

Selling your home to the council

Information to homeowners on estates that will be rebuilt who want to sell their home to the council

■ Who is this leaflet for?

As part of the decision to rebuild your estate to provide better homes for current residents and more new homes to help tackle Lambeth's housing crisis, we made a commitment to enable communities to stay together.

We also want to give residents living on estates that will be rebuilt all the information and support that they need to make the best choices about their and their families' futures. As a part of this, we have published a set of 'Key Guarantees'. These mean that:

- Every council tenant will be able to move to a brand-new home at council rent levels
- Affordable options will be provided to enable resident homeowners to stay on the estate
- All secure tenants and homeowners will be able to be involved in shaping the masterplan for each new estate

However, we understand that personal circumstances can lead to some homeowners wanting to sell their homes to the council before the rebuilding of the estate starts. This leaflet explains how to do this if you are a resident or a non-resident homeowner. It includes important information for you to think about before making the decision if selling your home to the council is the right course of action for you.

■ When can I sell my home to the council?

Each estate will be at a slightly different point in the rebuilding programme and it is this programme that will inform when the council will actively seek to discuss your future housing arrangements with you.

If you are a resident homeowner who wishes to move away from the estate or a non-resident homeowner then in the early stages of the rebuilding programme, it is up to you to approach us to say that you want to sell your home to the council. In these cases, we will be looking for you to provide evidence that you need an early sale so we can prioritise resources. Where it is agreed that we will buy your home, then we will work with you to find the most convenient timescales.

In the later stages of the rebuilding programme, then the council and Homes for Lambeth will be actively seeking to buy homeowners homes or, if you are a resident homeowner who wants to stay on their estate, agree on a swap of the value of their home into a share of a newly-built home. These agreements will need to fit with the phasing of the rebuilding of your estate.

You can find more details about the options for homeowners to stay living on their estates at: <http://estateregeneration.lambeth.gov.uk/homeownership>

■ Want to move away from the estate – how is the value of my home agreed upon?

We will arrange a survey of your property in order to obtain a valuation. We will do this by using an independent valuer who is registered with the Royal Institute of Chartered Surveyors (RICS). The valuation will also be carried out in accordance with the RICS Valuation Global Standards 2017'; this is commonly known as the 'Red Book'.

The valuation figure will be calculated using comparisons with sales of similar properties in a similar location as if there was no plan to rebuild the estate - any effect the future rebuilding may have on the value will be disregarded. When we receive the valuation report, we will write to you, making you an offer to buy your property at the value determined by the independent valuer. If you accept this offer we can start the purchase process.

If you do not agree with this valuation you can also arrange for your own valuation to be undertaken. Your valuer will need to be a RICS Registered Valuer and have knowledge of local market conditions. They will also need to undertake your valuation on the same 'Red Book' basis as the independent valuer appointed by the Council.

You can find information on local RICS Registered Valuers by going to the link below and entering your postcode.

<https://www.ricsfirms.com/>

If you don't have access to the internet please visit your estate's engagement hub and they will be able to carry out the search for you. Our advice would be to contact more than one company for a quotation. This information is provided by the Royal Institute of Chartered Surveyors and we can't recommend a surveyor for you. Please do not agree to use a surveyor until you have checked and agreed the fees with us. The fee should include for carrying out the valuation and providing a report, and the hourly rate for negotiation.

The two surveyors will exchange their valuation reports including the comparable transactions they have used, and seek to agree the valuation. If they are unable to agree, we will reissue a revised offer if the discussions between the surveyors has affected the valuation.

Please note that we will only refund reasonable costs for your valuation when you provide the report. Based on the refunds we have paid to date we believe a reasonable fee is around £500 for the valuation report and an hourly rate of £150 if negotiations are needed. It is your choice as to which Registered Valuer you appoint, but if their fees are higher than what we believe to be reasonable we will not refund the full fee. Also, as each home and situation is unique we will only deal with you and your Registered Valuer on an individual basis. This is to make sure that when considering the valuation proper attention can be paid to the individual circumstances.

We are aware that homeowners on regeneration estates have been contacted directly by firms offering their services to represent homeowners in their dealings with the council. These firms have no connection with the council, no agreed working arrangements and no agreed fee or scope of services.

We can only buy your home if you are able to give us vacant possession. This means that you will have to make your own arrangements for moving your household into another home, or for rehousing your tenants if you are letting your property. We cannot accept any responsibility for rehousing anyone remaining at the property.

■ Will Homes for Lambeth pay my legal fees?

When the value of your property has been agreed, and when we have agreed a time for the purchase of your home, we will pass instructions to our legal services team to complete the purchase process. At this point, you will need to appoint a solicitor to act on your behalf.

You can find information on solicitors who could act for you on the link below:
<http://solicitors.lawsociety.org.uk/>

If you don't have access to the internet please visit your estate's engagement hub and they will be able to carry out the search for you. This information is provided by the Law Society and we can't recommend a solicitor for you.

Our advice would be to contact more than one solicitor for a quotation. When seeking estimates, check that they have experience of property conveyancing, and have capacity to work for you at that time. It is probably worth explaining to them that the council will be buying a property that we have some familiarity with and that less work may be required of them than they normally expect. Most solicitors will quote a fee for conveyancing and then list extra costs that will be incurred. It is important that the fee quotation includes these fees. Please do not agree to use a solicitor until you have checked and agreed the fees with us.

Please note that we will only refund reasonable costs for your solicitor. Based on the refunds we have paid to date we believe a reasonable fee is around £850 not including VAT. It is your choice which solicitor you use, but if their fees are higher than what we believe to be reasonable we will not refund the full fee. Also, as each home and situation is unique we will only deal with you and your solicitor on an individual basis. This is to make sure that proper attention can be paid to your individual circumstances.

Do I get any compensation?

Home Loss or Basic Loss

In addition to purchasing the property at market value homeowners are eligible for a home loss payment if they are a resident homeowner and a basic loss payment if they are a non-resident homeowner. The home loss payment is calculated as 10% of the purchase price up to a maximum amount of £58,000. The basic loss payment is calculated as 7.5% of the purchase price up to a maximum of £75,000.

Disturbance

Compensation is also payable for costs incurred by resident homeowners. This disturbance compensation can include such items as:-

- Reimbursement of valuation costs, or a contribution towards them, if costs are greater than we consider to be reasonable.
- Reimbursement of solicitor's costs, or a contribution towards them if costs are greater than we consider to be reasonable.

Disturbance compensation also includes for reimbursement of other payments that resident homeowners incurred as a result of having to move home. You must provide evidence and explanation for any claim.

Examples include:

- removal expenses
- legal fees from buying a replacement property within one year
- stamp duty land tax payable because of buying a replacement property within one year
- surveyors' fees for buying a replacement property within one year
- surveyors' fees and costs associated with the transfer of an existing mortgage or raising a new one within one year
- altering soft furnishings and moveable fittings and fixtures to fit your new home within one year

- special adaptations to the replacement property
- disconnection of services - telephone, electricity, etc, and reconnection for your new purchased home within one year
- forwarding of post (for a twelve month period)
- incidental costs of purchasing a replacement property within one year;

Some payments can be made direct.

For the most part, the right to disturbance compensation is restricted to resident homeowners. There is, however, a limited right for investment owners to recover incidental charges or expenses incurred in acquiring, within a period of one year, a replacement investment property in the United Kingdom.

■ Is there anything else I should know?

If you wish to go forward with selling your property to the council, there are other things you need to know, including:

- **Fixtures and fittings:** You will be asked to complete a questionnaire at the start of the conveyancing process to itemise all the fixtures and fittings at the property; this will be assumed to be part of the property as sold, and therefore included in the valuation. This does not include furniture and moveable items eg appliances.
- **Buying an alternative home:** If you are buying another home, you will be expected to make all your own arrangements unless you are vulnerable, in which case we will offer you an appropriate level of assistance. You can claim back reasonable incidental costs of buying another property.
- **Preparing for completion:** As the legal process comes to an end, a date for the purchase to complete will be agreed between your solicitor and the solicitor for the council. You will need to arrange removals. The council can provide information about removals companies that it uses, but cannot offer a recommendation. You can claim reasonable costs. Everything will need to be removed, including all furniture, appliances and the contents of cupboards. The council cannot reuse furniture, but there are charities and projects that may collect it from you. A council officer will visit on an agreed date, which may be your moving date, to confirm that the property is empty. The officer will then authorise the council's solicitors to complete the purchase. Arrangements will also be agreed for you to pay any service charges outstanding on your account.

You will also need to contact all the utility companies (services) who you deal with to let them know you are moving and to give them meter readings. The last thing is to hand over the keys. This will either be at a specified council office, or to the inspecting officer.

Spanish

Si desea esta información en otro idioma, rogamos nos llame al 020 7926 1369

Portuguese

Se desejar esta informação noutro idioma é favor telefonar para 020 7926 1369

French

Si vous souhaitez ces informations dans une autre langue veuillez nous contacter au 020 7926 1369

Bengali

এই তথ্য অন্য কোনো ভাষায় আপনার প্রয়োজন হলে অনুগ্রহ করে ফোন করুন 020 7926 1369

Somali

Haddii aad jeclaan lahayd in aad warbixintan ku hesho luqad kale, fadlan annaga nagala soo xiriir lambarka 020 7926 1369

Polish

Aby otrzymać niniejsze informacje w innej wersji językowej, prosimy o kontakt pod numerem 020 7926 1369

W: estateregeneration.lambeth.gov.uk

E: estateregeneration@lambeth.gov.uk

T: 020 7926 1369