

## HIGH ROAD WEST REGENERATION PROPOSALS

LEASEHOLDER GUIDE

THIS DOCUMENT PROVIDES INFORMATION FOR LEASEHOLDERS  
WHO OWN A PROPERTY ON THE LOVE LANE HOUSING ESTATE

## Dear Leaseholder

As you will be aware, the council is developing a masterplan and regeneration proposals for the High Road West area. This area includes the following properties on the Love Lane estate: Charles House, Ermine House, Moselle House, 2-32 Whitehall Street, 3-89 Whitehall Street, 4-18 Brereton Road, 2-28 Orchard Place, 9-39 White Hart Lane and Kathleen Ferrier Court.

The council believes that including the Love Lane Estate in the masterplan proposals, and agreeing the masterplan, will bring far reaching benefits, including new homes, job opportunities, new community and health facilities not only for Love Lane Estate residents but for the whole borough, but we want to consult with residents and the local community before making a final decision.

If the masterplan is agreed and the regeneration proposals go ahead then we will need to purchase all leasehold properties on the estate. This guide is for leaseholders on the Love Lane Estate and sets out our commitments, provides an overview of how we will purchase your property, what your options are for purchasing a new home and how we will support you through the whole process.

At present this is a draft guide for leaseholders. This guide is just a starting point. It will be developed further as negotiations with the Love Lane Residents Association on the Residents' Charter progress and more detail about the potential regeneration scheme is developed.

This guide is for all leaseholders, however, there are special rules if you are a resident leaseholder and these can be found at page 8.

This guide is based on three key themes which were raised in the Love Lane Residents' Charter:

**Choice:** *We want to ensure the regeneration provides better housing choice for the community. We will ensure that resident leaseholders have a range of re-housing options to choose from, including, purchasing an affordable home within the High Road West area to ensure the community can be kept together.*

**Fairness:** *We will be open, transparent and fair when developing and delivering the regeneration proposals. We aim to ensure that no leaseholder is worse off as a result of the regeneration proposals and that a fair valuation process is established and fair compensation is offered.*

**Better housing:** *We want to ensure that resident leaseholders have the opportunity to purchase better quality housing which meets their and their families needs.*

If you have any questions on the information provided in this guide please contact Sarah Lovell, Area Regeneration Manager, by calling 020 8489 2025 or emailing [sarah.lovell@haringey.gov.uk](mailto:sarah.lovell@haringey.gov.uk). Sarah will be able to talk you through the information and arrange for a home visit.

# CONTENTS

- Section 1 – Our commitments to all leaseholders
- Section 2 – Purchasing your property and the valuation process
- Section 3 – Resident leaseholders – re-housing options and compensation
- Section 4 – Non-resident leaseholders – compensation
- Section 5 – The new homes in the regeneration area
- Section 6 – Phasing principles

## IMPORTANT INFORMATION

There are two different categories of leaseholders living on the Love Lane estate. The re-housing options and compensation package available to you will depend on what type of leaseholder you are. The two categories of leaseholder are detailed below:

You are a **resident leaseholder** if you have lived in your property for over one year from the date the masterplan is agreed. For example, if the masterplan were to be agreed on the 1st December 2014 then you would be a resident leaseholder if you were living in your property from that date until at least the 1st December 2015.

You are a **non-resident leaseholder** if you do not live in your property and have not lived in the property for a year prior to the masterplan being agreed. For example, if the masterplan were to be agreed on the 1st December 2014 then you would be a non-resident leaseholder if you hadn't been living in your property from at least the 1st December 2013.

# OUR COMMITMENTS TO ALL LEASEHOLDERS

If the High Road West masterplan is agreed and Love Lane Estate is included within the regeneration plans then all properties on the Estate will need to be demolished and new high quality replacement homes will be built. This will mean that the council will need to purchase all leasehold properties on the Estate.

If this happens the council is committed to the following:

## **Regular, honest communication**

We will provide you with regular, honest communication about the regeneration proposals throughout the regeneration period. We will also provide you with dedicated points of contact so you know who you can go to with any questions or queries you may have.

## **Working together**

We are committed to working with residents to ensure that you influence and benefit from the regeneration proposals. This will include working with individual residents and the Love Lane Residents Association. We will continue to work with the Love Lane Residents' Association to develop the Love Lane Residents' Charter and will be looking to maximise ways residents can influence the regeneration proposals.

## **Dedicated officer**

We will ensure that each household has a dedicated officer to help with every step of the purchasing process. The officer will meet with you on a one-to-one basis to get to know you and your families' needs and requirements, inform you of the advice you may wish to seek and how to access this advice and answer any questions or queries you may have.

## **Independent advice**

We will continue to fund the Independent Tenant and leaseholder Advisor (ITLA) for the Love Lane Estate. The ITLA will continue to work with you to provide impartial advice and support about the regeneration and re-housing process.

We will also ensure that you have access to the appropriate independent, professional and technical advice that you may require throughout the process- this may include valuation and legal advice.

## **Additional support for you and your family**

We recognise the stress that the regeneration process can put on you and your family. We are therefore committed to providing additional support – beyond the dedicated re-housing officer and Independent Advisor, to ensure that you and your family are fully supported throughout this process. This will include organising events and activities, such as organising for you to talk to residents and children who have been affected by similar regeneration schemes, organising skills and training opportunities and working with other services such as schools and the health service to ensure you and your whole family are supported.

## **You will not be financially worse off**

We are committed to the principle that leaseholders should not be in a financially worse position as a result of the regeneration scheme. As the council will be purchasing your property it is important that you do not have to incur any costs because of the process.

## **Developing a range of affordable housing products**

We are committed to keeping the community together and will therefore develop options to allow resident leaseholders the opportunity to purchase an affordable property within the area and will work with residents to explore the options available.

## **Being equitable and transparent**

We are committed to being open, equitable and transparent in the process of purchasing your property.

# PURCHASING YOUR PROPERTY AND THE VALUATION PROCESS

## Meeting with your dedicated officer

If the masterplan is agreed, the council will allocate you a dedicated officer. The officer will come and meet with you on a one-to-one basis to explain your options, understand your requirements and answer any questions you may have about the process. All information discussed with your officer would be treated as confidential.

## When will you need to purchase my property?

Your dedicated officer will keep you fully informed and updated about when we will need to purchase your property.

As the council does not yet have a development partner we will not have to purchase your property for quite some time. However, we appreciate that some leaseholders may not want to stay in the area and want to sell their property. The council will therefore consider whether to start purchasing properties on the Love Lane Estate once the masterplan is agreed.

The council will have an allocated pot of funds to purchase properties and there will be a clear policy which will determine which properties the council should prioritise for purchasing. This will prioritise resident leaseholders over non-resident leaseholders and prioritisation will work in the following way:

- Leaseholders who want to sell because they are in financial difficulty and whose property is in phase 1 (at present these properties are Ermine House, 2–32 Whitehall Street, 3–89 Whitehall Street, 4–18 Brereton Road, 2–28 Orchard Place).
- Leaseholders who want to sell because they are in financial difficulty and whose property is in phase 2 (at present these are Charles House, Moselle House and 9–39 White Hart Lane).
- Leaseholders who would like to sell and have no financial difficulty and whose property is in phase 1.
- Leaseholders who would like to sell and have no financial difficulty and whose property is in phase 2.

*Please note: If resident leaseholders choose to sell their property and move now, they will not be eligible for one of the new replacement homes which will be built for residents leaseholders in the development. Our aim is that resident leaseholders who want to purchase a new home in the regeneration area will be able to stay in the area, and move once- from their current home into their new home.*

## Who will value my home?

The council will organise for a qualified chartered surveyor to value your home.

## How is the value assessed?

Your home will be valued at market value in a 'no scheme world'.

No scheme world means that the value will be assessed on the assumption that the regeneration is not proceeding. The principle is that you should not be better or worse off than before the regeneration proposals.

Market Value reflects the condition of the property at the date of valuation and, for example, will reflect:

- The internal condition and size
- External condition
- Internal improvements to the property such as new bathrooms and kitchens
- The location of the property and amenities within the area such as transport links, shops and services
- The housing market in the immediate area, including recent sale prices

## What if I do not agree with the value?

If you disagree with the council's valuation of your home, you can obtain your own valuation using an independent chartered surveyor. There will then be a negotiation between your valuer and the council's valuer.

The council will pay your reasonable costs for obtaining such advice. You can find an independent chartered surveyor by contacting the Royal Institute of Chartered Surveyors (RICS). Their web-site is [www.rics.org](http://www.rics.org) and their telephone number is 0870 333 1600.

If agreement cannot be reached between your surveyor and the council, then the council will agree to a third party arbitration process.

## Resident Leaseholders

### Resident Leaseholders

Your dedicated officer will be a re-housing officer. Your re-housing officer will meet with you on a one-to-one basis to explain the process, your options and the compensation that will be available to you. They will then help you with every step of the process.

If you are a resident leaseholder you will:

- Be offered the market value of your home
- Receive a 10% Homeloss Compensation
- Be offered the opportunity to purchase a new affordable replacement home in the regeneration area

Resident leaseholders can choose from the following re-housing options:

- Option 1 Purchase a new home in the High Road West area
- Option 2 Purchase a low cost home ownership property built by the council
- Option 3 Leasehold Swap
- Option 4 Purchase a property elsewhere

### Value of your home and compensation

As the council will be purchasing your property, it is important that you do not have to incur any costs because of the process.

### Valuing your property

Resident leaseholders will receive the market value for their home. The valuation process is explained in detail in section 2.

### Home Loss Compensation

As a resident leaseholder, as well as the market value for your home you will be entitled to receive a home loss payment to compensate you for the loss of your home. This figure is set by the government and is currently assessed at 10% of the market value of the property, with a minimum of £4,700 and a maximum of £47,000.

*To claim home loss compensation, you must have lived in your property as your sole and principal home for at least one year.*

### Disturbance Payments

In addition to the home loss payment, you would be entitled to a Disturbance Payment to compensate you for the move. Payments should be reasonable and include, but are not restricted to, the following:

- Removal expenses
- Legal fees arising from the sale of your property and the acquisition of a replacement property
- Surveyor fees arising from the acquisition of a replacement property
- Re-direction of mail



## Resident Leaseholders

- Alterations to furnishings, e.g. carpets and curtains
- Disconnection and re-connection of services and appliances
- Moveable fixtures and fittings
- Special adaptations previously assessed as required in the new property
- Mortgage redemption and arrangement fees
- Stamp Duty on your new property (up to the agreed value of your home sold to the council)

### Decent Homes Compensation

Some properties on the Love Lane Estate are currently having some Decent Homes work completed. These works need to be undertaken as we have a duty to maintain the estate and no decision on the future of the estate has yet been made. If the masterplan is agreed we will develop a policy to compensate leaseholders for Decent Homes Works they have paid for, if the works are not reflected in the value of the property.

### Your re-housing options

You will be able to talk to your re-housing officer about your requirements and which re-housing option is best for you. Whether you choose to move in or out of the development area, the officer will be able to offer support and advice throughout the whole move process.

### Option 1: Purchase a new home in the High Road West area

We want resident leaseholders to have the opportunity to stay in the area so that the community can be kept together and you are able to benefit from the improvements being undertaken.

We will therefore be seeking to provide affordable homes within the High Road West regeneration area for you to purchase.

At present, we do not have a development partner so we cannot confirm the type of affordable housing model we will be able to offer you. However, below are examples of the types of affordable housing models which we will be seeking to secure as part of the regeneration:

#### Shared equity

Shared equity homes are being offered to leaseholders affected by regeneration across London. The typical process for a shared equity scheme is detailed below.

To purchase a shared equity home, resident leaseholders would use the funds from the sale of their existing property (market value plus 10%) to buy a property in the new development. This includes continuing to invest the same level of mortgage borrowing they hold in their current property.

If the cost of the new property is higher than the amount received from the council for their existing property, then the council, housing authority or development partner, would hold on to a share of the new property. No rent or interest would be charged on the share of the property that the council holds.

*Continued overleaf*

## Resident Leaseholders

Under this arrangement leaseholders can purchase a new, higher value property without increasing their existing level of borrowing. If leaseholders want to invest more in the new property as well as the proceeds from the sale of their existing home then leaseholders are able to do so.

Leaseholders have the opportunity to increase their share in the property over time by gradually buying up the council's equity share.

### Can leaseholders sell a shared equity home?

Yes. If leaseholders decide to sell the new property they would keep their share of the proceeds and the council would keep its share. Any increase in value that may have occurred during their ownership of the property would be shared between the leaseholder and the council according to the proportion of equity owned by each party.

So, if the leaseholder owned 75% of the property, they would get 75% of the value including any increase in value.

## Shared ownership

Shared ownership homes are being offered to leaseholders affected by regeneration across London. The typical process for a shared ownership scheme is detailed below.

Shared ownership is a way of part-owning, part-renting a property.

To purchase a shared ownership home, you would typically use the funds from the sale of your existing property (market value plus 10%) to buy a property in the new development. Typically, you buy a stake which is between 25% and 75% of the market value of your property with a mortgage.

You pay rent on the remaining share of the property, which can be owned by the local authority, housing association or development partner.

The rent you pay can be up to 3% of the value of the share in the property that you do not own. Shared ownership properties are leasehold properties (similar to 'Right to Buy'), meaning you will own the lease on them for a fixed period of time, typically 99 years.

You also have to pay a service charge for the property, which is usually charged on a monthly basis

### Can I buy extra shares in my home later?

Yes. Shared ownership schemes offer you the option of increasing your percentage stake in the equity of your home as and when you can afford to. This is called staircasing. The cost of increasing your share will depend on the value of the property at the time.

### What happens if I want to sell the property?

You can sell your shared ownership property at any time but the owner of the remaining share in the property has the right to find a buyer for your home, if it still owns a share of it and to buy it back first.

### **Option 2: Purchase a low-cost ownership home built by the council**

The council is building new council and affordable homes across the borough. The first of these new homes will be available from 2017.

If you would like to purchase one of the new affordable homes being built you will be able to do so. Your dedicated re-housing officer will be able to discuss with you the types of new low cost home ownership properties that will be available and the location of these new homes.

### **Option 3: Leasehold swap**

If you would like to move away from the regeneration area, you may wish to explore a leasehold swap. A leasehold swap is when the council tries to find you a council owned property of a similar value elsewhere in the borough.

### **Option 4: Purchase a property elsewhere**

If you would like to purchase a property elsewhere, you will be able to use the value of your property and the compensation and disturbance costs outlined above to find yourself alternative accommodation elsewhere.

## Non-Resident Leaseholders

### Non-Resident leaseholders

If you are a Non-Resident leaseholder you will have a dedicated officer who will be able to assist and advise you throughout the process. The officer will meet with you on a one-to-one basis. All information discussed with your officer would be treated as confidential.

Non-Resident leaseholders will:

- Receive the market value of your home
- Receive 7.5 % basic loss payment
- Receive compensation for any reasonable costs incurred as a result of purchasing a new property in the UK.

#### Value of your property

You will receive the market value for their home. The valuation process is explained in detail in section 2 of this document.

#### Basic loss payment

You would receive a basic loss payment to compensate you for the loss of your property. The figure is set by the Government and is currently 7.5% of the market value of your interest in a 'no-scheme' world.

#### Reimbursement of reasonable costs

You will be entitled to reimbursement of reasonable incidental expenses of acquiring a replacement property in the UK within 1 year.

#### Decent Homes Works Compensation

Some properties on the Love Lane Estate are currently having some Decent Homes Works completed. These works need to be undertaken as we have a duty to maintain the estate and no decision on the future of the estate has yet been made. If the masterplan is agreed we will develop a policy to compensate leaseholders for Decent Homes Works they have paid for, if the works are not reflected in the value of the property.

#### Your tenant

It is important to note that the council is under no formal obligation to rehouse your tenant or any other occupant in the property. Re-purchase of your property by the council will only be concluded on a property that is vacant.

# THE NEW HOMES BUILT IN THE REGENERATION AREA

- Approximately 1,200 new homes will be built in the regeneration area- this will include replacement homes for secure council tenants and resident leaseholders
- 10% of the new homes in the redevelopment area will be wheelchair accessible
- All new replacement homes will have the necessary adaptations that residents need for any medical conditions they may have
- The new homes will be a mix of houses, flats and maisonettes and a mix of 1, 2, 3 and 4 bed properties
- There will be a mix of social, affordable, private rented and private for sale homes
- The external design of these homes will mean that you could not differentiate between the social, affordable, private rented, or private for sale homes.

### Design of the new homes

As a minimum the new homes will be built to the London Housing Design Guide Space Standards. This standard is a minimum standard for the size of the rooms within new homes. The Standard was agreed in 2012 (as part of the London Housing Supplementary Planning Guidance) to prevent small homes being delivered.

### Design Panel – help design your new home

To ensure that residents are fully involved in the design and specification of the new homes we will establish a joint Design Panel with Love Lane residents and the future development partner. This panel will help influence the design, layout and specification within the new homes.

As well as the design panel, we aim to ensure that every tenant gets a choice of having a lounge/ diner or a kitchen/ diner, and gets to choose from a range of colour and product types.

There will be show homes available to view in the scheme, and you will be able to view your new home on plan, in a model and closer to the time of completion you will be able to have a tour of the property.

### Council Tax levels

The level of Council Tax due in your new home will be set by the Valuation Office. The council has no control over this.

# PHASING

If the regeneration plans go ahead, it will take place in phases over a number of years. It is likely that the regeneration of the whole High Road West area will take up to 15 years. It will be at least two years before anything is built in the High Road West area and the regeneration process is started. This is because several things need to happen, this includes; agreeing the masterplan, securing a development partner, obtaining detailed planning permission and the necessary consents.

A first draft of the potential phasing plan for the High Road West Scheme can be found in the High Road West Masterplan Information Pack. This plan is indicative and has been developed to show residents how the regeneration could be phased. This plan will be subject to change.

## Phasing Principles

If the regeneration plans do go ahead, the council would work with residents and the local community to agree the final phasing plan. The principles of any future phasing plan are detailed below:

- **Involving residents**

The council will talk to residents about the phasing plan as it is developed and will ensure residents are fully informed about what will be happening and when.

- **Keeping the community together**

Any future phasing plan and the policy for allocating the new homes will aim to ensure that neighbours and support networks are able to move together where appropriate so that the community and support networks can be kept intact.

- **One move only (where possible)**

The council is committed to minimising disruption for residents, we will therefore aim to ensure that any future phasing plan allows residents to move once- from their current home into a new home. Temporary moves may be required but we will aim to minimise these.

- **Safe and secure environment**

If the regeneration does go ahead, we recognise that your life does not stop whilst the building work is happening. We are fully committed to ensuring that disruption is kept to a minimum and that security of existing residents is an absolute priority.

We will ensure that any building sites would be kept secure and that any future development partner and contractors are signed up to the Considerable Constructors Scheme.

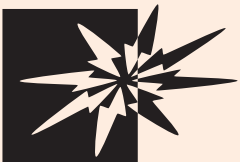
- **Land for community use/events**

We will aim to ensure that during the building work any vacant land that becomes available and is not yet needed for development is used in a creative way for the good of the community. In other estate regeneration projects this has seen resident-led temporary gardens and cultural and play facilities emerging.

**Our absolute priority will be to ensure that the community and neighbourhood continues to flourish while the new homes are being built around it.**

## FOR FURTHER INFORMATION

If you have any questions about the information contained within this guide please contact Sarah Lovell, Area Regeneration Manager, by email [sarah.lovell@haringey.gov.uk](mailto:sarah.lovell@haringey.gov.uk) or call 020 8489 2025.



**Haringey** Council