

Winstanley and York Road masterplan

Leaseholders &
Freeholders rehousing
information booklet

October 2014



Introduction

Over the last two years the Council has been developing a far reaching regeneration project for the Winstanley and York Road Estates in consultation with residents and the local community. The 'preferred option' is now being finalised and a decision on whether to proceed with the project is expected in early 2015.

This booklet provides an update on the rehousing package which would be offered to homeowners who need to move if the redevelopment goes ahead. It explains the options you would have, the compensation arrangements and the support available to help you through the process.

The regeneration plans may be adapted and developed as they are delivered, not least to respond to changing resident demands. Our commitments however to local rehousing and the terms set out here will continue. If you have any immediate questions about the contents of this booklet then please contact the regeneration project team, their contact details are on the back page of this booklet.

What is the preferred option?

A summary of the 'preferred option' for the regeneration of the estates was sent to your home in February 2014. The plans can also be viewed online at www.wandsworth.gov.uk/winstanleyyorkroad or you can contact the regeneration team to request a hard copy.

1 Next steps

1.1 What happens next?

If the project is approved in early 2015 the owner of every home which is likely to be replaced will be contacted. The Council will arrange an initial interview with you to understand your individual circumstances and to explain the rehousing and compensation options open to you in more detail.

You will not be expected to make any choices straight away and will be given the time and support you need to consider your options fully. You will be allocated a Rehousing and Advice Officer who will assist you through every stage of the process, or in the interim please contact the Regeneration Project team.

If the Council decides not to proceed with the project you will be contacted and the contents of this booklet would no longer apply.

1.2 When would I have to move?

The earliest any household would have to move to their new home is estimated to be the end of 2017. The Council will not be able to provide an accurate timescale for each household until a detailed development phasing plan is produced setting out the order in which each part of the estate will be rebuilt.

If the regeneration project goes ahead an initial phasing plan would be published in early 2015 at which time all estate residents would be contacted.

There is also the option to sell your home to the Council at an earlier stage should you wish to do so. See section 7 for more details.

2 Rehousing and compensation commitments

The Council has already published a number of commitments to estate homeowners and council tenants. Homeowners fall into two categories:

- **Resident Homeowners** - Those who that live in the property as their home.
- **Non-resident Homeowners** - Those who that rent out their property.

As the scheme progresses the Council will issue more detailed guidance on the qualifying conditions for each of the above groups and deadline dates for classification as a resident homeowner.

2.1 Commitments we have made to Resident Homeowners

- You will be offered the market value of your property, plus an additional 10% Home Loss Payment (HLP) - this percentage is set by the Government nationally; see section 4 for more detail on other compensation payments.
- You will be able to reclaim reasonable valuation, legal and moving costs; see section 4.2 for more detail.

- You will have the opportunity to purchase a new development property on an 'equity share' basis. See section 5 for more detail.

2.2 Commitments we have made to Non-Resident Homeowners

- You will be offered the market value of your property, plus an additional 7.5% Basic Loss Payment - this percentage is set by the Government nationally; see section 4 for more detail on other compensation payments.
- You will be able to reclaim reasonable valuation, legal and moving costs. see section 4.3 for more detail.

If you are a non-resident homeowner, it is important to note that the Council is under no formal obligation to re-house any tenant you are letting the property to or any other occupant in your property. The Council will only conclude the purchase of your property once it is vacant.

3 Property valuation

3.1 Valuing your property

The regeneration scheme will be completed on a phased basis so some parts of the estate will be rebuilt before others. This means the Council will only be required to purchase properties one phase at a time, rather than all at once.

If your property is included in the next phase of development then the Council will arrange for your property to be inspected and valued.

If the regeneration project goes ahead the first phase valuations would take place in 2016 at the earliest. The final phase valuations may not take place until much later in what might be a 15 year construction programme.

However, resident or non-resident homeowners do not have to wait and can request that the Council values and purchases their property earlier. See section 7 for more details.

3.2 Agreeing the value

If you disagree with the Council's valuation of your home, you can obtain your own valuation using an independent chartered surveyor. This will then involve a negotiation between your valuer and the Council's valuer as to what price should be accepted.

The Council will pay your reasonable costs for obtaining your own valuation. You can find an independent chartered surveyor by contacting the Royal Institute of Chartered Surveyors (RICS) on **0870 333 1600** or visit **www.rics.org**.

If agreement cannot be reached between your surveyor and the Council then there would be a third party arbitration process. This would involve an independent surveyor making a final decision on the purchase price.

3.3 How is value assessed?

The Council's offer will be based on a 'no scheme world' and at market value.

'No scheme world' means that the value will be based on the assumption that the regeneration is not going ahead. This means the value the Council pays for the property will not go up or down as a result of 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 fitted
- 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 for similar properties.

4 Compensation and disturbance

4.1 Home Loss Payment

As explained in section 1.1. The Council will offer each affected homeowner a home loss payment on top of the market value of their property. This will be an extra 10% payment (up to a maximum of £47,000) for resident leaseholder/freeholder homeowners and 7.5% (up to a maximum of £75,000) for non-resident homeowners.

4.2 Resident Homeowners disturbance payment

In addition to the Home Loss Payment you will be entitled to claim for certain reasonable costs associated with moving home, selling your existing property to the Council and purchasing a new home. Costs can include but are not restricted to:

- 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
- Alterations to furnishings, e.g. curtains
- Disconnection and re-connection of services and appliances
- Moveable fixtures and fittings
- Special adaptations 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)

4.3 Non-resident Homeowners disturbance payment

You will be able to claim for reasonable costs associated with the purchase of a new property within the United Kingdom.

All such disturbance costs should be reasonable and you will be required to prove they have been incurred. If you are unsure about the eligibility of any costs you should discuss this with your allocated Rehousing and Advice Officer before spending your money.

5 Buying a new development property

5.1 Resident Homeowners

The Council is offering resident homeowners the option of purchasing a new property with an equivalent number of bedrooms in the new development or in the local neighbourhood. It is the Council's intention that the development will be phased to ensure those who sell their property to the Council will have a new home to buy and move into straight away without having to spend time in interim accommodation. If you decide to purchase a new home in the new development the exact timing of the sale and your move will be discussed with you in detail with your Rehousing and Advice Officer.

The value of your new home is likely to be greater than the value of your present home and the Council will offer an equity share package which enables you to afford to purchase the new property.

The valuation of your existing property and the new property will be undertaken at the same time so you will have certainty around the levels of equity and the matter is dealt with in a fair and transparent way.

5.2. New development homes

- Your new home will meet the Mayor of London's quality and size standards.
- Your new home can be provided with carpets or other flooring (including underlay or sound proofing), blinds or curtains.
- Your new home could have oven/hob, fridge freezer and washing machine/dryer fitted.
- Where possible we try to accommodate residents' requests for a specific internal layout in the new homes (e.g. open plan layout or special adaptations)

5.3. What is an equity share package?

The Council's proposed equity share scheme has been designed to enable you to afford a new development property with a higher value than your existing property.

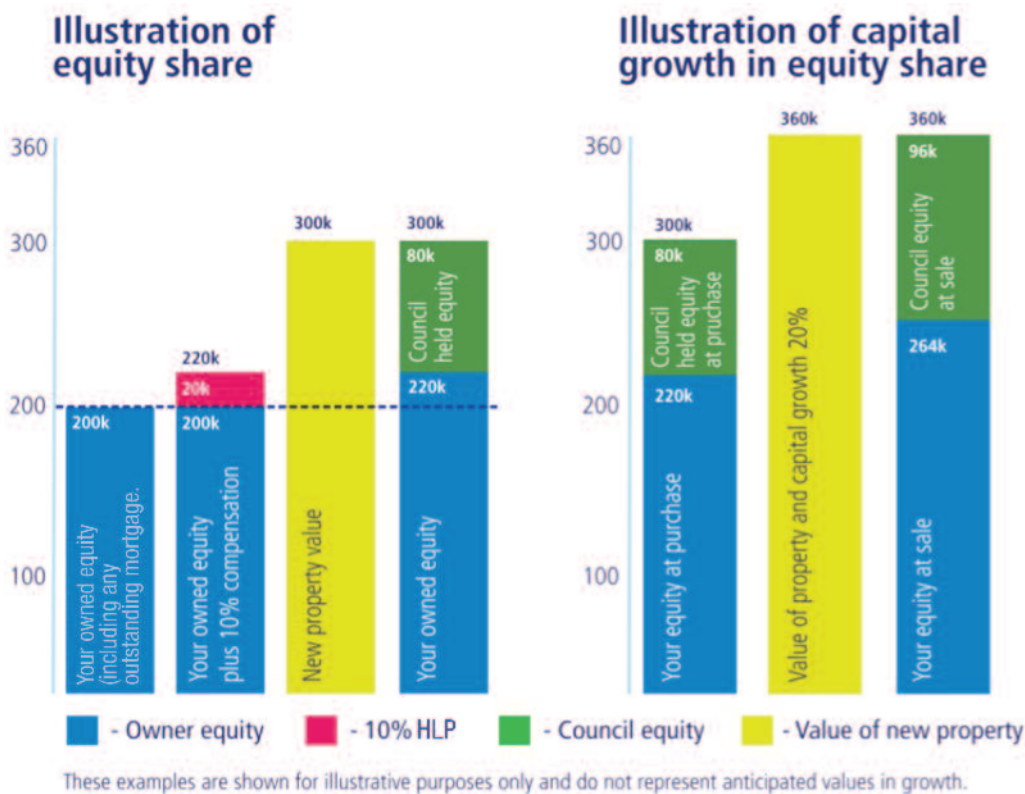
Under the scheme you could use the funds from the sale of your existing property (market value plus 10% home loss payment) to buy a new development property. This would mean that if you have a mortgage your current level of borrowing would be maintained.

If the market price of the new property is higher than the amount you receive from the Council for your existing property, and you cannot afford to buy the property at this price, the Council would hold on to the portion you cannot buy. No rent or interest would be charged on the Council's share. This means that you can purchase the new, higher value property.

If you want to invest more of your own savings in the new property then the Council would take a lower equity share or indeed no equity share at all if you buy outright. You would also have the option of increasing your share in your property over time by gradually buying up the Council's equity share, without any incidental purchase costs being incurred.

5.4. What happens if you want to sell a home purchased through the equity share package?

If you decide to sell the new property you would keep your share of the proceeds and the Council would keep its share. Any increase or decrease in value that may have occurred during your ownership of the property would be shared between you and the Council according to the proportion of equity owned by each party. So if you own 75% of the property you would get 75% of the value including any increase in value.



5.5. What size home could you buy with the equity share scheme?

The equity share offer could be used to buy a property of an equivalent size (in bedrooms) to your existing property. You could also use it to purchase a smaller property than your existing home. If you wish to purchase a larger property in terms of bedrooms than your existing home then the Council would only offer equity share based on the current size of your property. This means effectively that you would be required to pay full market value on any additional bedrooms.

If you believe your personal or financial circumstances mean that you would not be able to take advantage of the proposed equity share package then do please get in touch with the regeneration team and they will be able to consider your options with you at this stage.

5.6 Non-resident homeowners

The equity share package will not be offered to non-resident homeowners. This is because the equity share offer is designed specifically to help residents of the estates to stay in the neighbourhood where they live.

6 Other options for resident homeowners

6.1 Lease swap

If you wish to move outside of the development area you may wish to explore with the Council the option of purchasing an existing Council-owned home elsewhere in the borough. If this is the case, then please contact the regeneration team and we can discuss this with you.

6.2 Inability to purchase

If you are unable to purchase a new home suitable for your needs then the Council will explore alternative housing options with you. This would involve an assessment of your needs and financial circumstances (at the time that the property is required for development) as well as the Council's statutory obligations to find you a suitable home.

7 Early moves

If the Council decides to go ahead with the regeneration project an initial phasing plan will be developed setting out the timescales for different parts of the estates to be rebuilt. The phasing plan will determine when each home would need to be purchased. The Council expect to publish a phasing plan in 2015.

However, if you are interested in selling your property at any time before the regeneration scheme starts, then the Council will consider purchasing your property at its market value. This applies to both resident and non-resident owners.

If there are extenuating circumstances which mean you have to move out of your property sooner, such as poor health, then the Council may also consider making a contribution to your costs.

However, at this early stage in the process, home loss payments will not be considered.

Please contact the regeneration team if you are interested in discussing the sale of your property to the Council at this stage.

Find out more

If you have any questions about the preferred option, the leaseholder information booklet or the masterplanning process in general then please get in touch with the masterplanning team using the contact details below.

Online

Our webpages include a copy of this booklet, the boards from our preferred option exhibition and more information on the masterplanning process

visit: www.wandsworth.gov.uk/winstanleyyorkroad

E-newsletter

To receive updates on the masterplanning project by email sign up for the e-newsletter at

www.wandsworth.gov.uk/winstanleyyorkroad

Contact us

You can contact the masterplanning team who can help answer your questions and explain how you can get involved.

Philip Morris - WYR Project Manager

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email: **www.wandsworth.gov.uk/winstanleyyorkroad**

Call : **(020) 8871 6802**