

## SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

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**REPORT TO:** Housing Portfolio Holder March 2009  
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Property Sales Officer

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### APPLICATION TO PURCHASE GARDEN LAND AT 2 WRIGHTS GROVE, FULBOURN CURRENTLY HELD UNDER LICENCE

#### **Purpose**

The proposal to sell garden land currently held on licence under the First Time Buyer scheme.

#### **Executive Summary**

1. The Lease of the Leasehold Equity Sharing Scheme for First Time Buyers carries a clause that states the Leaseholder cannot purchase the garden to their property. It is held on licence and a fee of £25 per annum is charged. A request has been received from a leaseholder to purchase their garden as well as the freehold of the property.

#### **Background**

2. The leaseholders acquired a 75% share of their property under the Council's Leasehold Equity Sharing Scheme for First Time Buyers on 17<sup>th</sup> January 2000, with the garden held on licence to prevent Leaseholders from extending the property, thus keeping it affordable for First Time Buyers (FTB).

#### **Considerations**

- The leaseholders have applied to purchase the remaining 25% share and the freehold of the property.
- Valuation report by Pocock and Shaw gave the full market value of the property, including garden and the Council reduced the price by 10% to reflect the garden being kept on licence.
- The leaseholders have written in to appeal the decision to keep the garden on licence stating they have owned and invested in the property for 8 years and wish to continue doing so.
- The leaseholders have accepted and agreed to pay the increased valuation to include the garden.
- The Council no longer offers the FTB Scheme and therefore we do not have anyone on a waiting list for first time buyer properties.
- Keyhomes East offer affordable shared ownership properties within the region for FTB.
- Selling the garden is outside the FTB scheme.
- Agreement has previously been given for garden land to be sold on a FTB property at 11A Orchard Close, Cottenham. This agreement was based on the fact that permission had been incorrectly given to the Leaseholder to allow them to erect a conservatory in the back garden.
- The Lease does not provide a clause stating that the property can only be sold to first time buyers, therefore keeping the garden on licence will not benefit this group in the future as it can be marketed to, and bought by, anyone.

### Options

- 3.
- (a) To keep the garden on licence and carry on charging the £25 per annum licence fee.
  - (b) To sell the house and garden land to the leaseholders with no restrictions.

### Implications

- 4.
- (a) The garden will remain on licence and we will continue with the administration of collecting the £25 fee from this Leaseholder and all future leaseholders. The Council will retain ownership of the garden. The property will potentially be more affordable to future buyers.
  - (b) The Council will relinquish ownership of the garden and will receive an extra £4,200 from the current Leaseholder for the garden. The Council will no longer administer the licence fee. The property will increase in value making it less affordable for future purchasers.

5.

Financial	Increased income to the Council if the garden is sold. Less administration as the licence fee account can be closed.
Legal	None
Staffing	Selling the garden will reduce the task of having to collect the fee.
Risk Management	None
Equal Opportunities	The FTB Scheme no longer operates so we would not be disadvantaging this group.

### Consultations

6. Lands Officer: As the FTB Scheme no longer operates there is no benefit to the Council to keep the land on Licence. The Council would benefit from the extra income generated from the sale of the garden.

### Effect on Corporate Objectives and Service Priorities

7.

<b>Work in partnership to manage growth to benefit everyone in South Cambridgeshire now and in the future</b>
N/A
<b>Deliver high quality services that represent best value and are accessible to all our community</b>
N/A
<b>Enhance quality of life and build a sustainable South Cambridgeshire where everyone is proud to live and work</b>
N/A

### Recommendations

8. That the Council proceed with Option B.
9. That other FTB also be allowed to purchase their gardens alongside the freehold when such cases arise in the future.

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