

**THE LONDON BOROUGH OF SOUTHWARK
TOWN AND COUNTRY PLANNING ACT 1990
AND ACQUISITION OF LAND ACT 1981**

**Revised Inquiry into
THE LONDON BOROUGH OF SOUTHWARK
(AYLESBURY ESTATE SITES 1B-1C)**

**COMPULSORY PURCHASE ORDER 2014
PINS REFERENCE: NPCU/CPO/A5840/74092**

**Rebuttal statement of
Beverley Robinson
For the Aylesbury Leaseholders Group**

5 January 2018

1. This is my rebuttal statement in response to evidence submitted by the Acquiring Authority.

Valuations

2. In response to paragraph 1.10 of Mr Marcus Mayne's proof of evidence, I do not consider that Mr Mayne adopted a fresh approach using external valuers in 2016. The reality is that he brought about a change in the Council's unlawful approach whereby it valued properties using its own staff, some of whom were not RICS qualified surveyors (CD50; para 218)(ID20).

3. In relation to Mr Mayne's paragraph 12.1, I do not agree that independent surveyors were appointed in 2016. Carter Jonas is a private firm acting under direct instruction from the Acquiring Authority. Whilst it is an improvement on the previous situation it is not the provision of independent valuations that we have consistently requested. In our November 2014 deputation to the Council's Cabinet (ID4) we requested the appointment of the District Valuer to carry out the valuations and have repeated this request in subsequent deputations.

4. This would provide leaseholders with the assurance that the valuations have been carried out by an impartial and independent third party expert, but the Council has consistently ignored our requests to appoint the District Valuer.

5. Appended to this rebuttal statement is evidence that the Acquiring Authority uses the District Valuer for its Right to Buy valuations. I cannot understand why it continues to reject our requests to instruct it to value our homes.

Negotiation by agreement

6. At para 3.4 to 3.7 Mr Mayne states that a high percentage of leasehold interests have been acquired or agreed by negotiation. Mr Mayne does not take into account the undue pressure that is placed upon leaseholders to move out of the estate – see Professor Lees' research interviews with decanted leaseholders (LL2).

7. I can testify personally to the incredible pressure leaseholders are put under. As I have previously stated, my electricity has been cut off on numerous occasions since the close of the last Inquiry; I have gone without heating and hot water on some occasions for more than a week; I have been stuck in a lift, locked out of the estate; and at one point I had to leave my home because of contaminated water which was a result of the decant works. In addition, the council have stopped collecting rubbish regularly and have stopped all scheduled maintenance of the estate environs.

8. Ms Kabuto has experienced similar problems. Furthermore our post has not been delivered and I have been refused entry at the Portland Street entrance up until November 2015. This has meant that I had to walk a further 5 -7 minutes to the Westmoreland road entrance in order to access my home. This has been difficult as I have a bad back and often have to carry shopping. On 22nd December 2017 I was informed that from 2nd January 2018 by the Council (by letter) that they are now going to close the Westmoreland Road entrance.

9. Southwark Council ran down the Aylesbury estate once it had decided it wanted to demolish it. The estate environs and buildings have become increasingly neglected as a result of Southwark failing to fulfill its general maintenance and repair obligations under the lease. By this I mean simple

regular maintenance like cleaning the gutters once every two years. The photograph below (**ORS3, ORS4**) shows the resulting build up of decomposing leaves has left gutters so blocked with debris and water that reeds have started to grow in them. It is therefore no surprise to hear of complaints regarding water ingress and damp issues.



10. Statutory objector Judi Bos provides further evidence of neglect in her proof and Catherine Bates also acknowledges it in her proof of evidence: *"For a number of years, only necessary and limited work has been carried out to the buildings and the district heating infrastructure on the Order Land."* (Paragraph 4.7)

11. Ms Bates goes on to use the Acquiring Authority's neglect as justification for demolition, thereby creating the conditions under which compulsory purchase and demolition might be considered necessary and acceptable. The Acquiring Authority has therefore attempted to present a fait accompli. Accordingly the Inspector cannot place any reliance on these circumstances created by the Acquiring Authority.

Affordability gap

12. Mr Mayne evidence fails to take account of the affordability gap. Page 5 of the government's 'Estate Regeneration National Strategy', section 'Resident Engagement and Protection' (**CD73**) says:

It is a legal requirement for leaseholders to be compensated if their home is demolished. However, we expect that schemes will go further and offer leaseholders a package that enables them to stay on the estate or close by.

13. Mr Mayne's evidence appears to say that by paying leaseholders what the Council deems to be market value, it has complied with the compulsory purchase code and human rights requirements.

14. Mr Turner's evidence shows that in September 2012 Southwark Council paid one leaseholder £75,000 for a large 47sqm 1, bedroom flat. In 2014 the Council paid £147,500 for a 4 bedroom maisonette. By January 2013 the average house price in London was £400k.

15. In my own case I was made the following offers for my (2-bed) home:

- 18 November 2010 - £100,000
- 4th April 2012 - £117,500
- 8 January 2014 - £187,500
- 2015 - £225,000

16. The most recent offer of £225,000 in 2015 is well below comparable sales on other estates. In 2014 a two bed flat in Draper House on the Draper estate sold for £385,000 (see appendix). Land registry records show that before the regeneration was announced, two-bed flats like mine on the Aylesbury estate would sell for the same price as two-beds in Draper House (see appendix). However, in valuing our homes, the Council only uses on-site comparable sales. It openly acknowledges that its valuations of our homes are affected by the fact that the estate is earmarked for demolition (**ORS4**).

17. In this context it is unsurprising that Mr Mayne does not give any evidence as to how many of the leaseholders decanted from the estate have been able to maintain home ownership in the area.

Like for like home swap

18. I note that Southwark Council had a like for like home swap policy from September 2006 through until shortly after the AAAP was adopted in 2010 (**Objectors Bundle pages 81;83;114**). At the time of the Aylesbury Area Action Plan examination in public this policy was in place and relied upon by the AAAP's equalities impact assessment. There was no reason to suspect that it would subsequently be withdrawn and still no adequate explanation has been given as to why it was withdrawn and why it has not been re-instated.

19. I note that the department of Communities and Local Government Estate Regeneration National Strategy date December 2016 (**CD73**) introduced a similar scheme as a model for a resident offer.

"Home Swap Model:

Leaseholders receive market value for their home plus a home loss payment. Residents can use this payment to move elsewhere, or take a Home Swap option to use the payment to buy a property on the estate. The difference in value becomes a charge on the property that is repayable if the property is sold within seven years. This enables the estate landlords to secure revenue early on."

20. The shared equity option for leaseholders presented by Southwark Council and its regeneration partners do not entitle me to pass on my property to a next of kin until I have staircased up to a

100%. Neither would I be able to sublet the whole of my property as any long leaseholder would be entitled to do.

21. In my opinion Inspector Coffey and the Secretary of State recognised that the Ayelsbury Regeneration was a failure in relation to the treatment of the leaseholders.

22. The Inspector rightly recognised that the £16k policy was repugnant if not unlawful. However this policy, even though now withdrawn, represents the attitude that the acquiring authority has taken towards leaseholders. The injustices to leaseholders have not been cured simply because the 16K policy has now been withdrawn. The shared equity offer still remains inequitable and results in leaseholders being left worse off.

23. This goes against the 'principle of equivalence' set out in Government guidance on compulsory purchase¹, which says that owner occupiers "*should be no worse off in financial terms after the acquisition than you were before.*"

General Principle

- 2.1 Compensation following a compulsory acquisition of land is based on the principle of equivalence. This means that you should be no worse off in financial terms after the acquisition than you were before. Likewise you should not be any better off.
- 2.2 Because the effects of the CPO on the value of a property are ignored when assessing compensation, it is necessary to value the land on the basis of its open market value without any increase or decrease attributable to the scheme of development which underlies the CPO.

24. In relation to para 3.9 of Mr Mayne's statement, he states that he believes the CPO is a last resort because three leaseholders are not willing to sell their homes on Southwark's terms. I take the view that the CPO is not a last resort, Southwark are perfectly able to modify their position. They have done so once before in withdrawing the £16k policy. The council could apply the Home Swap Model in accordance with the Secretary of State's guidance to the remaining leaseholders on the FDS and those on subsequent phases.

Surveyor's fees

25. At paragraph 4.4 of his proof of evidence, Mr Mayne states that the council will pay for surveyors fees. What Mr Mayne fails to explain is that the Council will only pay a fixed cap fee of £1,200 per case. This creates a situation where surveyors are either reluctant to take up the case or are severely limited in terms of the amount of time they can spend on it. The cap on surveyor's fees is described in more detail in paragraph 32 of Ms Kabuto's evidence.

26. We have lobbied the Council to remove the cap and agree to billing on an hourly rate basis in line with RICS guidance, but our requests have been rejected. Page 2 of our deputation to the 18 Nov 2014 Council's Cabinet meeting (ID4) provides further detail on the fee cap, billing basis and RICS guidance.

¹ <https://www.gov.uk/government/publications/compulsory-purchase-and-compensation-booklet-2-compensation-to-business-owners-and-occupiers>

Mortgageability

27. In response to para 4.6 both Ms Kabuto and myself and many other leaseholders had mortgages on our properties on Aylesbury Estate. I do not agree that the construction of the properties on estate entitle Southwark to negotiate with leaseholders on the premise that our properties are worth significantly less than other properties in London. The properties on the Draper estate and Cotton Gardens estate listed in the District Valuer's schedule in my appendix are equally a mixture of in-situ and modular concrete construction (Wates Modular system). My former Surveyor Alan Shaw was extremely concerned that Southwark Council refused to consider off-estate comparable sales when valuing properties on the Aylesbury Estate.

28. In relation to para 4.8 of Mr Mayne's proof of evidence, I am not in a position to staircase a new property, I worked for 31 years full time and a further 3 years part-time to put myself in a position where I could buy my own home, something that was very important to me and where I would have enough savings to leave off while retraining for new career. Furthermore I am unable to say whether I will be in sufficient health in order to staircase to full equity. The stress of the situation I now find myself in has been very difficult for me.

Rehousing offers

29. In response to the claims of rehousing offers listed in Mr Mayne's evidence, I have appended (ORS29) the minutes of two meetings between myself, Ms Kabuto and the Council/NHHT. These provide details of the difficulties experienced with the Council's offer and procedures

30. During the period of the closure of the last Inquiry I was not given a bidding number for the Council's choice-based letting system for almost 1 year. Once I had been given a bidding number I found that there were very few properties in the area that met my criteria. No doubt the number of local properties available was affected by the high demand as a result of the concurrent decant of Aylesbury tenants.

31. In relation to the option that I have in selecting council properties using the choice base letting system. Virgin Blackman said in her proof of evidence is not a system specifically designed for home buyers. The scheme does not provide a capital value and the bidding timescale a very restrictive with no ability to inspect a property and the information available varies widely. In some case no photo where available. There were many occasions when I was unable to access Homesearch.

32. In relation to bids that I have only made one bid which was Friern Road Dulwich 1/4/2017 was a property that had not central heating, had asbestos in the fire place, had internal door in living area and had historical leaks. It was also was also not in my chosen postcode area and it came with a £146k schedule for major works over a 5 year period and without no job this was too daunting for me to comprehend taking on a property with this problems because as a homeowner this cost would have to be bared by me.

33. In relation to the Sondes Street – direct offer this was a pleasant property as it met some of my requirements but fundamentally there was the affordability gap because the estimate purchase price was £500k and on closure observation it can with a list of problems, it had no damp proofing, it had flexation at the windows, it was not disabled compliant – in fact with my disabled sister that came to me one of the visits should could not fit into the property and she was upset to say that should would not be able to visit me if I moved into this property. I thought I could do a work around solution by seeing if the property could be modified by again it wasn't possible to do this.

Development partner's rehousing offers

34. With regard to Notting Hill's shared equity rehousing offer at Camberwell Fields, I have appended an email exchange between myself and Notting Hill's Danielle Lennon (ORS30) showing the difficulties experienced with my application. I expressed further reservations about being made to sign a confidentiality agreement as a condition of proceeding with the shared equity option and given that NHHT was requiring 100% of my compensation to be put into my equity share then I would have been forced to forgo my right to refer the valuation to the Upper Tribunal for determination.

35. In addition, I asked to see a copy of NHHT's shared equity lease for Camberwell Fields, in order to be able to examine the terms and conditions with a solicitor, but time lapsed before the lease was provided and also a bank holiday which meant it was difficult to engage a solicitor in time for the deadline I was given in which to accept NHHT's offer.

36. With regard to L&Q's shared equity offer on phase 1a, I didn't take this up because of the extremely disadvantageous terms of the shared equity lease, which would have attributed all of the equity uplift of my share to L&Q. See Ms Kabuto's evidence paragraphs 12-15 and (**SAK5**) for more details on the phase 1a shared equity offer.

37. With regard to L&Q's shared equity offer on 'Harvard Gardens' (site 7), I applied for this scheme and was told to undertake an online assessment. I was subsequently informed that I was not eligible – see notification from L&Q appended to the end of this rebuttal statement.

Offers of temporary accommodation

38. In relation to Mr Mayne's paragraph 4.18.1 I did not consent to being placed in temporary accommodation for 6 months unless Southwark agreed to rehouse me on the regenerated estate. In addition, a temporary decant was unrealistic for the following reasons:

- My property would be left empty for too long
- The home insurance would not cover a duration of absence from my home for more than 60 days.
- The temporary properties that were offered were too small and would not house my personal belongings.

39. In relation to the offer of mediation para 4.18.2 I refer to page 1153 of (**MMO4**). I instructed a surveyor to represent me in the mediation (Dan Knowles of Sawyer Fielding Ltd) and in November requested the Acquiring Authority's Simon Chambers to agree a fee basis with Mr Knowles.

40. I understand that to date there has yet been no agreement on a fee basis made with Mr Knowles.

41. In relation to Mr Mayne's paragraph 4.18.4, the objectors no longer exert that the cost of refurbishment will be £120k per flat. The figure is substantially less and the objectors relies on the evidence of Simon Morrow.

42. In paragraph 4.7 of his evidence, Mr Mayne states that it is only those that brought their properties before 27 September 2005 who are eligible for any assistance from the Council. This another example of unfair treatment of leaseholders.

43. In relation to paragraph 4.1.4 of Mr Mayne's statement I refer the Inspector to Ms Enuechie's proof of evidence which sets out the reason why she accepted the council's offer and vacated her home. Ms Enuechie's experience echos those of many other leaseholders who reached the end of their tether because of the way they have been treated in this regeneration.

44. In the event that the partial refurbishment option is seen as an alternative scheme that meets the objectives of the regeneration, I understand that I will be required to pay the major works charges for refurbishment of my home. Due to my age I will be able to benefit from the deferment option within the Council's policy for mitigating large major work bills and in any case the Council has a scheme whereby the major works bill can be paid in installments.

45. In relation to para 4.18.15 of his evidence, Mr Mayne states that any homeowner will receive market value and home loss for their existing property not the full market value of the property they move into. To be clear, I am not asking for the full market value of the property I will move into. My view is that the market value of my existing property must be first be adjusted to take account the fact that the council has run down the estate since it decided to demolish it. The market value of my home should therefore equate to what it would be worth in its prime London location in the event that the estate had been properly and adequately maintained.

46. In the event that the true value of my home represents less than the value of a like-for-like property on the regenerated estate, I should be able to take advantage of the Home Swap Model whereby I would retain 100% ownership, but the difference in value would become a charge on the property that is repayable if the property is sold within 7 years. I made a request along these terms in a meeting with Eleanor Kelly, Chief Executive of Southwark Council at a meeting date 12th September 2017.

47. I attach the offer as given to Ms Kelly at that meeting, which took place at my property.









48. Eleanor Kelly responded to this in point 7 of page 1945 of the objectors' bundle. She stated that Southwark Council will be happy to look to a specific arrangement on a chosen property payable on sale or death as I have outlined. Ms Kelly concluded *"if we are advised that this requires a change in policy I will look into the governance of that decision with a recommendation that we examine this is (Sic) individual circumstances at the request of the leaseholder."*

49. Therefore the Chief Executive of Southwark Council has agreed in principle that the rights of leaseholders can be vindicated so as to meet the objections of the objectors. It is therefore demonstrated that Compulsory Purchase powers are not necessary as a last resort in this matter and in the event that the home swap model is adopted by Southwark Council to cater for the needs of the leaseholders on the Aylesbury Estate. The CPO should not be confirmed.










Appendices

Extracts from the Land Registry Price Paid dataset (<http://landregistry.data.gov.uk/app/ppd/search>)

Flat 22, Bradenham, Boyson Road, London, SE17 2BA

Transaction history			Detailed address		Attributes	
A	1998-03-27	£56,950 	secondary name	Flat 22 	property type	flat maisonette
			building name or no.	Bradenham 	estate type	leasehold
			street	Boyson Road 	new build?	no
			locality	London 		
			town	London 		
			district	Southwark 		
			county	Greater London 		
			postcode	SE17 2BA		

Flat 103, Draper House, 20 Elephant & Castle, London, SE1 6SY

Transaction history			Detailed address		Attributes	
A	2005-08-05	£145,000 	secondary name	Flat 103 	property type	flat maisonette
A	1999-03-22	£56,500 	building name or no.	Draper House, 20 	estate type	leasehold
			street	Elephant & Castle 	new build?	no
			locality	London 		
			town	London 		
			district	Southwark 		
			county	Greater London 		
			postcode	SE1 6SY		

From: Beverley Robinson <champaign2340@gmail.com>
To: Beverley Robinson <Champaign2340@yahoo.com>
Sent: Wednesday, February 22, 2017 10:10:41 AM GMT
Subject: Fwd: Ref: LQS096064

----- Forwarded message -----

From: **registrations** <registrations@lqgroup.org.uk>
Date: 29 September 2016 at 11:58
Subject: Ref: LQS096064
To: "champaign2340@gmail.com" <champaign2340@gmail.com>

Ref: LQS096064

29/09/2016

Dear Miss Beverley Robinson,

Thank you for registering with L&Q.

The basic eligibility criteria states that you must be employed and have an annual household income of up to £90,000. Based on the information you have supplied you do not meet this criteria and we must reject your application at this time. We apologise for any disappointment this may cause.

If you wish to register for social housing, please contact your Local Authority directly.

If you have any queries, you can contact us on 0844 406 9800 – we are available Monday-Friday, 9am to 5pm. Alternatively you can email us at registrations@lqgroup.org.uk

Kind Regards,

L&Q Registrations Team

Tel: 0844 406 9800

Email: registrations@lqgroup.org.uk