

CrownResidentsAgainstSellOff

NEWS RELEASE

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Immediate

CROWN ESTATE CHIEFS TO FACE TREASURY INQUIRY OVER LONDON KEY-WORKER HOMES SELL-OFF

Residents campaigning against the planned sale of their homes across central London by the Crown Estate will have their concerns raised in Parliament next week.

Campaigning residents have the agreement of the Treasury Select Committee to submit late written evidence into the management of the Crown Estate. Senior executives of the Crown Estate will face questioning from MPs on the issue next Wednesday 3 March at a hearing scheduled for 2.30pm, Wilson Room, Portcullis House.

Residents opposed to the sell-off of their homes, many of whom are key workers, plan to pack out the public gallery.

Residents have asked the Treasury Committee to pressure the Crown Estate to drop the plans on the basis that they threaten the provision of affordable housing in London, contravene the Crown Estate's legal duty of 'good management' of its assets, and are being implemented without proper consultation. Information released by the Crown Estate last week in response to a Freedom of Information request revealed that the sale plans (codenamed 'Project Blue' and marked Restricted: Confidential) were under discussion for more than a year before residents were informed, and that the Board of Directors' main concern was the 'reputational damage' that might come from a sale. However campaigners hope that Sir Stuart Hampson, the Crown's new Chief Commissioner who has only been in post since January 2010 and was previously director of the John Lewis Partnership, will step in to halt the sell-off.

The campaign by residents is also the subject of a Commons motion (EDM 888) tabled by George Galloway MP. Local MPs Frank Dobson, Meg Hillier and Bridget Prentice are also opposed to the sell-off and will be submitting their views to the Treasury committee.

Frank Dobson, Labour MP for Holborn and St Pancras said:

'The Crown Estate should ballot all tenants and agree to abide by the outcome. Before that they must come clean and spell out in writing the current terms and conditions of any transfers and the name of the new landlord. Then let the tenants decide.'

Bob Crow, RMT General Secretary said:

"Selling off these homes could result in rent rises, the eviction of tenants and the end of an essential affordable housing scheme for key workers. The reputation of the Crown Estate will be tarnished by such an unpopular move to sell off these mixed and vibrant communities to the highest bidder simply for the sake of profit. As a trade union that represents key workers on Crown properties the RMT urges the Crown Estate Commissioners to consider carefully the implications of selling these properties for key-workers, their employers and their communities and to act to stop this sale."

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George Galloway, Respect MP for Bethnal Green and Bow, said:

"I am wholly opposed to this sell-off. We have had a terrible experience with the privatisation of publicly owned council housing in Tower Hamlets. But at least council tenants got a vote on whether they wanted to go to a new landlord. The Crown Estate is not even offering residents that. The fact is that there are few in Tower Hamlets who would now vote for privatisation having had a taste of it. We must and we will do all in our power to try to persuade the Crown Estate it is not in the interests of the Crown Estate to sell off this housing and destroy these communities, just as it is not in the interests of the residents for them to do so."

Lesley Gilbert, clinic manager at UCH and resident of Lee Green said:

"I have worked in the NHS for over 26 years. I currently manage two clinics at University College Hospital, one for sickle cell and thalassaemia patients and the other a cardiac rehabilitation programme for patients recovering from heart surgery. I really don't need the extra stress that this proposal from the Crown is causing. I have been a single parent having brought up my 2 sons alone. My mother also lives with me and I look after her too. At the moment I live within easy reach of my workplace, and have friends and family nearby I am also a volunteer for Cancer Research in Eltham and given all these factors I would not want to relocate anywhere else. Experienced keyworkers keep the heart beating of the NHS service but we too need support and our request is only for a place to live at affordable rents to enable us to care for our patients. If this option is no longer available many of us will choose the option to work overseas where opportunities are very attractive indeed."

Brian Munro, tube train driver and resident at Victoria Park said:

"It is astonishing that the Crown Estate is treating key worker tenants across central London in this way. Neighbours and friends can't believe that the Crown is making these proposals. The whole community is opposed to this sell off and we have been told by Church Commissioners tenants, given their own experience, that Paul Clark, the man leading this sell off, is not to be believed or trusted one inch."

Madeleine Davis, committee member at the Victoria Park Residents Association said:

'Last weekend we all got a 'consultation update' letter from the Crown. This repeated their point that existing tenants will have their tenancy rights and rent policy carried over to a new landlord. They also say that people on 'assured shorthold tenancies', which are fixed term, will be protected by extra provisions in the Tenancy Handbook. Yet we've just found out that the Tenancy Handbook was withdrawn some months ago for new key-workers moving in, so these people have no such protection and any new landlord could have them out within two months. Legal advice received by individual tenants also suggests that the assurances given by the Crown are not specific enough to give proper legal protection. So it appears that the Crown Estate are at best giving us potentially misleading information and at worst deliberately hiding the truth. The really upsetting thing for a lot of tenants is that they've always found the Crown to be really good landlords in the past, and they've provided affordable housing for 90 years. There has obviously been a recent dramatic shift in attitude and we can only hope that the new Chairman will see sense and do the right thing by the residents.'

ENDS

Further information

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Notes to editors:

The Crown Estate, which manages land and property worth over £6 billion, owned by the Crown on behalf of the Government, is looking to raise some £250 million through selling off the 1300 affordable and key-worker homes in Westminster, Hackney, Tower Hamlets, Camden and Lewisham. The case has striking similarities to a previous sell-off of social housing by the Church Commissioners for England led by Paul Clark, then the Church's Chief Surveyor and now Director of Assets at the Crown Estate. In that case, the homes were sold to Grainger plc which has since raised rents, ended the key-worker scheme and sold off flats. Grainger is also reported to be interested in the Crown properties.

As soon as the plans were announced on 26 January residents launched a campaign to oppose it. A series of demonstrations has seen hundreds of angry residents protest outside Crown Estate offices in Hackney, Regents Park, Millbank and Lee Green. Local open meetings held in schools and churches have been packed to capacity, with strong support pledged from local politicians and campaigners for tenants' rights and local media in attendance. Residents have lobbied their MPs, councillors and the Royal Family, and have deluged the Crown Estate with letters opposing the sell off. An online petition to Downing Street has been launched, and tenants are also petitioning the Queen. Residents' representatives are also seeking a meeting with the newly-appointed Chairman of the Crown Estate Sir Stuart Hampson (formerly of the John Lewis partnership) and Chief Executive Roger Bright.

Residents fear the sale will mean increased rents, the end of key-worker provision and the break up of longstanding communities. They are furious that while they are being 'consulted' and told that 'no decision has yet been made' the Crown Estate is actively marketing their homes to potential buyers. Key-workers currently on the waiting list have been told new lets are suspended, while flats and houses that could be providing homes for essential workers and their families have been left empty for months. The Crown Estate has refused to ballot tenants on their views, instead embarking on a 'consultation exercise' in which tenants fear their views will be ignored.

Clark has said of his role at the Crown Estate: 'We are a commercial business. It is very important to me that we are seen as an organisation that is open for business with anyone who has a proposition for us.'

The Crown Estate has a property portfolio of over £6 billion. The motive for the sale seems to be to maximise immediate income to fund the Crown Estate's development plans. Under the Crown Estate Act of 1961, the Crown Estate Board manages land and property owned by the Crown on behalf of the Government, and all surplus operating revenue (£226.5million last year) is paid to the exchequer.

Business magazines and websites such as Property Week have been highlighting that only 35% of tenants are covered by strict legal rights to limit rent increases.

Media links:

<http://www.telegraph.co.uk/finance/newsbysector/constructionandproperty/7237433/Crown-Estate-chief-executive-Roger-Bright-to-face-grilling-from-MPs.html>

<http://www.thisislondon.co.uk/markets/article-23805179-crown-estate-pound-250m-sell-off-has-the-makings-of-a-right-royal-stink.do>