

Waverley Borough Council

Report to: Executive

Date: 9 April 2024

Ward(s) affected: Godalming Central and Ockford

Report of Director: Community Wellbeing

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Report Status: Part Exempt

Key Decision: Yes

Ockford Ridge Site C Sale of Shared Ownership Homes

1. Executive Summary

This report provides members with an overview of the delivery of homes at Ockford Ridge, Godalming (Site C) and details of two homes that are in a position to be sold as affordable shared ownership. It also seeks Executive approval to the recommendation to sell the shared ownership homes delivered to support meeting the need for affordable housing for those of all income levels.

2. Recommendation to Executive

It is recommended that:

- 2.1 Executive approve the sale of two shared ownership homes at Ockford Ridge, Godalming (Site C), on the terms set out in Exempt Annexe 1 and delegate to the Executive Head of Legal and Democratic Services authority to approve and sign/seal the final form of the agreements.
- 2.2 Executive approve delegated authority for Head of Housing Services in consultation with Portfolio Holders for Housing (Delivery and Operations) to approve the future sale of percentage shares in the properties referred to in Exempt Annexe 1 up to and including 100% tenant ownership.

3. Reason(s) for Recommendation

- 3.1 The Waverley Corporate Strategy 2020 – 2025 sets out the Vision and Strategic Priorities for the Council. One of the strategic priorities is to ‘provide good quality housing for all income levels.’

Build More, Build Better, Build for Life Affordable Homes Delivery Strategy 2022 – 2025 sets out the Council’s commitment to build homes to buy or rent for households from all income levels. The strategy has been supported by evidence studies including the Waverley Housing Affordability Study 2021.

The delivery and sale of the shared ownership homes at Ockford Ridge (Site C) meets these priorities and commitments.

4. Exemption from publication

- 4.1 Yes, part of the report.

Note pursuant to Section 100B(5) of the Local Government Act 1972

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:

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

5. Purpose of Report

- 5.1 To seek approval to sell the two shared ownership homes at Ockford Ridge (Site C) and obtain associated delegated authorities to do so.

6. Strategic Priorities

- 6.1 Affordable housing is central to community well-being. It is consistent with the Council's [Corporate Strategy 2020 – 2025](#), strategic priority to deliver 'good quality housing for all income levels and age groups' and 'Effective strategic planning and development management to meet the needs of our communities.'
- 6.2 As set out in the [Build More, Build Better, Build for Life, Affordable Homes Delivery Strategy 2022-2025](#), the Council is committed to build homes to buy or rent for households from all income levels. The strategy sets out priorities and objectives for the development of new affordable homes by the Council and partners for the next three years.

7. Background

- 7.1 The Affordable Homes Delivery Strategy 2022 – 2025, Build Better Action Plan states that the Council will work closely with developers and Affordable Housing providers to ensure that the location, type, tenure, and design of new affordable homes meets need and the recommended tenure split as set out in latest evidence. This

evidence is provided in the Housing Affordability Study 2021. The study confirms that the Council currently seeks a split of 70:30 between rented homes and affordable home ownership which includes First Homes, shared equity, and shared ownership. Of the affordable home ownership options, shared ownership remains the most affordable option for those who wish to purchase a property but cannot afford full home ownership as it allows an initial percentage share of the property to be purchased while the council retains the other share. Further shares can be purchased in the future, which is known as 'staircasing', reducing the percentage share owned by the Council.

- 7.2 Ockford Ridge (Site C) was one of four sites which formed part of the masterplan, with hybrid planning consent granted in 2014. Three sites have already been delivered and Site C is the latest phase of homes to be completed. The new development at Site C will deliver 30 new affordable homes, 28 for rent and 2 shared ownership (2 x 2 bed).
- 7.3 An independent valuation report was prepared by Brett Gardener to facilitate marketing the homes and setting of rents based on 2.75% of unsold equity of the shared ownership homes.
- 7.4 The two shared ownership homes have been marketed to those who have expressed an interest in the Council's Shared Ownership properties and joined our register.
- 7.5 Those who expressed an interest in purchasing a two-bedroom shared ownership home in the Godalming area were contacted in order of the date of their registration and notified of the availability of these homes.
- 7.6 Affordability checks have been completed and purchasers have been identified for two shared ownership homes.
- 7.7 Solicitors will be appointed to act on behalf of the Council to prepare the sale and lease documents when we are in a position to progress subject to approval.

- 7.8 Purchasers will instruct their own solicitors to liaise with the solicitors acting on behalf of the Council regarding the sale / purchase of the property.

8. Consultations

- 8.1 Portfolio Holder for Housing (Delivery) and Portfolio Holder for Housing (Operations) have been consulted and support the implementation of the sale of the two properties.

9. Key Risks

- 9.1 Preparation of appropriate contract documents will mitigate risk.

10. Financial Implications

- 10.1 Capital receipt received from the sale of the two shared ownership properties will be used to finance the Ockford Ridge development (Site C). The sale of shared ownership properties was included in the original viability appraisal approved alongside this scheme in 2022.

11. Legal Implications

- 11.1 The Council has the relevant legal powers to grant shared ownership leases under the Housing Act 1985. The legislation secures the framework that the Council and the part owner have with each other to ensure that the respective rights and responsibilities are secured.

The Council in determining sales values must have regard to its best value duties and can manage this through obtaining of appropriate valuation and related guidance.

12. Human Resource Implications

- 12.1 The Housing Development Team will work with Legal Services as (intelligent client) to progress the sale of these two shared ownership homes, subject to approval of the recommendations of this report.

13. Equality and Diversity Implications

- 13.1 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.

14. Climate Change/Sustainability Implications

- 14.1 The New Build contribution to the Council's environmental and sustainability objectives include working with consultants to develop climate positive design and developing carbon off-set opportunities in materials used in construction.

The homes delivered at Ockford Ridge (Site C) are net zero in operation, achieving an Environmental Rating of 99 out of 100.

The Housing Development Team, work with other teams to identify ways the delivery of the Council's new build and regeneration programme can support delivery of other elements of the Council's Climate Change and Sustainability Strategy and Strategic Carbon Neutrality Action Plan.

15. Summary of Options

- 15.1 Delivery and sale of shared ownership homes, as set out in the business case and viability appraisal approved for this scheme in 2022 and recommended within this report to meet the priorities set out in the Waverley Corporate Strategy and commitments of the Affordable Homes Delivery Strategy.

15.2 An alternative option would be to cease delivery and sale of shared ownership homes; however, this does not meet the priorities set out in the Waverley Corporate Strategy or commitments of the Affordable Homes Delivery Strategy or the proposed affordable housing mix as previously approved in 2022.

16. Conclusion

16.1 It is requested that members consider this report and approve the recommendations.

17. Background Papers

17.1 [Corporate Strategy 2020 – 2025](#)

17.2 [Affordable Homes Delivery Strategy 2022-2025 Build More Build Better Build for Life \(waverley.gov.uk\)](#)

18. Appendices

18.1 Annex 1 – Exempt – Shared Ownership Homes Ockford Ridge (Site C)

Please ensure the following service areas have signed off your report.
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Service	Sign off date
Finance / S.151 Officer	15.03.24
Legal / Governance	14.03.24
HR	-
Equalities	-
Lead Councillor	29.02.24
CMB	29.02.24
Executive Briefing/Liaison	26.03.24
Committee Services	15.03.24