

Record of officer decision

Decision title:	Agreement to release 16 Miller Craddock Way, Ledbury from a legal charge and a restriction on title
Date of decision:	21 November 2019
Decision maker:	Acting Assistant Director for Technical Services
Authority for delegated decision:	The economy and place directorate's scheme of delegation dated 1st April 2019 (line 48) gives the Acting Assistant Director for Technical Services the authority to take the decision
Ward:	Ledbury South
Consultation:	None
Decision made:	Release of 16 Miller Craddock Way from the legal charge and a restriction on legal title relating to the Deer Park development in return for the fee paid to Herefordshire Council as detailed in the legal charge.
Reasons for decision:	<p>Stonewater Housing are part of the Government Voluntary Right to Buy scheme for tenants to be able to buy their homes from registered housing associations. An application has been received for this property and Stonewater have asked that this property be released from the legal charge that triggers a payment from them to Herefordshire Council. As this will no longer be social housing the nominations agreement will no longer apply to this property and this restriction on title will also need to be released.</p> <p>There is no technical or statutory reason why Herefordshire Council can or should attempt to refuse this request from Stonewater so long as the parties agree the calculation of the fee due to Herefordshire Council.</p>
Highlight any associated risks/finance/legal/equality considerations:	<p>The Deer Park affordable housing scheme was a partnership project in 1993 between a registered social housing association and the local authority at the time. Malvern Hills District Council contributed the land and the housing association developed the housing on the understanding that they would pay back 13% of the market value for the site on the earlier of either 35 years or if the housing was released from being reserved for social housing. Herefordshire Council are the successor body and therefore have inherited the benefit from this legal charge.</p> <p>Stonewater Housing have obtained an independent RICS red book valuation to obtain a formal opinion on value and therefore the 13% share due to Herefordshire Council that officers are prepared to accept as a reasonable estimate of market value.</p> <p>Legal will undertake the formal paperwork to release the covenant from this house.</p> <p>In terms of equality, whilst this transaction will potentially reduce the availability of affordable housing, at least for the short term, neither Stonewater Housing or Herefordshire Council have a realistic choice as the application is in accordance with national policy and</p>

	statute. The Government policy is that they will fund part of the sale so that the affordable housing provider obtained full market value for the house that they can then invest in scheme to create more affordable housing. The existing tenant will contribute part of the sale price and in return will obtain the freehold to their home.
Details of any alternative options considered and rejected:	As this disposal is covered under statute neither Stonewater nor Herefordshire Council have a reasonable reason to attempt to prevent this sale to the existing tenant.
Details of any declarations of interest made:	None

Signed: Acting Assistant Director for Technical Service, Economy & Place

Date: 21st November 2019