

WKT Leaseholder Meeting 7 Dec 20

Q: I will incur capital gains tax (CGT) if I sell my flat. Will I have to pay it or will the Council pay, as the decision to sell is not really my choice?

You should be able to claim CGT rollover relief under the provisions providing relief where a property is sold to an acquiring authority (i.e. London Borough of Camden) with compulsory purchase powers. These provisions are contained in the Taxation of Chargeable Gains Act 1992, S.247. In summary they provide that any CGT liability is moved to the new property. Therefore any CGT liability that you have will remain, but will not have to be paid and will attach to the new property.

Closer to the time when the acquisition is taking place, we will discuss your compensation claim with you. This will include matters such as CGT. The reasonable cost of seeking an accountant's advice regarding CGT will normally be a valid part of a compensation claim.

Q: If I wish to buy another flat on the West Kentish Town estate, will I have to pay stamp duty.

The reasonable fees and SDLT (Stamp Duty Land Tax) incurred in acquiring a new property can form part of your compensation claim. Therefore the Council will pay SDLT as this is a cost incurred due to the regeneration decision.

Q: Can we access any legal or tax advice through the Council for issues that will arise due to the redevelopment project?

The Council will not provide this advice. However, at the time that the acquisition is taking place, you can seek advice and the reasonable fees (ensuring the cost is pre-agreed with the buy-back team) incurred in seeking legal and tax advice can form part of your compensation claim. If you are unsure about whether you need advice on such issues, the Council's representatives will be happy to talk this through with you to begin with, in order to be sure that any fees incurred will be reimbursed.

Q: What steps will be taken by the Council to maintain properties whilst the regeneration programme is taking place as it will take many years. For example I was told the stairs and landing in my block would be repaired but this work has yet to be carried out.

We have worked closely with residents and provided assurance that the Council will not allow their homes to get to a point where the properties deteriorate further. We are continuing with essential maintenance and day to day repairs. The regeneration project will be subject to a phased programme of demolition of buildings to be confirmed. Once confirmed we can evaluate buildings which are subject to a longer period awaiting regeneration to ensure communal areas are not neglected and there are no disruptions to residents occupying their homes. In addition we are also aware that the regeneration project will take a number of years to deliver the new homes and upgraded amenity space we envisage and for that reason we know that some of

the current equipment and materials used in the construction of the buildings will have reached the end of their life in the next few years. We know that there will no longer be a suitable supply chain for replacement items and so we will have to find ways to ensure that the properties continue to function as homes for residents until they can be replaced.

Q: Do you know where on the WKTE the work is likely to start? How many phases

The Masterplanning and phasing plan will be drawn up once the professional teams are in place early 2021

Q: Would the Council be interested in buying the flat at any time from now onwards?

Funds for buybacks will be released on a phased basis after the business case is approved by Cabinet. However, the Council is continuously exploring how it can achieve buyback of leasehold properties before the business case has been approved. We will keep leaseholders updated if there is a change in the Council's position on this.

Q: We were told that once the regeneration was finally approved the Council would buy back properties when requested by leaseholders. We clearly can't sell the flat because of regeneration and currently rent it out. We do need to sell and its not unreasonable for the Council to buy back at early stage in development since this also provides the decanting facility.

There has been no change of policy. The Council is in no position to buy back until funds are available after the Cabinet decision. The Council will have to stagger buy backs according to the phasing strategy. You can make your own arrangements to sell directly to the market and we encourage you to speak to estate agents about the advice they would give.

Q: (Non-resident Leaseholder) I want to keep my property at WKT, can I buy a new one? In a location of my choice?

Of course, non-resident Leaseholders can buy a property of their preference outright on the new estate. Non resident leaseholders will not qualify for the shared equity option to buy a new home on the regenerated estate.

Q: Is there an ownership scheme for non-resident leaseholders?

No, if the property is being used as a business investment it cannot get the same advantages as for those who live in it as their only home.

Q: Is the buy back the same time as the construction or much earlier than that?

Until the business case is approved by Cabinet there are no funds available for buybacks. Negotiations can then begin on a phased basis, construction will start

after the first negotiations, and may be ongoing during later buybacks. However, the Council is continuously exploring how it can achieve buyback of leasehold properties before the business case has been approved. We will keep leaseholders updated if there is a change in the Council's position on this.

Q: When I sell at Market value plus 10%, is this a private or Council valuation?

Properties will all be valued by a Royal Institute of Chartered Surveyors (RICS) valuation surveyor instructed by Camden Council. You are also entitled to instruct a surveyor if you would like a second opinion. The Council will pay for you to have your own independent legal and valuation advice as part of this process, to support you in ensuring you obtain a fair deal. Any costs associated with the surveying and selling of your home will be reimbursed by the Council.

To reach a valuation figure, the surveyor instructed by the Council will carry out detailed research of the local property market and analyse sales information from comparable properties. The figure offered to you is known as the market value based on the price it is believed your property would achieve if it were to change between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and having reasonable knowledge of the relevant facts. The valuation reflects the value of your property at the time of valuation and assumes that you will not be better off or worse off than before the regeneration proposals. Most valuations are valid for three months.

If you do not agree with the valuation the Council can pay for your own surveyor to carry out a further valuation. Please keep in mind that the surveyor must be a member of the RICS. If there is any difference between the valuation figures, the two surveyors will negotiate and normally reach an agreement to produce a final valuation. In most similar cases to-date an agreement has been reached at this stage.

Q: Would the valuation be the same as a regular privately owned flat or a Council owned flat?

The properties will be valued as a private leasehold property. The valuation will be based on sales of similar properties. There is sometimes a difference in values between ex-Council flats and private flats.

Q: Under the shared equity scheme, what percentage of the property is owned by the Council.

This depends on the value of your property now, and the value of the new property. You would be expected to use the value of your property and the home loss payment which will be based on the valuation as the amount you will use to purchase an equity stake in your new home.

Q: My father is elderly and he may have to move out before the process starts as he can no longer climb the stairs, this will then be his second home.

All cases and individual circumstances are unique and will be dealt with on a case by case basis.

Q: The presentation stated that for non-resident leaseholders “you must buy a new house within 12 months of selling your existing home to claim the cost of the onward purchase.” When does this time limit start?

The time limit runs from the date that you sell your property to the Council. You will be given plenty of notice to find a new one.

Q: Will residential leaseholders get first choice of homes, before social housing, or for sale on the open market?

The plans will be made available early on and there will be an opportunity to meet and express a preference. The phasing strategy will dictate who will need to move and when.

Q: Will there be parking?

Camden’s developments are car free (except disabled bays). Choices will have to be made at the masterplanning stage about the best use of space on the estate, whether it’s for cars or for amenity uses.

Q: Will leaseholders be housed altogether in the same block. We have invested in our properties and have an interest to maintain.

All properties will look the same and there will be no difference in quality. For ease of maintenance, leasehold properties will be grouped, but social / leaseholder blocks will be located all across the site. Maximising the best use of land will be explored at the Masterplanning stage.