

Buying unused land or space in your building

Guidance for Homeowners

Please read through this guidance carefully before you apply.

You may live in a house or a flat in which you have identified there is a small piece of land, a loft space, or perhaps a basement that is owned by Southwark Council but not in use.

As the owner of the land / building, the Council have discretion to sell these areas if they are not being used.

Please note that if you reside in a Council owned purpose built block, the Council are not currently considering the disposal of loft spaces or laundry rooms.

If you identify an area you think might not be in use and you are considering buying it, the Council will need to carefully consider the following:

<u>Things to consider</u>	<u>Can we sell the land / space to you?</u>
Do any other residents have rights or need access to the area?	If other residents have use of the land / space as part of their tenancy agreement, lease or transfer agreement (e.g. a communal garden) then the Council will not be in a position to sell the area.
Does the area contain any shared services or facilities?	Some areas of land / space will have shared services within its boundaries (such as water pipes, gas pipes, and/or electrical wiring) that may serve other residents. If the area contains shared services that cannot be easily altered / diverted then the Council will not be in a position to sell the area. A full inspection of the area will take place as part of your application.
Does the Council need access to the area to undertake its maintenance or repair obligations?	The area of land / space may be used by the Council to undertake repair / maintenance obligations (e.g. a section of land may be the only area where scaffolding can be erected to access the roof of a block). If this is the case, the Council will not be in a position to sell the area.
Is the area one that the Council wishes to include in a regeneration project? Is there planned maintenance or development of the area?	The land / space you are interested in buying may be earmarked for redevelopment in the future. All applications received will be reviewed by the Regeneration Team. If the area is suitable for redevelopment or meets the criteria for the Council's "Hidden Homes" scheme, the Council will not be in a position to sell the area.

Is the area immediately adjacent to your property? Can the area be incorporated into your existing property?	The Council will only agree to sell an area of land / space if it is immediately adjacent to your property (e.g. a section of redundant land that backs onto your existing garden, or a loft space directly above your flat). Furthermore, the area <i>must</i> be able to be incorporated into your existing property (e.g. a loft conversion must be integrated into your existing flat and cannot be a standalone dwelling, such as a studio flat). The Council will <i>not</i> consent to the sale of land / space if the area cannot be incorporated into your existing property.
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The above list is not exhaustive. Sometimes the Council can only identify reasons why the land / space might not be suitable for sale following inspections of the area.

How to Apply

The Council's Residential Conveyancing and Compliance Team manage all applications and to make an enquiry you should email hsg.conveyancing@southwark.gov.uk. You are welcome to contact us before you apply to discuss your proposals.

Before we can assess your application, we will require:

1. Completed Application Form
2. Signed Privacy Notice
3. Payment of the non-refundable application fee of £339.00 by using the [online payment form](#)
4. A [Permission to Alter application](#) detailing the proposed alterations (*if applicable*).

How Much does it Cost?

There are number of fees which are payable at various stages of the process. The 2023/24 costs involved in an application to buy Council land / space are as follows:

	<i>What is the fee?</i>	<i>When do you need to pay?</i>
Application Fee	£339.00	The non-refundable application fee is payable in advance using the online payment form .
Permission to Alter Fee (where applicable)	£51.00 to £339.00	The non-refundable Permission to Alter fee is payable in advance using the Permission to Alter application form .
Valuation Fee	£790.00	If your application is approved and you wish to proceed, the valuation fee is payable prior to the surveyor undertaking a valuation of the land / space. The fee can be paid using the online payment form . Please note the valuation report is for internal purposes only.
Lease Plan Fee (required for basements; not required for land or lofts)	£294.00	The lease plan fee is payable once a premium has been agreed. The fee can be paid using the online payment form .
Legal Fees	£538.90 + VAT and disbursements	The legal fees are payable on completion of the sale through your solicitors. Please do not pay any legal fees directly to the Council.

Premium	To be confirmed	The premium is the agreed valuation of the area you wish to purchase. The premium is paid on completion of the sale through your solicitors. Please do not pay any fees directly to the Council.
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Please note that the above fees are for the 2023/24 financial year. Fees may be subject to change depending on the date our surveyors / solicitors are instructed (e.g. if your case is instructed to solicitors in 2024/25, legal fees may be different to what is stated above and we will advise you of this where relevant). In addition to the fees listed above, you will also be responsible for your own legal fees.

How your Application is Assessed

First, we will review your application and supporting documents to see if we have enough information to start the process. Upon receiving your application and payment, a member of the team will get back to you within ten working days. We will advise you whether we require any further information or whether the application can proceed to the next stage.

Your application will then be sent to the following teams for review:

1. The **Regeneration Team** will check whether the land / space is part of a regeneration project or 'Hidden Homes' scheme. A response will be received within ten working days.
2. If the Regeneration Team approve the sale, we will instruct the **Repairs Team** to conduct an inspection of the area. Following their visit, a Technical Quality Officer ("TQO") shall provide us with a report and make their recommendations. The site visit and report will be completed within twenty working days from the date of our referral to them.
3. If the Repairs Team approve the sale, we will instruct the **Resident Services Team** to review the application. A final decision will be received within twenty working days.

If there are no objections to the sale at this stage, we will contact you to tell you that the sale can proceed, subject to obtaining permission to make alterations (*where applicable*). If there are any objections and the sale cannot proceed we will write to you and tell you why.

Making Alterations

If you are thinking of making alterations to the area following a successful purchase, you must also get consent to make alterations from Southwark Council as the freeholder of the building. This is in addition to obtaining any statutory consents that may be required (e.g. Planning Permission, Building Control Approval, Party Wall Agreements, etc.). Please be informed that as the owner of the building, our conditions / consent may vary to that of Building Control and / or Planning Permission so it is imperative that freeholder's consent is applied for. We will be unable to proceed with your application to purchase the land / space until we are also in receipt of your application to make alterations.

If you are in any doubt as to whether an application is required, please get in touch. Applications for freeholder's consent can be made under the Council's 'Permission to Alter' scheme. To obtain more information on the Permission to Alter scheme, please [visit our webpage](#) or contact the Residential Conveyancing and Compliance team via e-mail at hsg.conveyancing@southwark.gov.uk.

You **must not** begin any alterations to the land / space until your purchase has completed and the Council's consent for the alterations has been issued in writing. If works commence prior to this, you will be in breach of your lease / freehold covenants and the Council may initiate legal

proceedings where appropriate. This may involve reinstating the area back to its original layout, which could be very costly to you.

If you are not planning on making any alterations to the area (e.g. you are intending to buy land for garden use only) please confirm this in writing on your application form.

Your Application Has Been Approved

In order to proceed to the valuation stage, you will require:

- (1) Approval that the purchase of the land / space can proceed; and
- (2) Consent to make alterations.

At this stage, we shall request for you to make the payment of the valuation fee. Once this is received we shall instruct the **Property Services Department** to arrange for the area to be valued by a Council surveyor. A surveyor will contact you directly within twenty working days from the date they receive our instruction. The timeframe can vary at this stage, as you will be in direct contact with your allocated surveyor to arrange a convenient appointment.

Once the valuation has been carried out, a surveyor will write to you and inform you of the premium (purchase price) and detail any restrictions on the use of the land / space. You will have three months from the date of the surveyor's letter to accept the premium. Please note that as this is a voluntary sale by the Council, the premium is non-negotiable.

Once the price and terms of the sale are agreed, the surveyor shall obtain the necessary approval from the Property Services Department and provide a valuation report to the Residential Conveyancing and Compliance Team. Please note that the valuation report is for internal purposes only. The necessary documentation will then be sent to the Council's Housing and Finance departments for signing by the relevant heads of departments. These signatures formally authorise the disposal of the land / space. We expect to receive this declaration within twenty working days from our instruction.

Upon receipt of approval from the relevant heads of departments, we shall prepare the final documentation prior to instructing the Council's solicitors.

Final Steps

Lease plans are usually required for the purchase of basements. For most loft and land purchases, the Council will prepare a plan internally at no additional cost to you. We will advise you whether or not a lease plan is required in your particular application. If you are required to obtain a new lease plan, you are not obliged to use the Council's contractors. However, you will need to ensure the lease plan is [Land Registry compliant](#). An example lease plan can be provided on request.

If you wish to use the Council's contractors, we shall request for you to make payment of the lease plan fee. Upon receipt of the fee, we will instruct our external lease plan provider to undertake a lease plan survey. Once a new lease plan has been submitted and we have been provided with your solicitor's details, we will be in a position to instruct the Council's solicitors to complete the transaction.

Once we have instructed the matter, the Council's solicitors will liaise with your solicitors to complete the purchase. If you experience any delays, make sure you contact your solicitor in the first instance to ensure there is nothing outstanding at their end before you request an update from us. Please note that you become liable to pay our legal fees once we have instructed our solicitors, regardless of whether the sale completes or not.

For lofts and basements, our solicitors will prepare a supplemental lease of the space which will run concurrently for the unexpired term of your current lease. If you are purchasing a loft and intending to convert the space, while the Council will remain responsible for the repair of the roof

and its structure, the full costs will be charged back to you as we are unable to pass on increased costs of repairs and maintenance to other leaseholders in the block arising from works completed by you. Once the alterations are complete, final consent will be in the form of a Deed of Variation and/or Licence for Alterations. Please visit the [Permission to Alter webpage](#) for further details.

If you are purchasing land, this can be sold leasehold or freehold and is assessed on a case by case basis. Any restrictions on the use of the land will be confirmed with you at valuation stage.

Contacts and Useful Links

If you wish to clarify any matter not covered by the above then please contact the Residential Conveyancing and Compliance Team via email at HSG.Conveyancing@southwark.gov.uk.

<https://www.southwark.gov.uk/housing/home-owners-services/making-alterations-to-your-home>

<http://www.southwark.gov.uk/planning-and-building-control>