

## **INFORMATION MEETING FOR LEASEHOLDERS LIVING ON THE BEMERTON ESTATE CHAIRED BY JOHN THOMPSON & PARTNERS**

### **ATTENDEES:**

- REPRESENTATIVES OF JOHN THOMPSON AND PARTNERS (JTP), LED BY CLARE SAN-MARTIN (CSM)
- LEASE HOLDERS FROM THE BEMERTON HOUSING ESTATE (LH)

**DATE:** 24 JANUARY 2011

**TIME:** 7.30PM – 8.30PM

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### **1. Introduction by CSM**

- CSM explained the three proposed options for redeveloping the Bemerton Estate
  - Option 1: no major change
    - There would be small improvements made to the open spaces of the estate and the exteriors of some of the buildings only
    - The existing stock of 758 homes would remain largely untouched
  - Option 2: some redevelopment
    - This option would involve a mix of new and existing buildings.
    - Some but not all of the buildings on the estate would be demolished in order to make space for the new ones
    - The total number of homes would increase from 758 to approximately 900 homes
    - The decision regarding which buildings would be demolished and which would be left standing is yet to be made
  - Option 3: full redevelopment
    - All existing buildings would be demolished (in phases) and the estate would be re-built with new buildings
    - The new buildings would most likely have a height of approximately 5-6 stories
    - The total housing stock would be increased from 758 to approximately 1000 homes
- In terms of time-frame, JTP are due to report to Islington Council in March 2011 concerning which option the residents of Bemerton estate support the most, and the Council aim to make a final decision in April 2011 about how to proceed

- JTP explained that since they have only limited information from the council regarding how options 2 and 3 might affect lease-holders, the purpose of the Q+A session would be to:
  1. answer all the questions that lease-holders have that JTP are able to answer
  2. record those questions that can't be answered so that JTP can pass these questions on to Islington Council on behalf of LH. JTP will ask the council to reply to the questions as soon as possible (in the next 2-3 weeks) so that lease-holders can view the council's responses before deciding which option they would like to support
- CSM Stated that if some lease holders felt that they didn't have enough information to make a decision they could fill in the survey but leave questions 12-16 concerning which options they prefer blank, and simply write that they don't feel they have enough information to make a decision at this time

## **2. Open comments made by LH concerning the proposed redevelopment of the Bemerton Estate**

- LH wanted it to be noted that they are disappointed that there are no council representatives present at the meeting
- LH stated that it is hard to know which option to choose without detailed information concerning how each option would affect them
- LH expressed concern that since only 196 out of 758 homes were owned by them, the views of tenants, if different, might significantly outweigh the views of lease-holders on the estate.
- LH expressed concern that the Council already knew which option they preferred for the estate, and that the views of residents would have no influence over the Council's final decision.
  - In support of this statement several people stated that in their experience the council would do whatever they wanted to
  - Several others stated that they believed the decision was already 'cut and dried'
- One attendee commented that if they were to be bought-out by the council but couldn't get another similar flat for the price paid, the council would, in effect, be forcing them out of the neighborhood against their will
- LH stated that if the council chose options 2 or 3, they would like their old flats to be exchanged for new ones on a 'like for like' basis. This means that it would be possible for every LH to buy a new home of the same size with the funds raised from the sale of their old one.
- LH asked that since there is only about 10 weeks left before April (the month in which the council is due to make their decision) the decision date is deferred to leave time for more questions to be answered by the council

- LH stated that they have already seen drawings showing which houses would be demolished under option 2
  - JTP stated that the document referred to by LH was part of a scenario planning exercise to help the council price the different options, and was not in any way final. JTP reiterated that the decision about which buildings would be demolished and which would remain under option 2 is yet to be made.
- LH proposed to the group that they seek joint legal support to campaign for 'like for like' replacement of their homes

### **3. Detailed questions relating to how the implementation of options 2 and 3 would affect lease-holders and how the process would be managed by Islington Council**

- Under options 2 and 3, how would the 'affordability gap' be bridged for those wishing to remain in the area?
  - For example, if a given lease-holder owns a two bed flat worth £250k, and a two bed flat of the same size in a new home costs £400k, what would the council do to make sure that LH can afford to move to the new flat?
- Questions about additional costs relating to the purchase of lease-holder's homes by the council
  - Who would pay additional legal costs resulting from the sale of a home (e.g. stamp duty)?
  - How much would a lease holder receive from the council to compensate them for the inconvenience and cost of moving house?
  - Would those lease holders who had bought their homes as investments be required to pay capital gains tax on any profits made on the property following its sale to the council?
  - Would those lease holders who currently let their properties to private tenants be compensated if there was a period of time where they couldn't let out their house? For example, if there was a gap in between selling an old house and accessing a new one on the same estate.
- Questions relating to the proposal that the council would offer to purchase homes from lease-holders at the property's 'market value' and pay an additional 10% in compensation.
  - How would the 'market value' of homes be determined?
  - Who would determine the price? Would it be the council or an external estate agent?
  - When would the price for each home be decided upon?

- Would it be done once for all homes at the same time or on a rolling basis as they are demolished?
    - Would the price be decided upon at the same point at which it was sold?
  - Would improvements made by lease-holders to their properties be taken into consideration when the price to be paid for each property is decided upon?
    - For example, many lease-holders have invested in items such as CCTV and new windows which they may not have paid for had they known that their homes could be demolished.
- Other questions
  - Would special provision be made for lease-holders who would find it hard to move house? For example, for families with children, the elderly and the disabled.
  - What deals have been struck with lease-holders on other estates which have been demolished and redeveloped? For example in Packinton.
  - Why is it necessary to continue to pay maintenance bills if the buildings might be demolished?
  - For option 3, where would the money from the sale of the extra 250-300 homes go?
  - What percentage of the new homes built would be social housing?
  - If the council wants to buy LH's flats from them, when will they buy them?
    - For example, will they buy right at the start of the redevelopment process or only when each building is demolished?
  - What would happen to outstanding leases on the properties?
    - Many leaseholders have long leases which they bought on the understanding that they would have the right to occupy the property for the duration of the lease. For example, one attendee stated that she had bought a 20 year lease but only 3 years of this lease term had passed.
  - If option 2 was chosen, might it be possible for lease holders who have homes in buildings due for demolition to transfer their leases to homes in buildings which would be left standing?

#### 4. Actions

- JTP will write up the minutes of the meeting and distribute these minutes to all of those who registered their names and contact details at the beginning of the meeting.

- JTP will feed back the questions raised by LH to the council, requesting that they are answered in time for the decision deadline.
- JTP will try to arrange a further meeting in February where lease-holders have the opportunity to put their questions to representatives of Islington Council. JTP cannot guarantee that they will be able to arrange this, but will try their best.