10th March Overview & Scrutiny Committee Meeting submission

There has been much talk of the Council's regeneration department having learned from its mistakes on the Heygate in its approach to the Aylesbury regeneration. In my opinion the only lesson learned has been how to keep a tight control on media and bad publicity – the underlying stories are essentially the same.

There are some small differences in the way the two schemes have been approached, the first is that we were given a ballot on the future of our homes where Heygate residents were denied one. The result was that in 2001 we voted overwhelmingly (73%) against the demolition and disposal of our homes to the private sector/housing association for redevelopment.

However, similar to Heygate the wishes of Aylesbury residents have subsequently been wholeheartedly ignored.

Following its ballot defeat in 2001 the council learned something from the Heygate scheme: if it stopped issuing secure tenancies and used the resulting void properties for temporary housing whilst halting all maintenance and repairs, then residents could more easily be persuaded into giving up their homes to redevelopment.

Tony Blair visited the Aylesbury estate and made his inaugural speech from here in 1997. He promised a bright new future for us residents who he called 'Britain's forgotten people'. He allocated £56 million of central Government funding to improve conditions on the estate. Sadly not one penny of the funds has been spent on improving the actual fabric of the buildings.

In the report submitted to the previous Overview & Scrutiny Committee in February, Cllr Colley can be seen propagating the same myths used to stigmatise the Heygate in order to support her corporate redevelopment agenda here. The claims about anti-social behaviour are entirely unsupported by actual crime statistics, which show a very low crime rate for the estate. The allusions to non-traditional construction systems and limited life-spans of buildings pay no consideration to estates in other boroughs built at the same time with the very same system, which are well looked after and thriving. The Doddington estate in Battersea is one such example: the estate was built in the same period (1967-71), by the same contractors (Laing Ltd.) using the same construction system (Jespersen 12M). Leasehold flats on the Doddington estate are exchanging hands for around twice as much as the Council surveyor's estimate of market value of our homes – despite the fact that they have similarly not yet been brought up to the government's 'decent homes standard'. His argument in the previous committee report about the 'no scheme world' valuation concept does nothing but strengthen our claim that we should be entitled to receive enough compensation to buy a similar property in an equally central location.

One area in which the Council has learned from the Heygate is that it's not good practice to promise residents new homes and then renege on that promise. What it has done on the Aylesbury is to promise new homes but then offer them on disadvantageous terms. Aylesbury leaseholders have been offered 'shared equity' options on the new-build L&Q homes in the phase 1 development. However, the terms of the 'shared equity' agreement restrict them from sharing in any capital uplift. This means that their share in the new home does not rise in line with increases in property prices should they ever wish to sell it on or pass it down to children. Despite owning just half of the property, L&Q would benefit from 100% of the uplift under the terms of the agreement – hardly a fair deal!

It is unsurprising that very few leaseholders took up the L&Q shared equity offer on the first phase of development. Most have been forced to quit the borough with their low compensation in search of a new home in outer London boroughs where property prices are lower.

I was dismayed to read in the report submitted by Cllr Colley to the last Overview & Scrutiny committee, that terms for leaseholder assistance in all subsequent phases of the regeneration have recently been agreed with its new development partner. It would appear that these negotiations have taken place entirely behind closed doors without the slightest hint of any leaseholder involvement in agreeing the structure of those terms.[1] Does the shared equity arrangement with Notting Hill also fail to share any equity? What is the small print in the 'partner assistance proposals' that have been agreed with Notting Hill Trust? Why have leaseholders been excluded from these discussions and negotiations?

In the February meeting of the Overview Scrutiny Committee representatives of Housing and Regeneration were arguing the case for the planned CPO's to be brought forward this worried me a great deal because we have been told to move off of the Aylesbury but my attempt's to do so have been stopped, unbelievably.
My application in summer 2013 to L&Q for equity on a new build was unable to progress because SC survey would not agree fee's with my surveyor. (In line with the Home Owners information pack SC value my property and will pay for a surveyor of my choice to value said property and reach an agreement). As the Council's valuation is so low and yet still undeterred I widened my search outside the borough and found a repossession property I could stretch to in Woolwich. Again, despite my offer being initially accepted it did not go forward due to the 'slow response of Southwark Council'. Down hearted I spoke to Creation Trust about the Kafkaesque situation I found myself in, who recommended I try Southwark Mediation Services. I did and they suggested date's for the two surveyors to meet and hopefully move my situation forward. Sadly the SC representative did not feel able to attend, fortunately my appointed surveyor said she would be very happy to attend despite the fact she has been banned from working on the Aylesbury Estate. Please tell me how can all this be possible and where it leaves me? I have paid up front for this service, as we were advised. I now find myself searching for properties knowing there is little chance of anything going forward.

It would appear that the Council has indeed learned from its mistakes on the Heygate, but it has learned only how to make it look like residents are getting a fair deal; the underlying story remains much the same: whether the inequity of a shared equity deal where the equity is not shared, or new social rented homes at 'affordable rents' unaffordable to tenants, this Committee needs to realise that residents are being forced out of the area. That's what happened on the Heygate and that is what is happening here and now on the Aylesbury. I urge the Committee to take the following actions:

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1 See paragraph 7(viii) of 3rd Feb O&S report "With a mind to these lessons, partner assistance proposals at the Aylesbury were considered by Cabinet last month."

In summary

1. The council surveyor's decision to cap independent surveyor's fees at a fixed amount appointed by leaseholders is not just ultra-vires but also incongruous with the council's claim that leaseholders are being given access to independent representation. You cannot say on the one hand "*we will pay for you to be represented by an independent surveyor of your choice*" and on the other hand to say "*However much work your surveyor carries out her fee will be capped at £x..*".

The council surveyor's arbitrary fee cap is ultra-vires to the extent that it runs contrary to recommendations laid out in section 5.26 of the Land Compensation Manual which states *"It is therefore recommended that surveyors be reimbursed on a time cost basis for work undertaken in relation to compulsory purchase claims where possible."*

We therefore request that council leaseholder buy-back policy in this case is updated to remove fee-caps and reflect this requirement for fee remuneration on a time-cost basis.

2. If our independently appointed surveyors are to have equal footing in their negotiations with the council's surveyor then they will need to have equal access to information. It is not just inconvenient but also time-consuming and costly for negotiations to depend on information to have to be obtained via FOI as a result of the council surveyor's refusal to release documents and information. We would like all leaseholders to have access to the following information to help inform open and transparent negotiations: a)access to an up-to-date list of price/paid data for all leaseholder buyouts to date. b)access to all surveys/option appraisal studies etc. carried out on our homes to date.

3. I really feel Southwark Council should start to take some responsibility, after all they are the landlord and a social, not private landlord at that. The fire precaution measures recently installed are a health and safety matter therefore the responsibility of the landlord and are the new pipes, which were laid and are now being dug up and relayed, in the South West corner really good value for money? Brand new pipes supplying buildings which are due for demolition with in two years, surely a repair would have been more suitable given the life span?

4. Leaseholders are invoiced for these works in such a confusing manner that many, including myself find themselves the subject of County Court Judgements, even when they are paying the bill’s. Again is this really the best use of public money?