

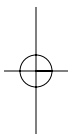
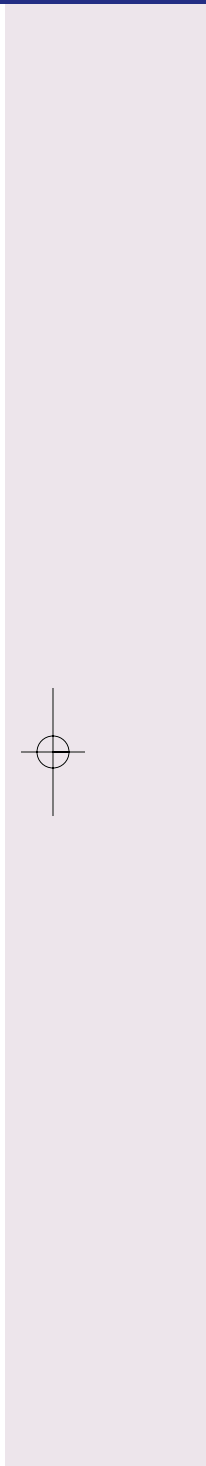


Offer

LEASEHOLDER BOOKLET

This is an official document, which tells you about the proposed transfer of your home to a new landlord called **London & Quadrant Housing Trust**





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1. Introduction - About The Transfer Proposal

The Proposal

The Council has worked hard with residents of the Haggerston West and Kingsland Estates (the Estates) to make the Estates a better place to live. The Council has looked in detail at the cost of bringing your existing homes up to current standards and concluded that the only viable option is to build new homes instead. The Council cannot afford to do this within the Government's financial policy framework and therefore considers that the best option is to transfer all the homes on the Estates to a housing association who will be able to raise the funds to do so. Resident representatives and the Council have chosen London & Quadrant Housing Trust (L&Q). L&Q is one of the largest Housing Associations in South East England and manages more than 50,000 properties of which 303 are in Hackney. L&Q is a 'not for profit organisation', which means that all surplus money can only be spent on its housing related activities.

The planned programme of new homes is outlined in Booklet 2. It is proposed that this work will be carried out in the first eight years following transfer.

L&Q is fully committed to providing an improved management and maintenance service on the Estates. Details of the improved management service can be found in Section 8 of this booklet.

L&Q has been working with, and listening to, residents. All of the proposals in these documents have been developed in partnership with residents.

2. Key benefits of the transfer proposal

Leaseholders will have the opportunity to buy a brand new home and remain on the Estates if they wish. All the existing flats will be demolished to enable the redevelopment to take place, and leaseholders will be entitled to compensation for the loss of their home. Various options for leaseholders are outlined in this document.

For example, a leaseholder who wishes to move away from the Estates could either look for a new home on the open market, or could (subject to eligibility) buy a part share in a new home elsewhere in London through Tower Homes, the L&Q low cost home ownership arm.

All leaseholders who buy a new flat and remain on the Estates will benefit from a considerably improved environment as a result of the redevelopment, with better security and more attractive open spaces.

The Council considers that the key benefits of the proposal are:

- Every leaseholder will have the opportunity to buy a new, modern, spacious good quality home in a pleasant and safer environment, with better facilities. This will result from a major redevelopment programme costing over £150 million. (See Booklet 2 for full details.)
- All leaseholders will be able to move straight into their new home except those affected by the first phase of the building works (see Booklet 3 for more details)
- Home ownership opportunities including Right to Buy, Right to Acquire, Shared Ownership, & Homebuy
- A robust and prompt response in dealing with squatters
- All leaseholders will receive a home loss payment of up to £40,000 plus their disturbance costs
- Improved housing management services, including an improved day-to-day repairs service and effective cleaning service will benefit leaseholders as well as tenants (see Section 8 in Booklet 1 for more details)
- A local office during the redevelopment programme, which will manage the homes on the Estates as well as the redevelopment programme. This will give you easier access to local staff while the works are taking place

- Far greater say for residents in the running of your homes. A Local Management Forum, with a resident majority, will oversee the management of the homes and the redevelopment
- A dedicated specialist Leaseholder Services team will provide help and advice to leaseholders and will efficiently administer and collect service charges
- A brand new purpose built community centre
- A contribution from L&Q of £250,000 to develop the services to be provided by the new community centre and meet its costs in the early years
- A sustainable income for community initiatives controlled by the Local Management Forum

The Council believes that this transfer proposal is in the best interests of all the residents on the Estates, but it will be for you to make that decision.

3. The continued role of the Council

Council's agreement with L&Q

If the transfer goes ahead, the Council will enter into a legal agreement with L&Q. L&Q and the Council will be bound by this legal agreement to ensure that promises set out in this document are kept.

Following transfer, the Council will continue to work in partnership with L&Q and residents. For the first five years following transfer until the building works are complete the Council will receive regular progress reports from L&Q which will be copied to resident representatives. There will also be annual liaison meetings to which resident representatives will be invited.

An independent project manager will be commissioned to monitor the council's interest and to safeguard the promises made to the residents at the time of the ballot. Their brief will include monitoring the building programme, finance, overage and works to be undertaken across the redevelopment projects. The costs and fees relating to the commission will be borne by L&Q.

Residents will be able to contact the project manager who will pursue the issues raised. If necessary the Council would act on behalf of the residents in relation to any breach of the commitments detailed in this document, if these have not already been addressed through L&Q's complaints policy. The Council would be able to take legal action against L&Q and ultimately 'step in' to fulfil commitments in relation to the works programme described in this document.

The Council will continue to be responsible for non-housing services supplied to the Estates such as Highways, Refuse Collection (car parking arrangements will be confirmed when the issue of road adoption has been agreed) and Planning. Residents will still be able to contact the Council in the usual way and their councillor will still be able to make representations on your behalf to the Council.

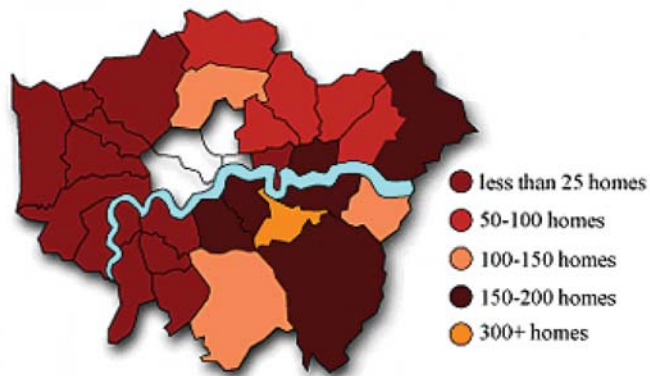
4. Proposed Separate Leaseholder ballot

- 4.1 In the summer of 2007 the Council plans to ask secure tenants at Haggerston West and Kingsland Estates to vote on whether they want the transfer to L&Q to go ahead. It is proposed that a separate leaseholder ballot is conducted also in September 2007.
- 4.2 Leaseholders views are important to the Council and will be fully considered but the Council cannot be bound by the result of the leaseholder ballot alone. This is because the Secretary of State at Communities and Local Government (CLG) is obliged by legislation to be satisfied that the majority of the secure and introductory tenants are not opposed to the transfer.
- 4.3 Leaseholders are invited to express views on the proposal contained within this document using the prepaid reply cards'

5. London and Quadrant Housing Trust and Tower Homes

- 5.1 The L&Q group has over 4000 leaseholders and is therefore very experienced in providing a good quality professional service to leaseholder customers.
- 5.2 Leaseholder management will be carried out by L&Q.
- 5.3 All shared ownership and shared equity homes on the new Estates will be managed by Tower Homes' Residential Services Department. Tower Homes is a not-for-profit housing association that specialises in building and refurbishing homes for the part buy part rent scheme called shared ownership. It is part of the London & Quadrant Group and works with, and is partly funded by, Local Councils and the Housing Corporation. Tower have shared ownership stock in 61 Local Authority areas and actively develop shared ownership in 25 of these boroughs.

The map below show where Tower Homes has shared ownership, rented and leasehold homes either owned or in the development pipeline.



5.4 Tower was established in 1989 as the low cost home ownership specialist of London & Quadrant Group, since growing to become one of the south east's leading providers of low cost home ownership. Tower is the fastest growing home ownership provider in the sector, with over 13,000 buyers helped to take their first step on the ownership ladder since 1989.

In 2005/6, Tower reported a turnover of £14.7m and a surplus of £13.5m.

As a registered social landlord with charitable status, Tower is committed to re-investing its entire surplus generated to provide additional homes for affordable home ownership and to improve existing services for customers.

Tower employs over 90 staff and currently has over 6,500 homes in management and a pipeline to develop a further 2,000 homes. Tower's housing asset base was valued on an open market basis in 2005/6 at £304 million. Tower utilise this asset strength to borrow finance competitively and invest in new housing provision.

Tower is committed to excellence, winning over 20 major awards for the quality of the service it provides and the design of its homes. In the 2006 Sunday Times awards for the best 100 small companies in Britain to work for, Tower came number one. Tower was also the first specialist housing association to be awarded the Charter Mark for customer service.

Tower provides services to key workers and other first time buyers as a Government appointed HomeBuy Agent in south east and south west London. This role involves being the sole initial point of contact for customers in these areas wishing to access affordable home ownership, acting as a true one stop shop. In addition, Tower has recently been appointed National HomeBuy Agent for the First Time Buyers Initiative. This involves delivering a nationwide post sale management service for English Partnerships, in conjunction with its partners, Metropolitan Home Ownership.

Tower has recently received external validation of its services to customers from the Audit Commission, being awarded a rating of three stars with excellent prospects for improvement. This is the highest rating obtainable and Tower is the first London and only the second ever housing association to be awarded this rating.

6. Funding this proposal

If a majority of secure tenants who vote in the ballot, vote in favour of the transfer to L&Q, it is the intention that the Estates will be transferred to L&Q before the end of March 2008. Before the Estates are transferred, the Council will ensure that L&Q has all the funds it needs to enable the proposal to go ahead. L&Q will then begin the regeneration of the Estates.

The regeneration programme is estimated to cost over £150m.

The new homes and facilities are being paid for partly by building and selling additional homes.

L&Q will fund the regeneration of the Estates as follows:

- L&Q will invest funding of £4.5 million from its own resources
- The surplus money received by L&Q from the sale of new homes, currently estimated at £39 million, will be reinvested in the Estates to help create the new affordable homes.
- L&Q will also raise additional funding for this project by borrowing private finance. This loan will be repaid over 40 years from tenants rents for the new affordable homes. The rent levels will be in accordance with the rent promise, and future increases are guaranteed for 10 years
- If the transfer goes ahead, the Government has agreed to enter into a gap funding arrangement with L&Q to support its business plan.

7. Effects on leaseholders

- 7.1 If the transfer goes ahead, the Council's responsibility and interest in the freehold of your property will be transferred to L&Q. The transfer itself does not affect the nature of responsibilities set out in your lease. However, the redevelopment proposals have far-reaching consequences for leaseholders as your flats will be demolished. The Council and L&Q value the presence of leaseholders living on the Estates and are therefore offering leaseholders a range of options which would enable them to remain on the Estate or to move elsewhere. These options are described in Section 10. There are different options for current and future leaseholders:
- 7.2 Current leaseholders are defined as those who are already leaseholders at the time of this consultation document being issued.
- Future leaseholders are defined as anyone who buys one of the leasehold properties after the date of issue of this document.
- 7.3 If a leaseholder lives elsewhere as their main or principal residence, they will be responsible for arranging alternative accommodation for their tenants when the property is required for demolition. Such leaseholders would not qualify for home loss payments. (see section 10.3 for more details on non-resident landlords).

8. Development proposals

Since its selection by Resident Representatives and the Council, L&Q and their architects PRP has done a great deal to involve residents, including leaseholders, to identify exactly what they would like. In addition to many regular Design Theme Team meetings with tenants and leaseholders, L&Q has:

- Hosted open days and design presentations
- Held focus groups with leaseholders.
- Held meetings with translators for people whose first language is not English
- Carried out door to door surveys
- Opened a project office on the estate at 209/211 Haggerston Road
- Issued newsletters and factsheets.
- Held focus groups with the elderly and young people

If the transfer goes ahead, L&Q will carry out a phased programme of newbuild and demolition of all the blocks of flats and maisonettes on the Haggerston West and Kingsland Estates. Booklet Two - Plans for New Homes, gives more information about these works. All the works set out in this booklet are subject to planning permission and other consents and may change as a result of further design consultation with residents. Some of the information contained in the redevelopment proposals booklet which is of particular interest to leaseholders is summarised here:

8.1 Private Homes for Sale

L&Q plans to build 343 private properties for sale, the mix of which is currently:

Type	Area M ²	Homes for Sale
1 Bed, 2 Person Flats	41	76
2 Bed, 3 Person Flats	55-65	53
2 Bed, 4 Person Flats	55-65	145
3 Bed, 4 Person Flats		
3 Bed, 5 Person Flats	70	33
3 Bed, 5 Person Houses		
4 Bed, 6 Person Maisonettes	100	4
4 Bed, 7 Person Houses	134	32
5 Bed, 8 Person Houses	92	
Total		343

Indicative sizes for the new properties are:

Type	Total Floor Area (square metres)
1 Bed, 2 Person Flat	63
2 Bed, 4 Person Flat	77/78
2 Bed, 4 Person Flat with en-suite	77/78
3 Bed	92/97
4 Bed	322
Total	356

8.2 Affordable homes for sale and rent

L&Q plans to build 418 affordable homes of which 248 will be for rent and 170 for Shared Equity or Shared Ownership. Homes will be larger than the current ones.

Haggerston West Homes – for shared ownership and shared equity

Type	Area of Existing Homes	Area of New Homes	Additional Area of New Homes	Percentage Increase	Number For Sale
1 Bed Flats	40 m ²	41 m ²	1	2.5	12
2 Bed Flats	49.2 m ²	55-65 m ²	5-15	10-30	32
3 Bed Flats	54.9 m ²	70-74 m ²	15-19	27-34	1
4 Bed, 7 Person Houses	NONE	134 m ²	NEW HOME TYPE		
Total					45

Kingsland Homes – for shared ownership and shared equity

Type	Area of Existing Homes	Area of New Homes	Additional Area of New Homes	Percentage Increase	Number For Sale
1 Bed Flats	33.1 m ²	41 m ²	7.9	24	25
2 Bed Flats	51.1 m ²	55-65 m ²	3.9-13.9	7.6-27	71
3 Bed Flats	56.4 m ²	70-74 m ²	13.6-17.6	24-31.2	14
4 Bed, 7 Person Houses	NONE	134 m ²	NEW HOME TYPE		15
Total					125

9. Summary of Leaseholder Rights

All leaseholders will have to move to allow the redevelopment of Haggerston West and Kingsland Estates. Some of the options offered by L&Q are only available for current leaseholders and resident leaseholders. Homeloss and Disturbance Payments are available for resident leaseholders. The table below summarises what options are available, and what payments will be made to current, future, resident and non resident leaseholders.

Rights	Current Leaseholders	Future Leaseholders	Leaseholders who have sub let their properties
Homeloss payments*	✓	✓	✗
Disturbance payments	✓	✓	✗
Option 1	✓	✓	✓
Option 2	✓	✓	✓
Option 3	✓	✗	✗
Option 4	✓	✗	✗

* provided you have used your property as your only or principal home and you have lived in your property for 12 months immediately preceding the date of sale

10. Options for leaseholders

This section details the options available to leaseholders. Please note where there is reference to “open market value” an independent valuer is appointed. The existing homes are valued based on type, size and location and assuming a ‘good condition’. In this way, we instruct the valuer to value the existing homes by excluding the dilapidation of the estate caused by its situation as scheduled for demolition. The new homes are valued off plan.

- **Option 1** Sell your flat to L&Q at open market value and make your own arrangements for a new home
- **Option 2** Sell your flat to L&Q at open market value and buy one of the new private homes for sale on the estate
- **Option 3** Transfer the value of your current home into a new home on the estate
- **Option 4** Purchase a home under the shared ownership scheme either on the estate or elsewhere via Tower Homes, L&Q’s low cost home ownership subsidiary

Leaseholders will have to be able to provide L&Q with vacant possession for any of these options to proceed

Option 1: You sell your flat to L&Q

THIS OPTION IS AVAILABLE TO ALL CURRENT AND FUTURE LEASEHOLDERS

- L&Q will buy your current flat and you find your own accommodation
- L&Q will pay full open market value for your flat
- Throughout the build programme the base independent valuation is updated twice a year to allow for time between different phases.
- You will receive a ‘Home Loss’ payment of 10% of the value of your flat subject to a maximum of £40,000 (provided you have used your property as your only or principal home and you have lived in your property for 12 months immediately preceding the date of sale)
- You will receive a disturbance payment to reimburse you for the reasonable cost of moving

Option 2: L&Q buy your flat and you purchase a new sale home on the estate

THIS OPTION IS AVAILABLE TO ALL CURRENT AND FUTURE LEASEHOLDERS

- L&Q will buy your current flat and you purchase and move into one of the new private homes to be built on the Estate. L&Q will pay full open market value for your flat
- You will receive a 'Home Loss' payment of 10% of the value of your flat subject to a maximum of £40,000 (provided you have used your property as your only and principal home and you have lived in your property for 12 months immediately preceding the date of sale)
- You will receive a disturbance payment to reimburse you for the reasonable cost of moving

Option 3: You transfer the equity of your current home into a new home on the estate

THIS OPTION IS ONLY AVAILABLE TO CURRENT LEASEHOLDERS WHO USE THEIR PROPERTY AS THEIR ONLY OR PRINCIPAL HOME AND WHO HAVE LIVED IN THEIR PROPERTY FOR 12 MONTHS IMMEDIATELY PRECEDING THE DATE YOU SELL YOUR HOME TO L&Q

- L&Q will buy your current flat
- L&Q will pay full open market value for your flat
- You then transfer this value into buying a 'share' of a new affordable home on the Estate
- The percentage of the new home you will own will be agreed between L&Q and the leaseholder, based on examination of the valuations of the existing homes and the valuations of the new homes off-plan
- You will be granted an equity share lease and will be classified as owner of the property
- The minimum 'share' you can buy of the new property is the value of your current home but you can buy a larger share if you wish.

- You will be able to purchase further shares in the property in the future at the current market value at the time
- You will not pay any rent on the share of the property you do not own
- You will be responsible for all the costs of repairs and of insuring the property
- You will receive a 'Home Loss' payment of 10% of the value of the flat subject to a maximum of £40,000
- You will also receive a disturbance payment to reimburse you for the reasonable cost of moving.

Example:

Current flat value	£120,000
Home Loss Payment	£12,000
TOTAL:	£132,000

Value of new property to be purchased:	£250,000
Leaseholder pays	
Value of previous flat	£120,000
TOTAL:	£120,000

Leaseholder share: £120,000 / £250,000	=	48%
L&Q share	=	52%

If you sell your equity share in the future you would receive 48% of the future value of the property.

So using the above example, if you then sell the flat in the future for £300,000

- You will receive 48% of £300,000 = £144,000
- L&Q will receive 52% of £300,000 = £156,000

This is an illustration and does not take into account individual circumstances such as an outstanding mortgage on your home.

IF YOU CHOSE THIS OPTION, YOU WILL NORMALLY MOVE TO A PROPERTY WHICH IS THE SAME SIZE AS THE ONE YOU CURRENTLY OWN.

THERE IS POTENTIAL FOR YOU TO INCLUDE EXTRA SAVINGS IN YOUR EQUITY SHARE HOME SO THAT YOU OWN A GREATER SHARE OF EQUITY IN THE HOME. YOU MAY ALSO CHOOSE TO MOVE TO A SMALLER HOME SO YOU CAN OWN A GREATER SHARE FOR THE SAME INVESTMENT. THE OPPORTUNITY TO MOVE TO A LARGER HOME WITH A REDUCED % OF EQUITY WILL ONLY BE CONSIDERED WHERE YOU HAVE HOUSING NEED FOR EXTRA BEDROOMS.

Option 4: You purchase a shared ownership home on the estate or elsewhere via Tower Homes

THIS OPTION IS AVAILABLE TO CURRENT LEASEHOLDERS WHO ARE ABLE TO DEMONSTRATE THAT THEY ARE UNABLE TO AFFORD TO PURCHASE A HOME ON THE OPEN MARKET AND WHO USE THEIR PROPERTY AS THEIR ONLY OR PRINCIPAL HOME AND WHO HAVE LIVED IN THEIR PROPERTY FOR 12 MONTHS IMMEDIATELY PRECEDING THE DATE OF SALE

- L&Q will buy your current flat at full open market value
- You will receive a 'Home Loss' payment of 10% of the value of the flat subject to a maximum of £40,000
- You will also receive a disturbance payment to reimburse you for the reasonable cost of moving
- You will purchase a share of a new home designated for shared ownership on the estate or elsewhere subject to availability of homes via Tower Homes.
- You will pay rent on the share of the home you do not own
- You can buy a greater share of the property in the future
- You have responsibility for repairs and insurance

IF YOU CHOOSE THIS OPTION YOU WILL BE ABLE TO PURCHASE A PROPERTY WHICH IS A DIFFERENT SIZE TO YOUR CURRENT HOME. FOR EXAMPLE IF YOUR FAMILY NEEDS A LARGER HOME. TOWER HOMES WILL ADVISE YOU ON YOUR ELIGIBILITY ON EACH SCHEME, AND THIS WILL INCLUDE A FINANCIAL ASSESSMENT TO MAKE SURE YOU ARE ABLE TO AFFORD THE OUTGOINGS.

Tower Homes Ltd and L&Q are regulated by the Financial Services Authority therefore all advice regarding shared equity and shared ownership will be regulated by the FSA.

Leaseholders in Special Circumstances

L&Q recognises that there may be a small number of leaseholders who will not be able to benefit from any of the above options – for example, this may include those who are experiencing problems with current mortgage repayments. In these circumstances, L&Q will negotiate with the leaseholder to locate suitable alternative accommodation. This could include access to L&Q's rental properties.

Compulsory purchase

If the transfer goes ahead L&Q will aim to reach agreement with you on your preference for rehousing, subject to eligibility. If an agreement cannot be reached L&Q will ask the Council to invoke its compulsory purchase powers. This means that, after due legal process, the Council can force you to sell your property to enable the redevelopment to go ahead. These powers would only be used as a last resort if it were not possible to negotiate an agreement between L&Q and any individual leaseholder. This could give rise to a statutory responsibility for the Council to rehouse a person who lost his /her home as a result of this.

L&Q will make sure that all stages of necessary negotiation with the leaseholder will be undertaken before this legal route is enacted.

Non-resident landlords

PLEASE NOTE – If your leasehold property is not your main home you will only have access to Option 1 and Option 2 above. Additionally, you will not receive homeless or disturbance payments.

11. Arrangements for leaseholders

11.1 What will happen before you move

After a successful ballot of tenants, L&Q will contact all leaseholders to discuss the options and plan with you what is the best one for you. Although no agreements can be completed before the proposed transfer takes place, L&Q will be able to give you an idea of how you would be affected.

11.2 Early Buyouts

L&Q are aware that there are some leaseholders who are anxious to sell quickly and move away. L&Q will offer leaseholders the opportunity to sell their homes to us straight away after the transfer takes place.

11.3 Home Loss Payment

All current and future leaseholders who use their property as their only or principal home and who have lived in their property for 12 months immediately preceding the date of sale, will receive a homeloss payment in addition to the market value of their property. The 'Home Loss' payment is 10% of the value of the flat subject to a maximum of £38,000. L&Q will offset any service charge arrears owed to L&Q at the time of sale against any home loss payment. L&Q will pay home loss payments in accordance with Section 30 of the Land Compensation Act 1973, The current 'Home Loss' payment is 10% of the value of the flat subject to a maximum of £38,000.

11.4 Temporary Decanting

The redevelopment of the Estates will involve demolition of the existing blocks and the building of new homes. All residents will need to move from their current homes to enable this to happen. Leaseholders who wish to take the shared equity or shared ownership options in one of the new homes, will be offered a single move to a permanent new home or moved temporarily until new homes are ready.

All current leaseholders who are approved for the shared equity or shared ownership options, who are moved temporarily, will be guaranteed the right to return to a new home when a home is available. Wherever possible such leaseholders will be able to move only once.

The phasing programme in Booklet Two gives details of when you are expected to move and whether you will need to move temporarily.

L&Q will have a decanting officer who will be able to assist and advise each individual leaseholders about their circumstances around moving.

MORTGAGE AND EQUITY ARRANGEMENTS FOR LEASEHOLDERS WHO WISH TO TAKE OPTION 3 - EQUITY TRANSFER ON THE ESTATE – AND NEED TO BE TEMPORARILY MOVED UNTIL THE HOMES ARE BUILT:

- 1) You will be informed when your block will be demolished
- 2) Negotiations will take place to agree the valuation of your existing home and the new home you will move into. This will be set as a percentage at this point that L&Q and the leaseholder will sign up to. Therefore you will sign to agree to buy that % of the new home, when it is ready to be sold to you.
- 3) L&Q buy your home at the agreed market value plus 10% Homeloss.
- 4) You can pay off your existing mortgage and hold the rest in a savings account until the new home is ready. Alternatively, L&Q can hold the remaining amount in a Escrow account for you (an Escrow account is a trust account which will be held by L&Q in the leaseholder's name to pay towards the cost of the new home).
- 5) You can make your own arrangements for temporary accommodation until your new home is ready. If this is not possible, L&Q will aim to relocate you elsewhere to a property of reasonable standard. In this case, you will not be charged a rent.

L&Q will pay disturbance payments to you when you move to temporary accommodation and again when you move to your new home. However, the homeloss payment will be paid only once.

11.5 Disturbance Payments

All current and future leaseholders who use their property as their only or principal home and who have lived in their property for 12 months immediately preceding the date of sale will qualify for reasonable costs of moving. If they are not satisfied with the sum offered by L&Q, leaseholders will have a right to apply to the Lands Tribunal for a decision as to the amount of disturbance payment to be paid. L&Q also has this right. L&Q accepts that under s.38 of the Land Compensation Act 1973 it must pay to leaseholders the reasonable costs of moving which they have incurred so long as they can produce reasonable evidence that they have incurred the cost and the original loss.

The following are examples ONLY of the types of costs that would be met by L&Q.

11.5.1 Legal Costs

Legal costs of purchasing the new property will be met by L&Q . This includes solicitor's conveyance fees, Land Registry search fees, stamp duty limited to the amount of stamp duty that would be payable on the value of the former property - any additional stamp duty payable on the new property will be the responsibility of the tenant/leaseholder. For example, if your existing property is worth £150,000 and you buy a new property worth £200,000, you will have to pay stamp duty at 1% on the £50,000 difference in value. At 1%, this will cost you £500.

The following are the current rates of Stamp Duty Land Tax (SDLT) levied by the Inland Revenue as at March 2006. Properties in the Haggerston Ward are currently exempt from Stamp Duty Land Tax if the property is purchased for less than £150,000. A full list of exempt areas is available on the Inland Revenue website www.inlandrevenue.gov.uk/so.

Rate	Disadvantaged areas	All other areas
	Residential	Residential
Zero	£0 - £150,000	£0 - £125,000
1%	Over £150,000 - £250,000	Over £125,000- £250,000
3%	Over £250,000- £500,000	Over £250,000- £500,000
4%	Over £500,000	Over £500,000

If you are buying a shared equity or shared ownership home you can choose to pay SDLT on the 'share' or on the full value, depending on the relevant rates above. If you only pay on the value of your initial 'share' then you will be required to pay each time you buy further 'shares' ie when staircasing.

11.5.2 Survey and Valuation Costs

The survey & valuation costs of buying a home on the private market, as a consequence of being decanted, is an eligible disturbance cost for a resident leaseholder. This may include; payment for survey/building society inspection mortgage fees, either for a new place or redeeming old mortgage.

- The amount L&Q have to pay under the law depends on the sale value of your home. If you buy a new home covered by a NHBC warranty, L&Q will not have to pay for a full condition survey.

- Reasonable payment to a professional valuation surveyor in respect of acting for a leaseholder who sells the home to L&Q. The valuation surveyor would negotiate the purchase price, if a voluntary agreement on value is not reached with L&Q. The basis of the scale of fees to be paid to the valuation surveyor for this work is set out in the Ryde's scale (1996). The Ryde's scale booklet is available free from the Valuation Office Agency, New Court, Carey Street, London, WC2A 2JE. Tel. 0207 324 1003.

11.5.3 Removal Costs

L&Q will employ professional removals contractors holding contents transport insurance. You can use this service for your move and this will be arranged by L&Q's decant officer, and paid for directly by L&Q.

If you prefer to arrange your own removals you can submit 3 estimates of your own to L&Q.

11.5.4 Leaseholders will be responsible for the repayment of the Right to Buy discount in accordance with the terms of the lease.

Leaseholders who bought before this offer document was issued will not be responsible for repayment of the Right to Buy discount.

L&Q will pay where applicable the reasonable costs incurred for:

- Gas cooker reconnection and disconnection which must be carried out by a registered Corgi fitter.
- Reconnection and disconnection of washing machine, and dishwashers by an approved plumber.
- Disconnection and reconnection of TV aerial and satellite dish (if moving off the estate)
- Redirection of mail
- Telephone disconnection and reconnection
- Cost of altering soft furnishings (floor coverings, curtains etc.) if affected by the move. You may also be reimbursed for new items up to the prices we agree with a nominated supplier (see below).

11.6 L&Q partner contractors and suppliers

L&Q will appoint companies or contractors to carry out many of the tasks associated with moving and will pay them directly. Residents have told us that this is particularly important to them as it saves having to pay out for expensive items and then having to wait for a refund. Local companies will be used where possible.

L&Q will set up contracts with suppliers for the following services:

- Carpet/floor-coverings
- Connection of electric cooker
- Connection of gas cooker
- Plumbing-in of washing machine and dishwasher
- Moving of aids and adaptations for disabled residents

Residents will be able to select from a range L&Q will agree with the supplier.

11.6.1 This option will be available for leaseholders. Alternatively you can make your own arrangements and apply for a refund up to a maximum publicised figure.

11.6.2 Special Adaptations Within the Home

L&Q will pay for disconnection/removal from existing home and refitting in the new home. This will be carried out normally as advised by an occupational therapist who would nominate a suitable contractor if necessary. This would generally only apply to households moving to a home outside of the estate. If the adaptations could not be reinstalled in the new home, L&Q, in consultation with Social Services, would arrange for new adaptations

11.7 Right of Appeal to the Lands Tribunal

Any dispute as to the amount of Disturbance Payment (e.g. Reasonable costs of removal) can be referred either by the leaseholder or L&Q to the LANDS TRIBUNAL (At 48 – 49 Chancery Lane, London, WC2 AJR Tel: 0207 936 7200), in accordance with Section 38 (4) of the 1973 Land Compensation Act.

11.8 Rights of Leaseholders in existing homes

If the transfer goes ahead, the lease you have now would remain unchanged, except that L&Q would become the owner of the freehold instead of the Council. You would not be issued with a new lease. Both you and L&Q would be bound by the terms of your existing lease granted by the Council until your home is demolished.

This means that your existing lease would continue to include:

- Details of the items included in the service charge, including how it is calculated and when it is due.
- The procedure for assigning (transferring) the lease.
- How the lease can be ended.
- Details of the respective responsibilities of the leaseholder and the owner of the freehold(L&Q).
- Leaseholders will also keep their statutory rights to be consulted about the nature and cost of proposed works.
- You will also have the right to apply to the Leasehold Valuation Tribunal for a declaration of the 'reasonableness' of service charges. Information about this process is available from the Leasehold Valuation Tribunal.
- L&Q will also ensure that value for money is obtained from property insurance and that leaseholders take the benefit of any bulk discount L&Q can receive. L&Q have also arranged optional home contents insurance for its residents. The policy is exclusive to L&Q residents and has been specially negotiated with an insurance company to get low cost premiums which are paid by the resident directly to the insurance company. Payments can currently be made by instalments.

Leaseholder recharges for works to the existing Estates

L&Q does intend to make money available to carry out limited improvement works to existing blocks, particularly where the block will not be demolished until the final phase. This is to make the blocks better to live in for those residents who will not move until the final phase of the redevelopment. Proposals will be drawn up in consultation with tenants and leaseholders of the blocks which will benefit, and the Local Management Forum will make the final decision on how the money is spent.

L&Q does NOT intend to recharge leaseholders for any repairs or improvement works it may propose on the existing estates for 3 years after transfer, unless they are legally bound to carry out the works. If there are any major repairs needed to blocks, L&Q will aim to rehouse leaseholders rather than spend money on a block scheduled for demolition, that the leaseholder would then themselves be responsible for.

- 11.9 New shared equity and shared ownership owners will be issued a standard L&Q lease, which complies with all up to date legislation. Under this lease there will be a sinking fund based on replacement costs provided by the original builders. This covers the cost of internal (communal areas only) and external cyclical decorations as well as the replacement costs of major components.
- The sinking fund is calculated with developer estimations of the length of life of the major components of the block and the cost of replacement. This is divided by the number of leaseholders in the block.

12. Commitment to Leaseholders

12.1 L&Q is committed to providing an excellent housing management and maintenance service to all leaseholders.

This would include:

- Acting at all times as a reasonable and responsible landlord (freeholder) and in particular meeting its obligations as freeholder without being reminded or being the subject of legal action;
- Providing an accountable cost-effective service for leaseholders;
- Respecting and protecting the rights of leaseholders;
- Maintaining buildings in a good condition;
- Discouraging neighbours from causing a nuisance;
- Providing accurate clear and timely information about the services provided to leaseholders;
- Providing clear accurate easy to understand information about service charges;
- Continuing to provide a dedicated team of staff responsible for leasehold services;
- Continue to inform and consult leaseholders during the redevelopment
- Ensure leaseholders are represented on the Local Management Forum

13. Leaseholder involvement in the future

- 13.1 L&Q is committed to full consultation with all residents, including leaseholders, about proposed changes to policies or practices which may affect services. This is particularly relevant where such services are partly paid for by leaseholders.
- 13.2 Leaseholders would be consulted in accordance with legislation, and on any other proposals which may affect the management of their homes.
- 13.3 In addition to consulting individual leaseholders about matters which affect their homes, L&Q would work with the Local Management Forum to consider issues such as leaseholder satisfaction with the level and quality of services provided on the new development.
- 13.4 L&Q would seek to develop other ways for leaseholders to be involved in the management of the service. These could include:
- Focus groups
 - Surveys
 - Membership of the L&Q residents forum
 - Representation on L&Q's Resident Board (Local Management Forum nominee)

14. Service charges

- 14.1 There are two types of service charges: the annual service charge; and the repair and improvement service charge.
- The repair and improvement service charge is charged if specific repairs and improvements, as listed within your lease, are completed. This includes the renewal or repair of building components when they reach the end of their useful lives ie roofs and windows. These cover improvements that raise the standard of accommodation; by providing something which did not exist, upgrading an element to be replaced or replacing an element before the end of its life.
 - You will only be charged for actual services you receive.
- 14.2 L&Q will prepare timely and accurate information about the cost of services for which service charges are payable. It will give leaseholders a written summary of costs incurred and copies of supporting documentation.
- We carry out a consultation procedure for all works under the Commonhold & Leasehold Reform Act 2002, where the cost to the individual leaseholder is more than £250 or where the works are covered by a contract exceeding 12 months, under which we expect leaseholders to pay more than £100 per year.
 - We carry out a tendering process for works under the following procedure:
 - £300-£1250 obtain written estimates before instructing a contractor
 - £1250+ competitive tendering process from at least 3 contractors
- 14.3 Cost of services will be shared between leaseholders and L&Q in accordance with the terms of the lease.

- 14.4 Leaseholders would continue to be offered various ways to pay service charges.
- 14.5 Service charges will be paid monthly and can be made by:
- By Direct Debit from your bank account.
 - By Swipe card – at any Post Office, Paypoint, or Payzone outlet. You just hand your swipe card to the cashier, together with your cash or cheque payment, and the card is swiped through a machine and returned to you with a printed receipt.
 - By Telephone – You can pay service charges by telephone 24 hours a day, seven days a week, using either a debit or credit card. This service is operated by the company which provides L&Q swipe card service. You simply call their number and follow the payment instructions.
 - Payment on line – You can pay online, by accessing the L&Q website www.residentsonline. You simply follow the instructions from there to register and you will then be ready to start making online payments.
 - By Post – You can send a cheque or postal order directly to L&Q's office. Any leaseholder who falls behind with service charge payments would be informed accordingly and appropriate action for recovering the arrears would be taken. This would include seeking a payment to clear the arrears or reaching an agreement with the leaseholder for repaying the debt over a reasonable period of time.
- 14.6 Service charge arrears at transfer – Leaseholders who owe service charge arrears at transfer would continue to pay these to the council who will deal with any enquiries or disputes regarding outstanding charges. After transfer of the estate, L&Q will from then on collect any service charge which they bill leaseholders for.

14.7 Management charges – Management charges are payable under the lease.

- Existing homes - L&Q will charge the same as the council does.
- New homes –For shared ownership properties, Tower Homes (L&Q's homeownership company) charge a range of management fees agreed by their voluntary board. These range from £161 to £213 per year.

For shared equity homes the management fee will be less as there will be no administration linked to rent collection. This is currently charged at £115.00 per year.

- Service charge calculation by block – service charges will be calculated on a block by block basis rather than estimated across the estate. This would mean the charge more accurately reflects the services you receive.

L&Q want to ensure that it delivers choice and quality in the estate services it arranges:

- Much improved, high quality estate services
 - Services standards agreed with residents
 - Residents involved in selection of contractors
 - Resident involved in monitoring of work and quality control
- Services which residents want
 - Service specifications drawn up with residents
 - Residents choosing the range of services needed
 - Residents choosing the level and frequency of services provided

14.8 Welfare Benefits

Advice on welfare benefits would be made available. Leaseholders on income support should obtain specialist advice in considering their options. The aim would be to help leaseholders maximise their resources and meet any costs arising under the lease.

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Bengali

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Somali

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Urdu

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Chinese

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