

HIGH

ROAD

WEST

## CONSULTATION ON THE OWNERSHIP AND MANAGEMENT OF THE NEW SHARED EQUITY HOUSING



# Contents

|  |     |
|--|-----|
| Introduction                           | 3   |
| What we would like you to do           | 4   |
| About the consultation                 | 5   |
| What might affect my views?            | 6,7 |
| Our preferred option                   | 8   |
| The High Road West regeneration scheme | 9   |
| Glossary of terms                      | 11  |

# Introduction



## Dear Resident Leaseholder

As you will be aware, in December 2014 we agreed a masterplan and regeneration proposals for the High Road West area which includes the Love Lane Estate.

Your feedback was overwhelming in support of regenerating the estate and building new homes, with 70% of residents supporting the change.

I believe that the plans, created in partnership with the community, will bring far reaching benefits to you and your neighbours, including new homes, job opportunities, new community and health facilities and a brand new Library and Learning Centre. But I want to continue to consult you every step of the way about the future for High Road West.

Thank-you for being so involved and for working with us to create a Residents Charter, Residents Association and Design Guide and thank –you to the Love Lane residents who have been involved in the procurement process to find a development partner to build the High Road West Scheme, helping us select three development partners from a long list of 6. I hope these residents will continue to be involved as we discuss the partners' proposals for High Road West and choose one partner.

I am now seeking your views on the affordable replacement homes, which will be built in the High Road West regeneration area, and made available to existing resident leaseholders on the Love Lane Estate.

I am committed to ensuring that existing resident leaseholders are able to stay within the regeneration area should they wish, therefore, your views on the ownership and management and terms of the replacement homes are important to me.

We are currently in the process of selecting a development partner for High Road West and there are three remaining bidders. They are; Barratt Developments Plc, Lendlease Developments Ltd and Linkcity (Bouygues). We are engaged in what is called a competitive dialogue process with the potential partners which means that your views will feed into those conversations and shape the final agreement with the selected developer for High Road West.

The views you give during this consultation will also feed into the leaseholder offer. We will complete a 6 week consultation on the leaseholder offer once it is further developed in the summer.

The questions we are asking you today are the next steps to delivering your new homes, with the options clearly laid out in this document.

I really look forward to hearing your views.

**Cllr Alan Strickland**  
**Cabinet Member for Housing and Regeneration**

# What we would like you to do



Please read this pack to help you understand the options we are considering and what this means for you.

To give your feedback on this consultation you can do one of the following:

- Complete a feedback form online **[www.tottenham.london/HRWconsultation](http://www.tottenham.london/HRWconsultation)**
- Complete the paper feedback form included with this pack and return in the supplied prepaid envelope
- Hand your form back in person to your Rehousing Officer, Lin Edwards or Lauren Schnieder, Engagement Officer, who are based at the Grange, 32-34A White Hart Lane, Tottenham, London, N17 8DP
- Hand your form back in person to your Independent Tenant and Leaseholder Association representative for the Love Lane Estate, Damian Tissier
- Email your views to: **[tottenhamregeneration@haringey.gov.uk](mailto:tottenhamregeneration@haringey.gov.uk)**
- Write to: **High Road West Consultation Haringey Council, 639 Enterprise Centre, 639 High Road, London, N17 8AA**

The consultation ends on the 5 May 2017. Your feedback and views must be received by this date.

If you would like to speak to a council officer about the information within this pack you can:

- Attend one of the drop-in events (dates detailed below) where you can speak to a council officer on a one-to-one basis or Damian Tissier, the Independent Tenant and Leaseholder Advisor for the Love Lane Estate;

- Arrange for your dedicated Rehousing Officer to visit you in your home

Your Rehousing Officer's details and the dates of the drop-in sessions can be found below:

Drop in events will be held for Love Lane residents at the Grange, 32-34A White Hart Lane, Tottenham, London, N17 8DP, on the following dates:

- **Tuesday 4 April 2017, 12 noon – 4pm.**  
A Turkish interpreter will be available
- **Thursday 20 April 2017, 7pm – 9pm.**  
A Turkish interpreter will be available

Lin Edwards, Leaseholder Rehousing Officer  
Email: **[Lin.Edwards@haringey.gov.uk](mailto:Lin.Edwards@haringey.gov.uk)**  
Tel: **020 8489 5317**

If you would like this document in another language or large print call **020 8489 5317**.

**All of the feedback received will help to inform discussions with the three bidders and subsequently the selected development partner.**

**The feedback will influence the following decisions:**

- Ownership and management of the new shared equity housing to be council or Housing Association
- The management arrangements, i.e. services and service charge for the new shared equity housing
- The terms of the shared equity offer

# About the consultation

## What is the consultation about and why am I being consulted?

When the High Road West regeneration scheme goes ahead it will mean all properties on the Love Lane estate will need to be demolished and new high quality homes will be built.

As a resident leaseholder on the Love Lane estate you have been provided, within the Leaseholder Guide 2014, a range of housing options, which include:

- **Option 1:** Purchase a new home in the High Road West area (either shared equity or shared ownership)
- **Option 2:** Purchase a low-cost ownership home built by the council
- **Option 3:** Leasehold swap
- **Option 4:** Purchase a property elsewhere

These options are still available to you and are being further developed by us through the development of the Leaseholder Offer, which we will consult with you on further later in the Summer.

This consultation focuses ONLY on Option 1 – to purchase a new home in the High Road West regeneration area.

Since writing the Leaseholder Guide we have committed to ensuring that the High Road West Scheme delivers a minimum of 46 shared equity units for, in the first instance, resident leaseholders on the Love Lane Estate.

The consultation is about the ownership and management of these replacement shared equity housing and so will only apply to you if you move into one of these homes.

If you would like more information about the High Road West redevelopment and your housing options – please contact your dedicated Rehousing Officer Lin Edwards or visit [www.tottenham.london/HighRoadWest](http://www.tottenham.london/HighRoadWest)

## Properties included in the consultation

This area includes the following properties on the Love Lane estate: Charles House, Ermine House, Moselle House, 2-32 Whitehall Street, 3-89 Whitehall Street, 4-18 Brereton Road, 2-28 Orchard Place, 9-39 White Hart Lane and Kathleen Ferrier Court.

## What are the ownership options I am being consulted on?

You are being consulted on who should own the replacement shared equity housing on the High Road West redevelopment.

We have two options:

- **Option 1: Haringey Council buys and owns the new Shared Equity Housing**
- **Option 2: A Housing Association buys and owns the new Shared Equity Housing**

This is legally referred to as a private registered provider but we will use the term "Housing Association" throughout this document.

## Are there relevant future consultations?

Yes – we are currently developing a detailed leaseholder offer which you will be consulted on later on in the year.

The leaseholder offer is a document being developed which sets out the details of what we are offering to leaseholders on the Love Lane Estate. The offer is for all leaseholders but there are additional options for resident leaseholders.

It will build on the options presented the Leaseholder Guide (freely available online and by request) which was sent to all leaseholders in 2014. The Leaseholder Guide sets out that as a resident leaseholder you will:

- Be offered the market value of your home
- Receive a 10% Home-loss compensation
- Be offered the opportunity to purchase a new affordable replacement home in the regeneration area

The leaseholder offer will include much more detail on the procedures for the council acquiring your property as well as your financial entitlements and options for moving.

We will be consulting you on the leaseholder offer later this year.

# What might affect my views?

## What is a shared equity property?

A 'shared equity' property is a housing option where the resident leaseholder pays for a proportion of the property and the rest is funded by an equity loan.

## What is the typical process for getting a shared equity property?

To purchase a shared equity home, typically resident leaseholders would use the funds from the sale of their existing property (market value plus 10%) to buy a property in the new development. This includes continuing to invest the same level of mortgage borrowing they hold in their current property.

If the cost of a new property is higher than the amount received from the Council for their

existing property, then the Council or a Housing Association, would hold on to a share of the new property. No rent or interest would be charged on the share of the property that the council holds.

Under this arrangement leaseholders can purchase a new, higher value property without increasing their existing level of borrowing. If leaseholders want to invest more in the new property then leaseholders are able to do so.

Leaseholders have the opportunity to increase their share in the property over time by gradually buying up the council's equity share.

See diagram below for example on how shared equity works.

## Existing home compensation



Your home is valued as being worth £250,000

You will receive £25,000 Home Loss compensation (10% of market value)

You will receive a total of £275,000 compensation

## You can use your money to buy a new home in the regeneration area



the new home in the regeneration area is valued as being worth £380,000

You would need to put in your full compensation package of £275,000

Haringey Council, a Housing Association would contribute £105,000

You will own 72% of the property and Haringey Council or a Housing Association would own 18% of the property.

You have the opportunity to increase your share in the property over time by gradually buying the Council's or Housing Association's equity share.

The values used in the illustration are indicative and do not necessarily reflect the value of your home.

## Developing the detailed terms for the new shared equity homes in High Road West

The council will ensure that the terms of any future shared equity homes are subject to consultation with resident leaseholders. These terms will need to be met regardless of whether Haringey Council or the Housing Association own the homes.

Whilst we are still developing these terms, they are likely to include the following:

- The leaseholder will not be required to make repayments on the equity loan and it only needs to be paid upon sale of the property
- The leaseholder will be able to increase their share of the property at any time subject to valuation
- The leaseholder will have the right to succession (pass the property on to a family member, who resides in the home)
- The property will have the same number of bedrooms as the leaseholder's existing property. If the leaseholder would like to increase the number of bedrooms, they should be offered a shared ownership arrangement

## Service package

The service package is the range of services provided to you as leaseholder in your building and includes the costs directly related to your building that the landlord or their management company must pay for those services. These costs are called a service charge. The services provided could be things like repairing lifts, maintaining gardens and decorating the building and communal areas.

Currently your building is managed and maintained by Homes for Haringey. You already pay service charge to Homes for Haringey for the service they provide.

If the shared equity homes in High Road West are sold to a Housing Association, the housing will be managed by them.

We are committed to ensuring that the service charge for the new homes within the development are affordable for all residents, however, due to the fact that there will be more services provided for residents in an improved and more secure

environment, it is likely that the cost will go up – this may be due to increased services such as CCTV, concierge, lift maintenance, cleaning and repairs, more lighting and lots of green space and planting.

If the new shared equity housing is bought by the Council or a Housing Association, it is likely in both instances, your service charge will increase due to the reasons listed above. This will be charged to you.

Your feedback in this consultation will influence the services that are delivered for the replacement social rented housing in High Road West which would therefore influence the service charge. However the overall quality and service offer improvements mean that the service charge is still likely to increase.

**We want to reassure you that we will get the best possible deal for leaseholders when negotiating a new service package.**

For more information about the shared equity offer or the service package contact your dedicated Rehousing Officers:

- Lin Edwards  
Email: [Lin.Edwards@haringey.gov.uk](mailto:Lin.Edwards@haringey.gov.uk)  
Tel: **020 8489 8272**
- Lauren Schnieder  
Email: [Lauren.Schnieder@haringey.gov.uk](mailto:Lauren.Schnieder@haringey.gov.uk)  
Tel: **020 8489 5008/07725 269 569**

Or you can speak to the Independent Tenant and Leaseholder Association for the Love Lane Estate, Damian Tissier – [damiantissier@gmail.com](mailto:damiantissier@gmail.com)



# Our preferred option

## Financial implications

It is our preferred option for a Housing Association to buy and own the replacement shared equity housing to be built on the High Road West development.

This is due to the fact that we would need to buy the 46 shared equity homes from the developer. This would be a significant cost and would mean less money to spend or invest in current housing stock e.g. major works or repairs or building new houses.

We would like to undertake these activities to increase and improve housing as well as having the new regeneration schemes.

We believe that a Housing Association would be able to offer a high quality service across the whole of the High Road West Development and will benefit from the scale of the development. If the developer and housing association partner own and manage the whole site, the operation will warrant a dedicated team that all High Road West residents will benefit from.



# The High Road West regeneration scheme

## What has happened so far?

In order to get to this point we have created a series of proposals, each informed by consultation with residents.

### Spring 2012

Arup was appointed to help Haringey Council develop the High Road West masterplan and the process of developing a masterplan was commenced.

### Spring 2012- September 2014

A series of consultation events were held with the local community to help shape the masterplan options and the final masterplan. These events included workshops, training, one-to-one meetings, drop-in sessions.

### 2013- 2014

Haringey Council worked with Love Lane residents to develop the secure tenant and leaseholder guides and the Resident Charter.

### September 2014

The Community Hub, at the Grange, 32-34A White Hart Lane, N17 8AD opens. In December 2014 and ongoing, the Love Lane rehousing team support residents from this central location and hub.

### December 2014

The High Road West Masterplan was approved by Haringey Council's Cabinet. Included a Resident Charter which made the commitment that all secure council tenants on the Love Lane Estate will:

- Be offered a new, high quality, modern home in the redevelopment area that meets their needs
- Continue to pay social rent, not new affordable rents
- Continue to have a long-term tenancy
- Have a dedicated re-housing officer to support them through the whole moving process
- Receive home loss compensation, with all reasonable moving costs paid

### December 2015

Approval by Cabinet of procurement of development partner for High Road West regeneration scheme.

### Summer/ Autumn 2016

High Road West procurement process commenced to select a development partner.

### October 2016

Resident representatives on a specially formed 'Design Panel' took part in dialogue sessions with six shortlisted bidders to feedback on the vision and designs proposed for High Road West.

### January 2017

Three bidders are selected to continue in competitive dialogue. They are selected by scoring highest overall on the different elements of their propositions – including their response to the Resident Charter and Design Panel.

## What stage are we at now?

From a longlist of six potential developers, we have shortlisted three. They are; Barratt Developments Plc, Lendlease Developments Ltd, Linkcity (Bouygues).

As part of the selection process the developers met with Love Lane residents and pitched their ideas to resident representatives on a specially formed 'Design Panel'.

In the Spring, the bidders will each submit a final tender document and these will be scored and independently moderated in order to reach a preferred bidder.

The final decision on which developer is chosen will be taken by Haringey Council's Cabinet in Summer 2017.

## What happens with my comments on this consultation?

Your comments will feed into the decision by Haringey Council Cabinet on who should own

the replacement shared equity housing. This will happen in Summer 2017 alongside the Cabinet decision on the preferred developer for the High Road West regeneration scheme.

We are holding this consultation now as your responses will shape discussions with the developers and inform their future plans.



# Glossary of Terms

- **High Road West** – a proposed regeneration scheme covering 11 hectares broadly between Tottenham High Road and the railway line (White Hart Lane Station), running from Brereton Road in the south to the former Sainsbury's site in the north.
- **New shared equity housing** – the new housing to be built in the High Road West regeneration scheme that has been allocated for current resident leaseholders.
- **Shared equity property** – a housing option where the leaseholder pays for a proportion of the property and the rest is funded by an equity loan.
- **Private registered provider** – a private provider of social housing held on a government register (formerly known as registered social landlords or Housing Associations). Some PRPs are charitable bodies and others are not.
- **Housing Association** – this is the commonly used term to describe a registered provider of social housing.
- **Succession** – the right to pass on the shared equity homes to a successor, usually a family member who is resident in the home.
- **Service charge** – a payment made by the resident to the landlord or management company as a portion of the costs of servicing only the tenant's building e.g. repairing lifts, maintaining gardens and decorating the building and communal areas.
- **Homes for Haringey** – Homes for Haringey is an Arm's Length Management Organisation (ALMO), set up in April 2006 to manage Haringey's council housing.
- **Concierge** – a security guard present in your building or protected neighbourhood.
- **CCTV** – Close Circuit Television uses camera to provide surveillance.
- **Door Entry** – the access into a secure building.

