

<b>Key Decision Required:</b>	<b>NO</b>	<b>In the Forward Plan:</b>	<b>NO</b>
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## CORPORATE DIRECTOR OF OPERATIONS AND DELIVERY

13 AUGUST 2021

### **A) PAYMENT OF DEVELOPERS FEES ASSOCIATED WITH APPROVAL OF ALTERATION REQUESTS: 8–20 RONSON DRIVE, THORPE LE SOKEN**

(Report prepared by Emma Norton)

#### **PART 1 – KEY INFORMATION**

##### **PURPOSE OF THE REPORT**

To seek approval from the Corporate Director, Operations and Delivery, to meet the charges payable to the developer or management company in connection with relevant requests received from the tenants of 8 to 20 Ronson Drive, Thorpe le Soken for permission to carry out alterations or additions to their properties.

##### **EXECUTIVE SUMMARY**

8 to 20 Ronson Drive, Thorpe le Soken are gifted properties that the Council added to its housing stock in March 2021. This proposal is for the Council to meet any charges payable to the developer or management company in connection with any relevant requests for permission to alter these properties within ten years of the transfer of these properties. Payment of this fee is a requirement of the agreed restrictive covenants for these properties.

##### **RECOMMENDATIONS**

That the Corporate Director for Operations and Delivery approves the payment of the applicable fee to the developer or management company should this arise.

#### **PART 2 – IMPLICATIONS OF THE DECISION**

##### **DELIVERING PRIORITIES**

The payment of this charge has the potential to contribute to the Council priority relating to building and managing our own homes.

##### **FINANCE, OTHER RESOURCES AND RISK**

###### Finance and other resources

In the event of any relevant applications for permission being received, the cost of these fees would be met from the budget that has been designated for the payment of all management and other fees associated with gifted properties.

###### Risk

There is no recognised risk with the proposed transactions. However, there is a risk if the Council requires the tenants to meet these charges and they are financially disadvantaged as a result when compared to other tenants.

##### **LEGAL**

In coming to decisions in relation to the management or procurement of assets, the Council must act in accordance with its statutory duties and responsibilities.

Section 97 of the Housing Act 1985 as amended states that, 'it is a term of every secure tenancy that the tenant will not make any improvement without the written consent of the landlord.... This consent shall not be unreasonably withheld and, if unreasonably withheld, shall be treated as given'.

This statutory right to make improvements, with consent, applies to all secure tenants and is not subject to the payment of any charges.

#### **OTHER IMPLICATIONS**

Consideration has been given to the implications of the proposed decision in respect of Crime and Disorder, Equality and Diversity, Health Inequalities, Consultation/Public Engagement, Climate Change and any significant issues are set out below.

None

#### **Ward**

Thorpe, Beaumont and Great Holland

### **PART 3 – SUPPORTING INFORMATION**

#### **BACKGROUND**

The Council added numbers 8 to 20 Ronson Drive, Thorpe le Soken to its housing stock in March 2021 as gifted properties from Bellway Homes Ltd.

The transfer documents for these properties include a number of restrictive covenants that are in common with other properties on the development. One of these covenants states that:

'Not during the period of 10 years from the date of this Transfer (following which no such consent shall be required) without the previous written consent of the Transferor (here meaning Bellway Homes Limited rather than any successor in title) whose consent shall not to be unreasonably withheld or delayed

- 1.1 to make any external addition or external alteration to the dwelling erected on the Property (other than the erection of a satellite dish or television aerial or other apparatus for the receiving of wireless, telegraphic or other electronic signals), which shall not require the Transferor's consent) or to any other building now erected on or forming part of the Property;
- 1.2 to erect any other building or structure on the Property SAVE a temporary garden shed;
- 1.3 to erect any fence screen wall hedge or other boundary structure on the front boundary of the Property;

in respect of which consent the Transferee shall pay the Transferor's reasonable and properly incurred fees which shall not exceed £100 plus vat and, in the event of such consent being granted, not to carry out such work except in accordance with such details previously requested and approved in writing by the Transferor'

The requirement to obtain this permission from the developer is in addition to the requirements to obtain the Council's permission in accordance with the Housing Act 1985 and the Council's Secure and Introductory Tenancy Agreement.

Section 97 of the Housing Act 1985 as amended states, 'it is a term of every secure tenancy that the tenant will not make any improvement without the written consent of the landlord.... This

consent shall not be unreasonably withheld and, if unreasonably withheld, shall be treated as given’.

This is supported by the Council’s Secure and Introductory Tenancy Agreement which states that secure tenants have ‘the right to improve or alter the property, as long as you get our written permission first.’

As all secure tenants have a statutory right to make alterations, it is unreasonable and inequitable for a financial cost to be attached to this condition for the tenants of 8 to 20 Ronson Drive, Thorpe le Soken when other secure tenants do not have to pay a fee in connection with these requests.

There is sufficient funding in the budget to meet the costs of these fees should the need arise.

#### **CURRENT POSITION**

It is recommended that the Council accepts responsibility for meeting these costs in the event of any request for permission for alterations being received within the initial ten year period.

#### **FURTHER HEADINGS RELEVANT TO THE REPORT**

None

#### **BACKGROUND PAPERS FOR THE DECISION**

None

#### **APPENDICES**

None