

**Extract from Housing Transfer Programme Board**  
**19<sup>th</sup> September 2007**

**8 Local Land Charges Insurance**

The Board considered a report from Sarah Stockings, Legal Services Manager setting out the requirement for the Council to give warranties to Greenfields that all the properties being transferred have good title. The report explained that the Council was required to carry out a test of due diligence exercise to ascertain whether there are any defects or incumbrances that need to be disclosed to Greenfields. In the normal course of events this would involve carrying out a Local Land Charges Search in respect of each property. However, as there are approximately 8,200 properties transferring this process would be prohibitive in terms of officer time and the cost. The Council's legal advisers Trowers Hamlin have recommended that the Council carry out a small sample of land charge searches and obtain insurance to cover against any entries which might affect the properties. A quotation had been obtained from Legal and Insurance Limited who have quoted a premium of £43,575.

**DECISION:** That it be **recommended to Cabinet and Council** that the principle of obtaining insurance as set out above be agreed and the Director of Finance be authorized to obtain cover subject to obtaining competitive quotes in accordance with the Council's financial regulations.

**Extract from Housing Transfer Programme Board**  
**17<sup>th</sup> October 2007**

**11. Environmental Warranties**

Mr Epsom reminded Members of the discussions that had taken place at the last meeting when Members had agreed to familiarise themselves with the executive summary report from Heath Lambert.

Mr Epsom updated the Board with the final quotations. The Board accepted that the risk to the Council was low but felt that cover of £10m at a one-off cost of £164,900 should be taken out.

**DECISION:** That it be **recommended to Cabinet and Council** that Environmental Warranty Insurance be taken out covering up to £10m over the next 10 year term at a cost of £164,900.

**15 Right to Buy Proposals**

Simon Martin explained that officers had again discussed this issue of right to buy sales and the impact on the loss of rental income by GCH. The discussions had concluded on a recommendation that GCH be allowed to retain approximately £20,000 of each sale, this being the estimated impact in the loss of rental income over the period of the business plan. The remainder of the sale proceeds would be retained by the Council.

**DECISION:** That **Cabinet/Council be recommended** to accept that Right to Buy arrangements as set out above.