

WAVERLEY BOROUGH COUNCIL

EXECUTIVE

30 MARCH 2021

Title:

Plot 5 Wheeler Street Nurseries Witley GU5 8QP
Grant of new lease for two garages to Landspeed Homes Limited

Portfolio Holder: Cllr Mark Merryweather, Portfolio Holder for Finance, Assets and Commercial Services

Head of Service: Peter Vickers, Head of Finance and Property

Key decision: No

Access: Part Exempt
Note pursuant to Section 100B(5) of the Local Government Act 1972

Annexe 3 to this report contains exempt information by virtue of which the public is likely to be excluded during the item to which the report relates, as specified in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972, namely:

Paragraph 3

Information relating to the financial or business affairs of any particular person (including the authority holding that information).

1. Purpose and summary

1.1 This report seeks approval for two leases of one garage each at Plot 5 Wheeler Street Nurseries, Witley from the Council to Landspeed Homes Limited (Landspeed).

2. Recommendation

2.1 It is recommended that:

- The two garage leases to Landspeed be approved
- Delegated authority is given to officers to finalise the heads of terms and complete the necessary legal document(s) with the prospective tenant with detailed terms and conditions to be agreed by the Strategic Director, in consultation with the relevant Portfolio Holder(s).

3. Reason for the recommendation

3.1 The Council and Landspeed submitted a combined offer to Langham Homes for five affordable housing units on a S106 site at Wheeler Street Nurseries, Witley comprising 2 x 2 bed houses, 2 x 1 bed maisonettes, 1 x Flat over garage.

Following acceptance of the offer Landspeed acquired the two houses for Shared Equity and the Council the two maisonettes and flat for Affordable Rent. The flat is situated above a block of three garages. Two of the garages are provided for in the consideration paid by Landspeed for the houses. The other garage is Council owned for the benefit of the tenant in the flat above the block.

The attached exempt annexes 1 and 2 show the plan of the site and an image of the flat and garage block building for visual reference.

During discussions around the combined offer it became apparent that, as the Council would own the flat over the garage block and only one of the garages below, maintenance of the building would be difficult unless the Council owned the entire building. Therefore, it was mutually agreed between Langham Homes, Landspeed and the Council that the Council should take ownership of the freehold of the land and building comprising the flat and garage block and lease the two garages associated with houses back to Landspeed.

The rent and term for the lease of the garages is set out in exempt annexe 3.

4. Background

- 4.1. The West Surrey SMHA (2015) demonstrates the need for an additional 314 Affordable homes per annum across Waverley. Acquisition of property under Section 106 (S106) Agreements will help to implement Waverley Housing Strategy 2018-23 action plan to deliver new council homes and meet goals to:

H: INCREASE delivery of well designed, well-built affordable HOUSING

O: OPTIMISE social and economic wellbeing

M: MAKE best use of existing homes

E: ENGAGE with partners to achieve our joint aims.

5. Relationship to the Corporate Strategy and Service Plan

- 5.1 This supports the vision of working in partnership with social housing providers to deliver good quality homes and provide services and support that tenant's need.

6. Implications of decision

6.1 Resource (Finance, procurement, staffing, IT)

Under the lease the tenant shall repair and make good all defects in the repair and condition of the garages.

The rent due under the lease is contained in exempt annexe 3.

6.2 Risk management

This ensures the Council has control over the maintenance of the whole building. The lease specifies the repair obligations on the tenant.

6.3 Legal

External solicitors have been appointed under the framework agreement to assist with the drafting of documents. The solicitors have wide experience in dealing with shared ownership properties and any related property transactions, such as the transfer of associated garages.

6.4 Equality, diversity and inclusion

There are no direct equality, diversity or inclusion implications in this report. Equality impact assessments are carried out when necessary across the council to ensure service delivery meets the requirements of the Public Sector Equality Duty under the Equality Act 2010.

6.5 Climate emergency declaration

There are no climate change implications as a result of the granting of these leases.

7. Consultation and engagement

7.1 None required for this lease proposal.

8. Other options considered

8.1 This option is considered the most suitable for ensuring the Council can carry out its maintenance obligations on the building.

9. Governance journey

9.1 Under the Scheme of Delegation the length of this lease requires approval at Executive.

Annexes:

Exempt Annexe 1 – Plan of site

Exempt Annexe 2 – Image of flat and garage block

Exempt Annexe 3 – lease length and premium

Background Papers

There are no background papers, as defined by Section 100D(5) of the Local Government Act 1972).

CONTACT OFFICER:

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Agreed and signed off by:

Legal Services: 16/03/2021

Head of Finance: 16/03/2021

Strategic Director: 16/03/2021

Portfolio Holder: