



RHONDDA CYNON TAF

RECORD OF DELEGATED OFFICER DECISION

SUBJECT: Neighbourhood Renewal Areas

PURPOSE OF ATTACHED REPORT:

To consider the postponement of the Council's local land charge on properties participating in Group Repair Schemes within designated Renewal Areas and rank behind other charges in existence prior to the registration of our local land charge.

DELEGATED DECISION (Date):

It is agreed to postpone the Council's local land charge on properties participating in Group Repair Schemes within designated Renewal Areas and rank behind other charges in existence prior to the registration of our local land charge.

Chief Officer Signature

Print Name

Date

K. CRITCHFIELD

25.09.12

The decision is taken in accordance with Section 15 of the Local Government Act, 2000 (Executive Functions) and in the terms set out in Section 5 of Part 3 of the Council's Constitution

P. Cannon

CONSULTEE CABINET MEMBER SIGNATURE

25/9/2012

DATE

OFFICER CONSULTEE SIGNATURE

DATE

Directorate:	Regeneration and Planning
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RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

**MUNICIPAL YEAR 2012 - 2013
REPORT TO ACCOMPANY DECISION OF
CHIEF EXECUTIVE**

Part 1

(Non Confidential)

NEIGHBOURHOOD RENEWAL AREAS

1. PURPOSE OF THE REPORT

To consider the postponement of the Council's local land charge on properties participating in Group Repair Schemes within designated Renewal Areas.

2. RECOMMENDATIONS

To agree to postpone the Council's local land charge and rank behind other charges in existence prior to the registration of our local land charge.

3. BACKGROUND

The schemes are subject to 5-year grant conditions which are registered as a local land charge against the property. If the grant conditions are breached within this time, the local land charge enables the Council to recoup grant monies in priority to any other charges already registered or may in the future be registered against the property.

Recent experience has shown that mortgage companies are now unwilling to provide consent for the grant to go ahead without assurance that their charge will be unaffected. In light of the current market and in order not to slow down the process of investment, it is proposed that our procedures are revised in line with the above recommendation.

The Council's Legal Department has been consulted on this matter and it has been clarified that this arrangement is in place in most other NRAs in Wales where grant conditions are invoked.

The proposed amendment is not anticipated to have any significant impact in the long term as relatively few breach the grant conditions.

4. CONCLUSION

Retaining the opportunity to reclaim in second place is more favourable for the Council than waiving repayment completely and therefore it is recommended that we opt to postpone the Council's local land charge and rank behind any existing charges. This proposed amendment to the policy is not retrospective and therefore will have no effect on grants previously reclaimed.

In addition, it is beneficial to the objectives of the Renewal Area that as many properties as possible participate in the schemes in order to maximise the impact such improvements will make to the area.