

COUNCIL – 13 FEBRUARY 2020

SUPPLEMENTARY REPORT – SHEERWATER REGENERATION

1.0 Executive Undertakings

- 1.1 The main report on the Sheerwater Regeneration Scheme advised that there would be a supplementary report on the Executive Undertakings relating to the development. This is that report.
- 1.2 By way of background, the relevant section of the main report read as follows:-

“3.0 Executive Undertakings

- 3.1 *The Sheerwater Regeneration Scheme has, through its development, been the subject of three planning permissions. The first permission (PLAN/2015/1260) was obtained by New Vision Homes. The two most recent permissions (PLAN/2018/0337 and PLAN/2018/0374) were obtained by Thameswey Developments Limited, and were granted in 2019. The permissions were the subject of Section 106 Agreements (Thameswey) and Executive Undertakings (Council, as landowner).*
 - 3.2 *The evolution and improvement of the Sheerwater Regeneration Scheme has resulted in there being some minor discrepancies between the various Section 106 Agreements and Executive Undertakings insofar as the affordable housing is concerned.*
 - 3.3 *The number of properties rented at “Kingsmoor Park”/social rent levels will be the same as existed before the regeneration (the previous social rented properties comprised Council secure tenancies and Registered Provider tenancies). There will also be additional properties let at affordable rents.*
 - 3.4 *It would be beneficial for the Section 106 Agreements and Executive Undertakings to be “tidied-up”. The LPA is being requested to agree appropriate amendments to ensure that they correctly reflect the affordable housing included in the Scheme. It is anticipated that the proposed amendments will be considered at the Planning Committee on 25 February 2020. To provide the assurance the Planning Committee will require, Council (as landowner) will need to provide a formal undertaking in respect of the affordable housing, i.e. confirming that it will be provided. The wording of the undertaking is currently being discussed with the local planning authority. This will be the subject of a supplementary report to Council, which will be circulated before its meeting on 13 February 2020.”*
- 1.3 This supplementary report updates the Council on the present position regarding the Executive Undertakings.
 - 1.4 The local planning authority has been requested to agree the following Executive Undertakings in respect of the affordable housing included in the Sheerwater Regeneration Scheme:-

PLAN/2018/0337

1. The undertaking which deals with the tenure of the affordable housing units shall be as follows:-

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The Affordable Housing Units to be provided on the application site shall be in accordance with the following table with 415 being for Social Rent (Kingsmoor) and 84 being for Affordable Rent.

Unit Size	Social Rent (Kingsmoor)	Affordable Rent	Total
1 bed flat	192	84	276
2 bed flat	133	0	133
3 bed flat	17	0	17
2 bed house	13	0	13
3 bed house	51	0	51
4 bed house	9	0	9
5 bed house	0	0	0
Total	415	84	499

2. The undertaking which deals with the unit size of the affordable housing units shall be as follows:-

To secure the provision of Affordable Housing Units on the application site in accordance with the following details:

Unit size	Number of Affordable Housing Units to be provided
1 bedroom	276
2 bedroom	146
3 bedroom	68
4 bedroom	9
Total	499

3. The undertaking in respect of the affordable housing units to include the NPPF definition of “Affordable Rent”, i.e.

”Affordable Rent” – means a rent no higher than 80% of the local market rent including service charges, which rent shall not exceed the Local Housing Allowance.

4. Although there is to be no change to the definition of “Social Rent”, “(Kingsmoor)” is to be added to the term “Social Rent” so that it reads “Social Rent (Kingsmoor)”

PLAN/2018/0374 & Plan/2015/1260

1. The undertaking which refers to 44 affordable housing units being transferred back to the Registered Provider shall be replaced with the following:-

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*280 of the Affordable Housing Units to be provided on the application site shall be for **Social Rent**; 182 of the Affordable Housing Units on the application site shall be for **Affordable Rent**.*

2. The undertaking which deals with the tenure split of the 13 affordable housing units being provided in Phase 1c of the development shall be as follows:-

The Social Rent/Affordable Rent tenure split of the 13 dwellings to be transferred to the Housing Provider in Phase 1c shall be submitted to and approved by the Local Planning Authority prior to the Commencement of development in Phase 1c.

3. The undertaking which deals with nomination rights shall be as follows:-

That prior to the first occupation of any Affordable Housing Unit, the Housing Provider shall enter into a nomination agreement with Woking Borough Council to (i) grant the Council 100% nomination rights for all initial lets, 75% nomination rights for re-lets and (ii) require that all lettings not subject to nomination rights shall give priority to Local People.

- 1.5 As stated in the original report to Council, these Executive Undertakings will ensure that the number of properties rented at “Kingsmoor/social rent” levels will be the same as existed before the regeneration (the previous social rented properties comprised Council secure tenancies and Registered Provider tenancies). There will also be additional properties let at affordable rents.
- 1.6 It is anticipated that the Executive Undertakings will be considered by the Planning Committee on 25 February 2020. If considered acceptable, the Committee will require certainty that the Council (as landowner) will comply with the Executive Undertakings. Council is recommended to resolve accordingly. In the event that the Planning Committee requires additional changes, e.g. ones that are consequential to those referred to in this report, it is recommended that the Chief Executive is authorised to give appropriate Undertakings.
- 1.7 The recommendations before Council have been amended to cover the Executive Undertakings. The complete recommendations are as follows (with (iv) and (v) dealing with the Executive Undertakings):-

Recommendations

The Council is requested to:

RESOLVE That

- (i) the Loan Finance for the delivery of the Sheerwater Regeneration scheme, as summarised below, be approved;

	Facility £m	Term	Type	Rate	Arrangement fee
Thameswey Developments Ltd (during construction)	115	Up to 5 years	Maturity	relevant PWLB rate	No
Thameswey Housing Ltd (until constuction complete)	290	Up to 5 years	Maturity	relevant PWLB rate	No
Thameswey Housing Ltd Operational	290	50 years	Annuity	relevant PWLB rate	No
Thameswey Housing Ltd Revolving Loan facility	116	Up to 30 years	Maturity	relevant PWLB rate	No
Thameswey Energy Ltd	5.25	20 years	Annuity	relevant PWLB rate	No

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- (ii) following consideration of the matters contained in this report relating to the proposed compulsory purchase order:-
 - (a) Council re-affirms its commitment to using its compulsory purchase powers as set out in Section 226(1)(a) of the Town and Country Planning Act 1990 to compulsorily purchase the Order Land, and
 - (b) authority is delegated to the Head of Democratic and Legal Services to settle the final form and content of the Order and all associated documentation so that a final decision on the making of the Order can be made at the Council meeting on 2 April 2020.
- (iii) authority is delegated to the Director of Housing, in consultation with the Portfolio Holder for Housing and the Head of Democratic and Legal Services to seek, at the appropriate time, possession (under the Housing Act 1985) of Housing Revenue Account (HRA) properties within the Sheerwater Regeneration Area;
- (iv) Council shall procure that the affordable housing Executive Undertakings in respect of the Sheerwater Regeneration Scheme, as set out in paragraph 1.4 of the supplementary report to Council dated 13 February 2020, are complied with, and
- (v) authority is delegated to the Chief Executive to give an Executive Undertaking if the Planning Committee requires changes to the Executive Undertakings set out in paragraph 1.4 of the supplementary report to Council dated 13 February 2020,

The Council has the authority to determine the recommendations set out above.

Background Papers: None.

Reporting Person: Peter Bryant, Head of Democratic and Legal Services
Email: peter.bryant@woking.gov.uk, Extn: 3030

Contact Person: Peter Bryant, Head of Democratic and Legal Services
Email: peter.bryant@woking.gov.uk, Extn: 3030

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