



Mulliner House
Flanders Road
Chiswick
London W4 1NN

Updated FAQ's November 2023 and incorporating all other previous FAQ's

Central West Buy Back Option

| Question | Response |
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| Compensation | |
| What is the level of compensation being offered by SBHG for buy-back? (This includes independent advice/exit mortgage charges/removal charges/impact on residents) | Under the homeloss and disturbance scheme you will receive a 10% extra payment on top of the agreed purchase price plus an additional £4,000 disruption payment (i.e. if the valuation of the share in your home is £270,000, a further £27,000 payment will be made, in addition to a £4,000 disruption payment). These payments in total will cover any other compensatory costs. (The disruption payment is to allow for items such as payments for redirecting post, replumbing of items, items that can not be reused such as curtains/blinds). |
| How will legal fees / mortgage rates/stamp duty be covered? | Under the homeloss and disturbance scheme you will receive a 10% extra payment on top of the agreed purchase price plus an additional £4,000 disruption payment (i.e. if the valuation of the share in your home is £270,000, a further £27,000 payment will be made, in addition to a £4,000 disruption payment). |

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| Will SBHG be compensating us whilst we remain at Central West? (A further winter) | There have been several amounts paid which cover these costs. Residents were issued with discretionary payments when the gas was first capped. Since such time, we have implemented a quarterly electricity subsidy payment, provided all residents with at least 2 oil filled radiators, hobs, pans and blanket payments. |
| Decision Making | |
| How and when will the final decision be made. Do residents take a vote? | In order to proceed with the buyback option, all leaseholders must agree to SBHG buying back their property. If there is only 1 household not wishing to proceed, then buyback will not take place. Leaseholders will be expected to make a final decision at the end of the three-month consultation period (which will probably be extended), once they have received a formal offer from SBHG. |
| Why is there a need for a mediator (NewmanFrancis) between me and Shepherds Bush? | NewmanFrancis have experience of working on similar projects and we think it is in the best interests of all parties to have an independent leaseholder friend involved in this process. NewmanFrancis will help you come to an informed decision which is why we are implementing a consultation period, to ensure you get all the information you need. We are proposing that NewmanFrancis help leaseholders come up with a Residents Charter which will set out what is most important to you. This will allow us to ensure we can take this information onboard and reflect your personal requirements in our offer. |
| Why is SBHG offering this buyback option now after refusing to consider it for two years, despite requests made by some Central West residents? | Originally when the gas supply was isolated at Central West we did not know the extent of the building safety work that is required, hence why remediation was our preferred option. As new information has been recently understood on the extent of safety works required at Central West it has been necessary to review our position and ultimately the options we can now explore with leaseholders. |

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| | <p>Now that we know the extent of the work that is required and the complexities and disruption that will be associated with remediation, we have progressed a buy back option for leaseholders to consider.</p> |
| <p>It doesn't feel like SBHG are offering us a choice?</p> | <p>We are offering two options to leaseholders. The first option is for us to buyback your home, subject to all leaseholder agreeing to this option. If leaseholders do not wish to pursue a buy-back, we will remediate Central West. As we have mentioned, we expect the remediation to be very disruptive and it would require you to move into temporary accommodation for a period of up to two years, with the entire remediation programme being completed in four years.</p> <p>Both options are open to resident consultation and no decision will be made until the consultation has closed and formal buyback offers have been made.</p> |
| <p>Do you know how many residents of the 69 flats are interested in buy back?</p> | <p>Currently there are 12 dwellings who have stated they have yet to make a decision, and there are 2 who have stated they do not wish to move. Discussions are taking place with the 2 who have stated this to understand more around why and determine if there is any assistance SBHG can offer.</p> |
| <p>When did the consultation start and is it likely the consultation period could be extended?</p> | <p>Consultation commenced 31st May 2023 and it had been proposed it would end 30th August 2023. However, there are several residents away during August, so it is planned that consultation will be put on hold during August and recommence in September with a new end date to be determined with residents. There will need to be a cap to the amount of time it is extended by to ensure delays are kept to a minimum.</p> |
| <p>Financial</p> | |
| <p>Do we know if there might be tax implications to individuals when they sell property?</p> | <p>This depends on individual person's finances, but generally there is not a selling tax, only a buying tax which is the stamp duty. We are in the process of working with Newman Francis to discuss appointing advisors.</p> |
| <p>If there is a buy back, will it be worth it for shared owners as we are unlikely to find anything of the same value in the vicinity, etc.</p> | <p>This will need to be a decision that each shared owner will need to make upon considering their valuation and formal offer from us later in the summer. There may be the option to 'port' your shared ownership to another housing association which we are currently exploring for you. As soon as we have any information to share on this, we will duly advise.</p> |

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| Do you know the valuations yet? | Valuations will vary dependant on the size of properties and improvement works undertaken and therefore until a visit has been undertaken to value your property a final figure cannot be provided. However, you should all now have received an estimated valuation and we are currently considering the next steps for a full valuation to take place as soon as possible. |
| During the remediation option, when leaseholders are not living in Central West, what will happen to the service charges? | General service charges will still be due and payable to ensure ongoing maintenance, servicing and repair. |
| Please can you confirm SBHG are meeting all costs relating to the remediation project for example: increased insurance costs, security costs (if required), scaffolding, additional cleaning requirements, etc. | SBHG will be meeting all costs related to the gas remediation and fire/cladding related works. |
| Legal / Grant | |
| What is the legal basis for asking leaseholders to leave Central West? Please provide the relevant clause(s) from our lease so we can take further advice on this. | <p>It is unclear whether this question is asking for the legal basis on which SBHA relies in relation to the buyback or a decant of all residents.</p> <p>If the question relates to the legal basis for a buyback; the right to buy-back is discretionary. The lease does not contain any express right for SHBA to buy-back leaseholders interests in the property in this situation. Where the question relates to the legal basis for decant in order to allow remediation works to be undertaken it is important to note that the works proposed (in the event that buy back does not proceed) are critical to the safety of the building and its occupants. The proposed works can only be undertaken while effected residents are not in occupation. SBHA's legal rights are pursuant to the express and/or implied contractual terms of the lease. The requirement to give access extends to the requirement to temporarily decant if such is reasonably necessary for the works to be undertaken.</p> |
| Please can SBHG provide advice on the tax implications of receiving a home loss payment or provide free access to financial advisers who can advise on this. | Once advisors are appointed, you'll be able to ask this question. SBHG are currently working with Newman Francis to consider |

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| I have engaged a solicitor for the lease variation work, should I get them to stand down? And, will any charges be absorbed by SBHG? | <p>If we proceed with remediating Central West we will likely progress the lease variation piece of work.</p> <p>Until a decision has been made with regards to buy back or remediation we would advise you to pause any legal work your solicitor may be doing on the lease variation. We have already made a financial contribution to this legal advice and we do not plan to provide an additional financial contribution.</p> |
| Is Central West covered by the "Mid Rise Scheme" that covers buildings taller than 11 metres and less than 18 metres? | Yes. Grants are only by invitation and SBHG have been invited to bid. A further survey will need to be undertaken to satisfy the Government's requirements |
| Re-housing | |
| How does porting work with 100% shared owners? Any further information from GLA? | Porting is generally only available for shared owners. We will look to get more information on this matter during the consultation period and we will update you as soon as possible. |
| Can you be more realistic about the amount of time it will take to move 35 households at a time to alternative properties? | Moving residents into temporary accommodation can take time, however the timelines set out in our slides are based on the experience of our temporary accommodation provider who works within the London area. In reality there could be delays if persons do not accept the temporary accommodation offered. |
| I have sublet my property, can my tenant move into any temporary accommodation? | Information has been given to Newman Francis as part of the household survey and we are looking at this in further detail. |
| For the temporary accommodation under the remediation option, is SBHG organising and paying for this? How will this be organised? | SBHG would organise and pay for any temporary accommodation. Options and plans around the location of the temporary accommodation would be discussed with households on a 1-2-1 basis as they may differ based on work/school/family commitments. |
| What if you are unable to source suitable temporary accommodation and leaseholders refuse to leave Central West? | We hope that we don't end up in this situation and we can work with leaseholders to find suitable accommodation. If the alternative accommodation is refused, it will delay the start of the works and overall programme. |

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| What is the earliest date residents would move to temporary accommodation? | This is not known at the moment but will be part of the discussions during the consultation process |
| Remediation | |
| If we end up down the remediation route, presumably leaseholders would need to inform their mortgage lenders about works of this scale. What happens if lenders decide they do not want to continue to loan? | Yes, mortgage lenders would need to be informed. There are several lenders now out in the market that do lend without EWS1 forms, particularly medium rise (Lloyds being an example) |
| What works need to be carried out in individual flats? | As we have only been able to conduct one intrusive flat survey we are not in a position to define the exact works that will need to take place. However, it is likely that similar works that are needed in the communal area will need to be conducted in the demised properties. |
| If remediation is the eventual solution adopted are there any alternatives for vulnerable residents who cannot move to temporary accommodation, bearing in mind that the 'property' will be unsaleable during the remediation works. | Newman Francis will work with all residents to determine how best we can assist with moves if remediation is the route adopted. However, at some point |
| How confident are SBHG that remediation work will rectify the issues? What happens half way through if they realise it can't be done and have to demolish the building ? | There would be continued surveys to guarantee that all works would ensure a handover of a fully compliant building. Demolition would only be considered if buy back is pursued. |
| When will you be sharing the fire survey report? Can you say more precisely what work is required? | This has now been shared. Detail of the works include, but are not limited to, rebuilding party walls, compartmentation works |
| When will further intrusive surveys take place in individual flats to determine the scope of works? | This has yet to be agreed |
| Have you factored in the cost of replacing 69 gas boilers in the cost of remediation? | All remediation costs are for the whole project and include boiler replacements. |

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| Would flats need to be completed empty when undertaking any works? | Until we know the extent of works required, we cannot confirm this, but it is unlikely that flats would need to be completely empty. |
| If remediation goes ahead, what would happen if we needed to sell our flats at any point during that remediation? | The 'normal' selling process would take place, with you engaging with an estate agent and your own solicitors. If you are a shared owner SBHG do have a right to advertise, as per the terms of their leases, but this point could be discussed should the matter arise |
| Valuation queries | |
| Are you going to be valuing each flat or a sample of type of flat e.g. 1 bed, 2 bed, etc. | Each flat will be valued separately so that improvements/sizes can be considered and valued fairly and we are working to now undertake the formal valuations as soon as possible |
| The offers that may be given to us this year will be different to next year for example. So if you priced this year and by the time we get out let's say 6-8 months after the offer, the market value of what we try to purchase will not be sufficient | This is obviously the risk with any sale. Therefore, you should start to look to purchase in the same market/same timing |
| Will the valuation be based on selling a safe and legal flat? E.g. meets all requirements. | Yes, the valuation will be completed on the basis that Central West had been remediated |
| General Questions | |
| What is being done to actually trace the developers who built the block in the first place? | The company contracted to develop Central West are no longer trading which means that we are unable to pursue them for any recovery of costs. |
| You mention the front elevation needing to be decanted first. Please can you specify which flat numbers you think this would include? | At this time we can not specify exactly, but when we know we can share the detail |
| Is it still your intention to restore gas to Central West if it will take 4 years at a time when the UK is looking to phase out gas? | If we were to remediate the block, our current plan would be to restore the gas. |

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| Is it still your plan to run the gas pipework internally within the building? | The final design has not yet been agreed as this is now part of the wider building safety works required at Central West. |
| What is to stop a flat agreeing to the buyback option but then changing their mind part way through the process before exchange of contracts? | It is hoped that, if leaseholders agree to the terms of buyback when they receive their offer letters, they will continue on to exchange and completion on their sale of their property. However, as with any flat or house purchase there is nothing to stop the seller (the leaseholder in this situation) changing their mind part way through the process. This is why engagement and consultation from the outset are so important to ensure that all leaseholders understand the process and are comfortable and happy with the terms of the buyback that they agree to. |
| How long will the procurement process take once triggered? | The procurement process is likely to take around 6-8 months |
| Please send details of the recommendations made by M10 Fire Engineers as these are not contained in the fire reports you have shared with leaseholders. For example, there is no mention of the need to install heat sensors. | The fire report was shared in its entirety with the exception of the photos, as the photos took up a lot of space and memory when emailing. |
| Please provide all the full original fire reports, not reports that were edited on 30 May 2023. | All documents have now been shared and are available to view |
| The fire survey in November 2022 also included surveying the external wall. Please provide the report on this. | We will look to share this document |
| How will SBHG be made accountable for the situation at Central West? | <p>As a Registered Social Landlord, SBHG are ultimately accountable to the Regulator of Social Housing and their regulatory standards, which the government oversee. As part of their Fire & Building Safety remediation programmes, the government are intent on holding developers to account for defective properties they built.</p> <p>Unfortunately, the developer who built Central West went into administration in 2011, and we are unable to hold them to account for the cost or inconvenience of the situation residents and SBHG as the freeholder now face.</p> |
| How will the proposed partnership with Guinness affect plans for Central West? | Our proposed partnership with Guinness will not impact our plans for Central West. Regardless of our proposed partnership, the SBHG board will remain in place, and have approved remediation or buy back option at Central West. |

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| <p>Please can SBHG now urgently look into having the electricity supply upgraded at Central West to allow enhanced electrical facilities.</p> | <p>We wouldn't be looking to make any changes to the electricity supply at this stage. There is a significant cost and timeline associated with this and our focus currently is on whether residents wish to pursue the buy-back offer or would prefer the permanent remediation of the block. We will review our Winter plan for Central West in the autumn of this year and consult with residents on this at the time.</p> |
| <p>Please explain what NewmanFrancis and SBHG have been doing for the past five months as the consultation period for buy back has extended from 3 months to 9 months</p> | <p>As was outlined at the initial consultation, the original plan was to consult over a period of 3 months, but we were clear that we would extend that depending on progress and actually taking on board feedback from residents. The consultation undertaken by NewmanFrancis brought to light new issues which we needed to consider - including many residents stating they would be away over the summer period and complex issues for some households. We have been actively exploring those in partnership with NewmanFrancis, residents and other agencies such as the GLA.</p> |
| <p>Your proposal that all 69 flats need to exchange contracts on the same day is just not feasible and is unachievable.</p> | <p>We have been working with our solicitors (Devonshires) to explore the practicalities of exchanging contracts in a short timeframe. They have advised that a potential option is for the parties to enter into a conditional contract which would allow residents to exchange on different days, thus avoiding the need for simultaneous exchange. Devonshires are currently finalising that advice. However, you will need to take your own legal advice on the draft contract and the practicalities of it if that stage of the buyback process is reached.</p> |
| <p>The latest update also suggests we would have to exchange and complete within 6 months of a decision being reached on buy-back. This is also not viable and doesn't give leaseholders enough time to secure another property.</p> | <p>A 6-month period is the minimum we would hope to exchange and complete contracts within. However, we recognise that it may take longer for some to secure alternative properties and complete, and will be working actively to assist those leaseholders</p> |

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| <p>You have failed to provide any access to financial advisers for leaseholders to get financial advice and when we asked NewmanFrancis we were told this was up to SBHG</p> | <p>We cannot provide financial advice as we are not permitted to under FCA regulations, but we can and will signpost residents to independent organisations who can advise on the best places to seek financial advice.</p> |
| <p>We don't feel like you are listening to leaseholders' concerns at all.</p> | <p>We, have sought, listened to and fed-back on overall leaseholders concerns throughout the process to date – for example through the last update from NewmanFrancis.</p> <p>Moving forward, there will be monthly feedback and updated FAQs on NewmanFrancis' dedicated website.</p> |
| <p>SBHG and Newman Francis are making this process much more complicated than it needs to be. Why is an independent polling organisation needed for a simple yes/no vote?</p> | <p>In utilising an independent third party, we are simply following the process used in many other buy back projects and ensuring that the results are independently verified.</p> <p>An independent ballot (polling) organisation serves to ensure the integrity and fairness of the voting process - essential when leaseholders are making a significant decision that affects their future.</p> <p>But it will not be a complex process – just a simple yes or no ballot.</p> |
| <p>Why do you need another 3 months before you can put an offer to leaseholders which was originally due in August and is now scheduled for February?</p> | <p>As valuations are still underway (with not all properties yet having booked appointments), we do not envisage being in a position for them to be complete until November, and as per the timescales outlined in the NewmanFrancis update, these will need to be followed by SBHG Board (and potentially Guinness Partnership Board) approval as below.</p> |

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| <p>At the start of this we were told your merger with Guinness Partnership wouldn't affect this buy-back proposal but now it seems to be part of the timeline. Please explain the change of stance.</p> | <p>This is not a change of stance, just a change in timing. The extension to buyback consultation process coincides with the target date of early December for the completion of the partnership – if it proceeds and approvals are given by funders and regulators.</p> <p>If it does, then SBHG will become a subsidiary of Guinness, and the Guinness Board as the parent company will then need to approve the final offer to be made.</p> |
| <p>In the 31 May meeting you said valuations would take place in July, yet they only started at the end of September. It was meant to be a 3-month consultation which has now extended to 9 months.</p> | <p>We aimed to proceed with valuations early in the consultation process but then responded to feedback via NewmanFrancis from initial consultation with residents on the process and selection of valuers. We then assembled a panel of 3 RICS valuers which residents could choose from, and co-ordinated a leaseholder vote on which to proceed with. The process has been further extended due to some residents requiring more time to book appointments for the valuations.</p> |
| <p>You need to understand that children are being negatively impacted by this situation.</p> <p>You are also failing to consider the mental health impact on leaseholders of the constant uncertainty.</p> | <p>The process for determining the future of Central West has proven to be more complicated than initially envisaged. The consultation undertaken by NewmanFrancis has brought to light new issues (as outlined above) which we need to consider. We understand the anxiety which this period of uncertainty may be causing, but please be assured that we are endeavouring to resolve the future of Central West as quickly as possible, and for any leaseholders who may be in need of help or support, our leasehold team can and will signpost yourselves or others to support agencies.</p> |

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| <p>SBHG seems to be neglecting the fact we are living in a dangerous building with multiple serious fire safety defects. On top of that we still have no gas and as mentioned on multiple previous occasions your interim measures are inadequate</p> | <p>Please note that while the building does have cladding which needs replacing and there are fire stopping measures which need remediating, earlier this year we installed a new fire alarm & alert system on the recommendation of a fire engineer to enhance safety and reduce any risks, and the fire engineer and London Fire Brigade are satisfied with that and the evacuation strategy.</p> <p>The approach to the interim power measures remains, as per expert advice received last year, that due to the electrical load capability of the building being at capacity we are unable to offer additional equipment or appliances.</p> |
| <p>Please can you provide an update to leaseholders on what you are doing to progress the remediation plans for Central West so they are ready to go out to tender next year.</p> | <p>We have been clear in FAQ's and in the NewmanFrancis latest update that while we are consulting on buy back, in parallel we are proceeding with options for remediation – including seeking funding from Homes England for that.</p> <p>The final offer planned for February next year will include a detailed outline of the scope of works, timescales and anticipated decant requirements of proposed remediation.</p> |

(The valuations) are not at market value and do not make sense. We are also aware of other leaseholders receiving amended valuations, this seems neither professional or honest.

As the previous FAQ's, letters and updates have outlined, the valuations are being undertaken based on RICS Redbook guidance, and are professionally undertaken based on the market value and recent sales, but the valuers will take into account and review any factual errors in appraising values.

And while we cannot comment on individual cases, we can confirm that amended valuations were issued by the valuers based on errors they spotted in their original letters, and on no other basis.

