

HOMEOWNER - EARLY BUY BACK PROCESS

Homeowners have expressed interest in how the council will progress buy back of freehold and leasehold homes on estates undergoing estate regeneration. The proposed approach is set out below.

Prioritising Keeping Communities Together

In progressing estate regeneration, the council is prioritising keeping communities together. In the case of resident homeowners wishing to remain living on their current estate, the Homeowner's Key Guarantee 1 is most relevant; a commitment to find options to enable homeowners to stay living on their current estate.

However, where resident and non-resident homeowners wish to take up the council's offer to purchase properties at market value, the following will be of interest.

Buying Back Properties

The council is currently developing a business case which would enable Homes for Lambeth to buy back any freehold/leasehold properties on an on-demand basis, with no limit on numbers of early buy-backs. However, until this has been completed, then the following process will be employed.

Buy Back Strategy for an Estate

1. **Cabinet Decision.** Where a Cabinet Decision has been taken to proceed with the redevelopment of an estate, no buy backs will proceed until all potential legal obstacles, such as Call In or Judicial Review, have passed or been resolved.
2. **Initial Notification.** Following a Cabinet decision to proceed with the redevelopment of an estate, the Housing Regeneration team will write to residents to confirm the decision. At this early stage, there is no phasing plan in place for the development, so it is not possible to identify any priority order for buy-backs. The phasing plan will be developed over the following months/years as part of the masterplanning process.
3. **Expression of Interest.** The Housing Regeneration team will write to all homeowners on an estate to identify the level of demand for early buy-back of homes, where homeowners wish to leave an estate before any redevelopment work begins.
4. **Expression of Interest – follow up.** The team will visit every homeowner who has expressed a wish to have their home bought back early, to discuss their personal circumstances, to explain the buy-back process and to explore when they would wish to sell their property and whether there is any urgency.

5. **Early Buy-Back Strategy.** Following steps 3 and 4, then a list will be put together for the estate, setting out:
 - properties to be purchased immediately – within the financial year;
 - properties to be purchased in the next financial year; and
 - properties to be purchased in the future.
6. **Strategy Communication.** Homeowners will be notified under which category they sit on this list and will have the opportunity to challenge the Housing Regeneration team if they wish to have their property purchased sooner.
7. **Exceptions Process.** Homeowners will be able to approach the Housing Regeneration team directly to request early buy-back. Senior officers in the Housing Regeneration team will consider each request on its merits and decide whether to proceed with a purchase.

Estate Regeneration Phasing

8. **Procurement of Development Management Teams.** After a decision has been made to redevelop an estate, the council will appoint a team of professionals to develop the masterplan for the estate, ahead of submitting a planning application. They will work closely with residents to develop the phasing strategy for the estate.
9. **Housing Needs Assessment.** Early in the masterplanning process, the council will carry out a Housing Needs Assessment of all affected households across an estate. This will be an opportunity for residents to discuss further their personal situation with the council and express preferences or intentions on whether they wish to remain living on the estate, to leave or are undecided.
10. **Phasing Strategy.** A key part of the masterplan is a phasing strategy, which sets out the proposed order in which new buildings will be built and existing homes demolished. Once this has been developed, the Buy-Back Strategy will be amended.

Buy-Back Process

11. **Request for Buy-Back.** If a homeowner already knows that they want to have their property bought by the council, they should make their intentions known, either through the Expression of Interest, Housing Needs Assessment or directly to the Housing Regeneration Team.
12. **Evaluation.** The Housing Regeneration team evaluates a homeowner's request for buy-back and notifies the homeowner whether they are able to proceed.
13. **Initial Visit.** Council officers carry out an initial visit to discuss: the need to ensure homes are empty prior to acquisition; confirmation of resident/non-resident homeowner status; key guarantees, including compensation. Permission will also be sought to share the homeowner's contact details and for the council's surveyor to take photographs.
14. **Valuation.** The Housing Regeneration team refers the case for valuation. The council is currently using the District Valuer Service (DVS) as an independent consultant.

15. **Inspection.** DVS undertakes inspection and produces a valuation report, including comparable property values.
16. **Offer.** The Housing Regeneration team makes an offer to the homeowner to buy the property for the amount in the DVS report.
17. **Agreement.** If the homeowner thinks the Council's valuation is acceptable, they write to accept the offer, providing their solicitor's details and proof of residence. (See below if valuation not agreed).
18. **Legal Process.** The Housing Regeneration team refers case to council's Legal Services to commence the legal process, and notifies other relevant teams in the council that the acquisition is proceeding. Both sets of lawyers work through the conveyancing stages.
19. **Contracts are exchanged.** This agrees the terms of the sale and includes the compensation arising from the Key Guarantees and any service charges that need to be paid.
20. **Date for Completion.** A mutually acceptable completion date is agreed.
21. **Completion.** Council officers meet homeowner or representative to take vacant possession and transfer funds.

If valuation not agreed at step #15 above

- The homeowner can appoint a chartered surveyor to undertake valuation. The Council cannot recommend surveyors. The resident's selected surveyor must be RICS registered and should understand why the valuation is required. The use of local firms of surveyors is suggested. An estate agent valuer can only be used where they are RICS registered.
- A discussion takes place between the two surveyors to seek to agree a value.
- If no agreement can be reached, it will not be possible to progress the acquisition.