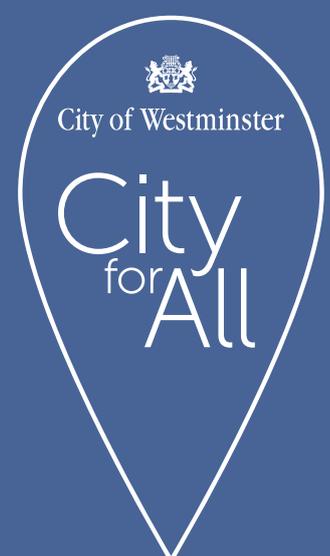




Summary of the proposed Rehousing Policy for Huguenot House residents

From 21 July until 15 September 2021, we are asking for Huguenot House residents' views and suggested changes to this proposed policy. You can have your say and read the full policy online at westminster.gov.uk/huguenot-house



You can also request a copy of the feedback form to be sent to you by post or provide feedback via telephone if you prefer. If you need any extra help so that you can take part in this consultation, please get in touch. We also encourage you to ask any questions and book an appointment to meet in person, online or by phone. Email us at huguenothouse@westminster.gov.uk or call **020 7641 1502**.

The redevelopment at Huguenot House means that residents will need to move subject to planning approval. A range of rehousing options are available for residents, including those to help them return to the redevelopment.

Who this policy applies to:

This policy applies to anyone living in Huguenot House who is having their home acquired due to the redevelopment. Residents can be:

- Leaseholders (including non-resident leaseholders)
- Secure tenants of the council
- Private tenants (although no rehousing options are available)

General information for resident leaseholders and council tenants

Support and advice

It is fully recognised that this is a difficult time for residents and support will be available for them from the council or its agent.

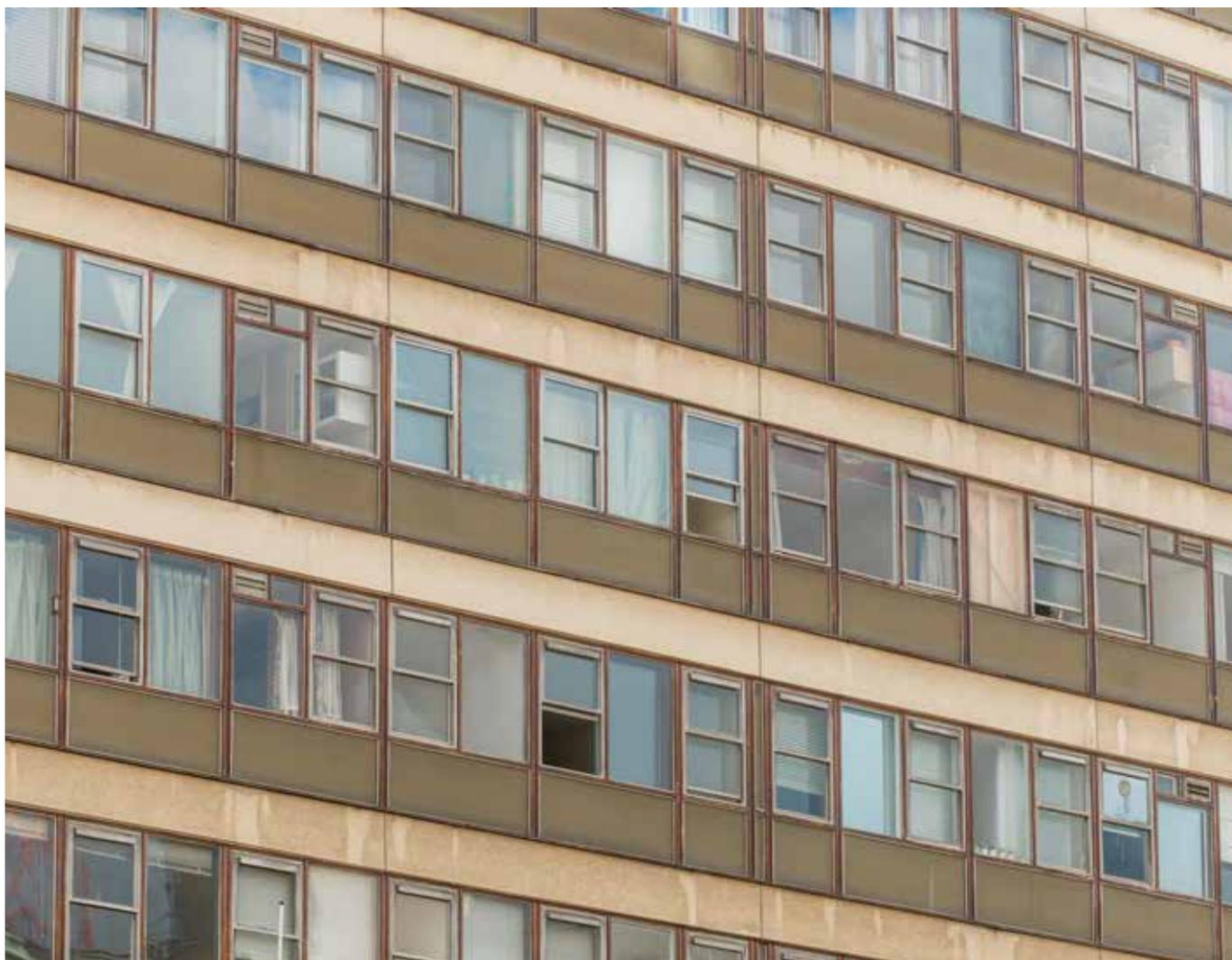
There will be a named point of contact and an officer to discuss housing options with. Free independent advice will also be available to help residents decide on the best option for them.

Discretion

On rare occasions and if there are exceptional circumstances discretion may be exercised in relation to this policy.

Appeals

There is an appeals process for anyone dissatisfied with the way the policy has been applied to them. Appeals must be made in writing within 21 days of any decision and the outcome will generally be decided within 21 days.



Rehousing options for resident leaseholders

Definition of a resident leaseholder

A resident leaseholder is generally one that has been living in their current property for 12 months or more before the date of the letter from the council, inviting them to sell their home by agreement.

Financial compensation

In line with the law, every resident leaseholder will receive the market value for their current home (the property being acquired), plus a home loss payment of 10% of its market value. The home loss payment is subject to a cap set by government which is currently £63,000. A disturbance payment will also be made to cover all reasonable costs associated with moving, including stamp duty and legal fees.

General approach – Options to return to Huguenot House:

Option 1: Buy one of the new build homes with an equity loan or on a shared equity basis

It is likely that the new homes will be of a higher value than leaseholders' original homes and financial assistance will be available to help with the purchase. There are two ways of buying them, depending on how Huguenot House is redeveloped:

- Buy one directly from the developer with an equity loan from the council. There are no repayments on the loan and it is interest free. It only needs to be repaid when the property is sold.
- Buy one of the new properties directly from the council on a shared equity basis. There are no repayments on the council's share.

To be eligible, leaseholders need to contribute the market value of the property being acquired (their current home) plus their full home loss payment to the purchase. If they have a mortgage currently, another mortgage of the same value will need to be raised, or their existing one transported to the new property. Where there is no mortgage and a property is owned outright, there is no requirement to take one out.

The council will make up the difference between the leaseholder's contribution and the market value of the new home (please see the examples below). No repayments are made on the council's contribution and the leaseholder will be the full legal owner. When the property is sold any uplift or decrease in value is shared between the leaseholder and the council in line with their percentage contributions.

The property being purchased must have the same number of bedrooms as the current home. The properties can be sublet and leaseholders can pass on this arrangement to their heirs in some circumstances. Leaseholders can buy further shares in the property if they wish.

Example 1: Buying with an equity loan where the leaseholder has a mortgage at their existing property

Value of the property being acquired (In this example the leaseholder has a £150,000 mortgage)	£600,000
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Value of new property	£800,000
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Leaseholder contribution to the new property made up of

Outstanding mortgage on the property being acquired*	£150,000
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Equity	£450,000
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Home loss payment (10% of the market value)	£60,000
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Total leaseholder contribution	£660,000 (82.5%)
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Council contribution to the new property	£140,000 (17.5%)
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*In this example the existing mortgage needs to be ported over or a new mortgage of £150,000 will need to be raised before the sale of the new property can complete

There are no repayments on the council's contribution to the purchase.

Example 2: Buying with an equity loan where the leaseholder has no mortgage at their existing property

Value of the property being acquired (In this example there is no mortgage and the leaseholder owns the property outright)	£600,000
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Value of new property	£800,000
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Leaseholder contribution to the new property

Value of property being acquired	£600,000
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Home loss payment (10% of the market value)	£60,000
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Total leaseholder contribution	£660,000 (82.5%)
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Council contribution to the new property	£140,000 (17.5%)
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There are no repayments on the council's contribution to the purchase.

Option 2: Become a shared owner

This option is for leaseholders who are not eligible for the equity loan option, because for example they can't raise another mortgage, but can afford to buy a 25% share in the new property and to also pay rent on the unowned equity.

Option 3: Buy one of the new build homes outright

This option is for leaseholders who want to buy one of the new homes outright and can afford to.

Arrangements where one of these options is chosen

As it will take at least three years for the redevelopment to be completed, temporary housing will be offered until the new homes are ready. The rent will be the same as the leaseholder's housing costs in their current home. Every effort will be made to offer temporary accommodation to meet needs but supply locally could be limited.

Leaseholders will hold their capital from the sale of their original home until the new one is ready to purchase and may be asked to pay a deposit towards the purchase if they are buying off plan.

Other options (for leaseholders not wishing to return to the redevelopment):

Option 4: Practical help with buying a replacement property elsewhere

Where needed the council, or its agent, can provide practical, non-financial help for leaseholders to buy another replacement property. This could include the council facilitating the purchase of a property from its own vacant stock.

Option 5: Financial help to buy a replacement property locally

Where none of options to return to the redevelopment are suitable for the leaseholder, buying another property locally with an equity loan or on a shared equity basis may be possible, subject to a criteria being met.

Option 6: Become a social housing or intermediate tenant

This option will generally be offered where home ownership is no longer suitable for the leaseholder for some reason and a criteria is met. Where it is agreed, leaseholders will receive 70% of the full market value for their properties. The type of tenancy offered will depend on the leaseholder's income. Social tenancies will be offered for leaseholders with lower incomes and intermediate ones for those with higher incomes. (See the glossary in the main policy for more information about Intermediate housing).



Options for non-resident leaseholders

There is only one option for non-resident leaseholders which is to sell their property to the council and receive the statutory compensation.

Options for tenants

Council tenants

Financial compensation

Every council tenant that has been living in their home for 12 months before they have to move is entitled to a:

- Home loss payment to compensate them for having to move. The amount is set by government and is currently £6,500 per household.
- A disturbance payment. This is to cover all the reasonable costs of moving such as removals, redirection of post, disconnections and reconnections, the refitting of curtains and carpets etc. Often the council will arrange these services so tenants will not have to organise them directly. Additional help, such as for packing, will be provided where it is needed

Options

Option 1: Move into another social home in Westminster for a temporary period and then move to a new social home in Huguenot House when they are ready

For both the temporary and new home:

- It will be a secure tenancy.
- The rent will be similar and set in line with the national formula, but it may not be exactly the same.
- It will be of the size needed, so it could be larger or smaller than the current home.

In limited circumstances this option cannot be offered, such as where there has been a change in circumstances and the tenant needs a different size property from the one originally envisaged and the plans for the redevelopment have been finalised; where specialist housing is now needed; or where there has been tenancy fraud or the tenancy has been lost.

Option 2: Move into another social home in Westminster

As with Option 1 the home will be a secure tenancy and it could be larger or smaller than the current home depending on what is needed. The rent will be similar although it may not be exactly the same.



Option 3: Become a homeowner

Tenants will have high priority for any new intermediate homes (a definition of intermediate housing in the Glossary in the main policy) built in the new development which are for sale, so they can get on the housing ladder. To qualify for this option, tenants will need to be eligible for 'intermediate housing' and more information is at homeownershipwestminster.co.uk

The process of moving

There are three stages:

- Stage 1: The Housing Needs Survey where the tenant considers their options and the council finds out about who is in the household, the type of new home needed and any particular needs the households has.
- Stage 2: The Assessment where a detailed assessment is undertaken of the size and type of new home needed.

- Stage 3: Rehousing begins where the option chosen is confirmed in writing and generally cannot be changed. Rehousing will then start and tenants will have high priority to move in the council's Allocation Scheme. They will be able to bid for alternative properties using Choice Based Lettings.

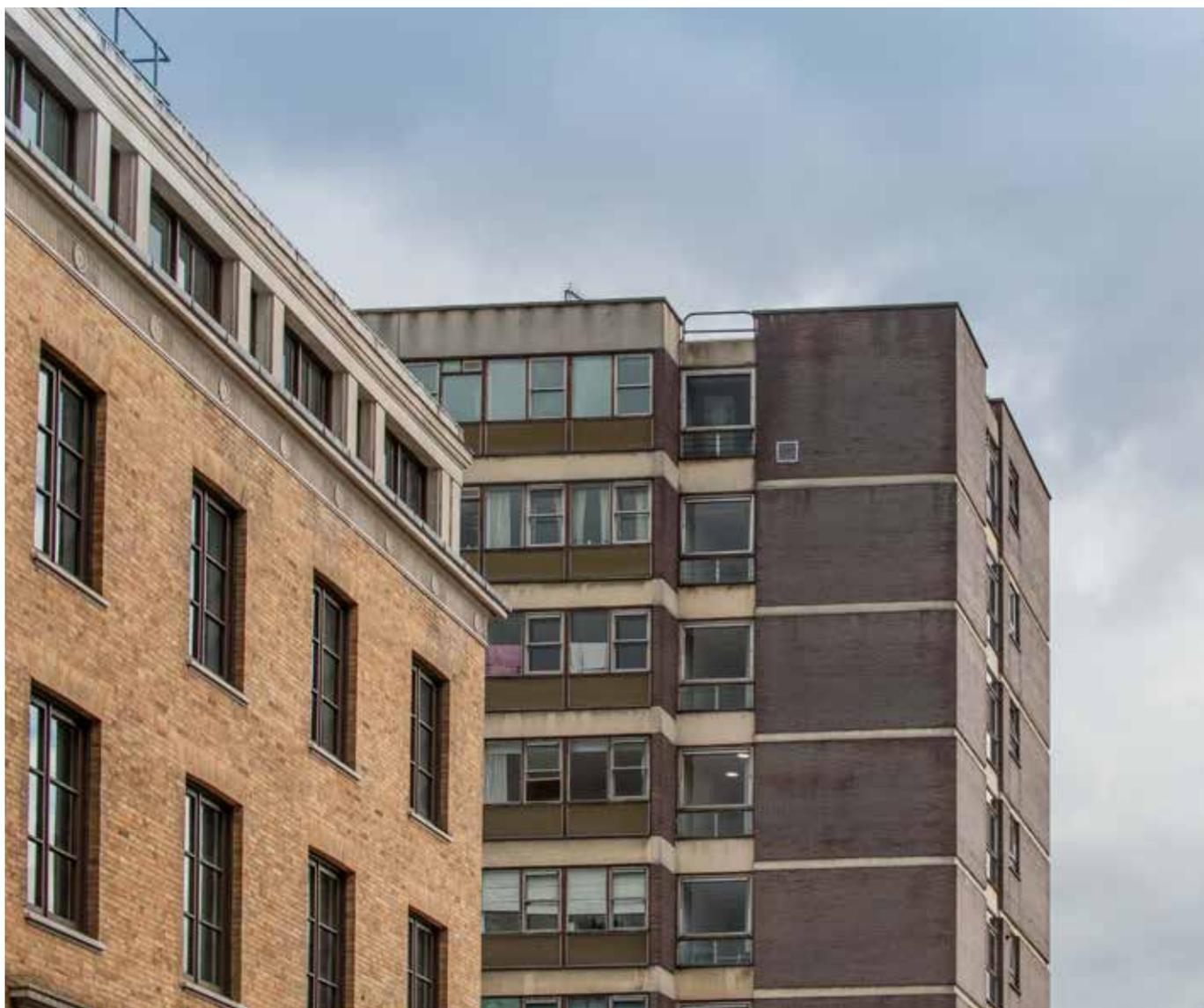
More about Stage 2

Only certain household members can be included in the assessment to work out the size of the new home needed. They are generally people who formed part of the original household (see 5.27 – 5.30 of the main policy for more information on this).

The size of the new home

Single people, who are living in one bedroom homes will be offered another one bedroom home. Single people already living in a studio may be offered another studio however. Couples are entitled to a one bedroom property.

The table (see right) shows how the number of bedrooms is worked out for larger households (this is in line with the council's bedroom Standard in its Allocation Scheme):



Each of the following will be offered one bedroom

Adults The tenant and any spouse or partner

Adult household members and any spouse or partner (unless they are siblings – see below)

Two siblings of the same sex where the age gap is ten years or less (where there is more than a ten year age gap two bedrooms will be offered)

Children Two children of the opposite sex under 10

Two children of the same sex under 16

Two children of the same sex where one or both is over the age of 16 and where the age gap is 10 years or less

One child (that is not included in the categories above)

Private tenants

Every effort will be made to communicate with private tenants as early as possible to explain what is happening and when.

All private tenants will be visited at least once and informed where they can get further advice. Anyone at risk of homelessness will be referred to the council's Housing Solutions Service and additional support will be offered to vulnerable households where it is needed.



Contact us

☎ 020 7641 1502 (during regular office hours)

✉ huguenothouse@westminster.gov.uk

🏠 westminster.gov.uk/huguenot-house