

RECOMMENDATION

I recommend therefore that the way forward is as follows:-

1. The developers make an application to vary the Section 106 Agreement as a matter of urgency (I have asked them not to make this application before The Trustees make this decision).
2. Payment will be made as follows:-
 - 5% payable following completion of a satisfactory Section 106 supplemental agreement (and completion of associated obligations tied to Brooklands Gardens).
 - 5% payable following receipt of reserved matters approval for the site.
 - 30% payable following Legal Completion of the 71st dwelling on the site
 - 60% payable following Legal Completion of the 121st dwelling on the site.
3. The agreement would confirm that 5% would be paid on signing the agreement with the balance paid at the same rate as the equivalent of the housing provision. The balance would be bonded by the developer.
4. The Trustees would transfer the properties immediately to Seven Locks when receipt of the 5% deposit has been received and they would be responsible for the repairs and improvements.
5. As a "package" The Trustees should also sell Brooklands to Seven Locks on the strict understanding that they use the site for additional affordable housing and at a nominal sum of £10,000.

A letter of support for the proposal has been received from Seven Locks (Appendix 2).

In conclusion therefore, the recommended course of action above will achieve the following:-

1. The Trustees would have a capital sum (after expenses) of £2,000,000 to use in furtherance of their objectives and will have maximised their assets.
2. The Council will secure 49 units and possibly approximately a further 20 to 23 units subject to other older person's facilities on site.

3. All the 49 units will be repaired and improved at the expense of Seven Locks when all the properties will be transferred to them.
4. The District Council and The Trustees will provide a package which can be clearly seen as avoiding precedent in the future.
5. The Day Centre will be available to the occupiers or could be converted into additional accommodation.
6. The Council will not be faced with additional subsidy for the enhanced rents.
7. The Trustees will have funds available to meet their charitable objectives.

19th March 2012
Andrew Granger