG) @CREATIONSE17

**If you require information in your language or in other formats such as audio or large print, please call 020 7525 5000.**

#### **Arabic**

يحتوي هذا المنشور على معلومات عن الخدمات التي تقدمها بلدية سوثرك (Southwark). إذا كنت ترغب في الحصول على معلومات بلغتك الأصلية الرجاء الاتصال بالرقم المبين هنا: 020 7525 5000

#### **Bengali**

এই বিফল্ডেটে সাদার্ক কাউন্সিলের পরিষেবাসমূহের তথ্য দেওয়া আছে। আপনার যদি বিয়ের ভাষার তথ্যের প্রয়োজন হয়, তাহলে যে টেলিফোন নম্বর দেওয়া আছে তাতে টেলিফোন করুন। টেলিফোন নম্বর: 020 7525 5000

#### **French**

Ce dépliant contient des renseignements sur les services de Southwark Council (municipalité de Southwark). Si vous avez besoin d'obtenir ces renseignements dans votre langue, veuillez appeler le : 020 7525 5000

#### **Somali**

Warqaddaan yar waxaa ku qoran macluumaad ku saabsan adeegyada Guddiga Dowladda Hoose ee Southwark. Haddii aad u baahan tahay macluumaad ku qoran luqaddaada, fadlan wac lambarka 020 7525 5000

#### **Spanish**

Este folleto contiene información sobre los servicios prestados por el ayuntamiento de Southwark. Si necesitara alguna información en su propio idioma, por favor llame al 020 7525 5000

#### **Turkish**

Bu broşür Southwark Belediyesi'nin servisleri ile ilgili bilgi içerir. Eğer kendi dilinizde bilgi edinmek isterseniz, lütfen 020 7525 5000 numaralı telefonu arayınız

#### **Vietnamese**

Tờ rơi này cung cấp thông tin về các dịch vụ của hội đồng quận Southwark. Nếu quý vị muốn có bản dịch sang ngôn ngữ mình nói, xin vui lòng gọi số: 020 7525 5000