

WESTMINSTER CITY COUNCIL

STATEMENT OF DECISION

SUBJECT: WEST END GATE (ACQUISITION OF BLOCK H)

Notice is hereby given that Cabinet Member for Climate Action, Regeneration and Renters, Cabinet Member for Regeneration and Renters, has made the following executive decision on the above mentioned subject for the reasons set out below.

Summary of Decision

The Cabinet Member for Regeneration and Renters has:

- Approved the acquisition of 45 affordable homes at West End Gate Block H from Berkeley Homes for the price set out in Appendix A, on the terms in Appendix C.
- Approved further spend of £400,000 to meet legal costs, monitoring costs and specification changes required to match those on earlier phases.
- Approved expenditure from the central contingency to fund this acquisition, noting that the draft budget 2024/25 includes a line item for the scheme. (Further details set out in Appendix A)
- Delegated authority to the Executive Director of Regeneration, Economy and Planning in consultation with the Director of Legal to enter into the Development Agreement, Agreement for Lease, Block H1 Lease and Block H2 Leases (x13) and all associated legal documents required by the recommendations of this report.

Reasons for Decision

The Council has acquired 130 homes across the earlier phases of West End Gate which have provided high quality homes for residents and an opportunity to decant existing social tenants from Church Street Site A. The 45 under construction in Block H would complement these homes, providing more decant opportunities and high-quality Council managed homes near Church Street.

The homes are required to be built by Berkeley as a S106 obligation, regardless of whether the Council acquires them or not, with nomination rights for the Council. However, by acquiring them the Council can ensure high quality management to its residents and has been able to influence the type of tenancies and procured a further variation to the S106 agreement to convert the 33 shared ownership homes into London Living Rent. A deed of variation to the s.106 will need to be entered into and it will be a condition of the Agreement for Lease. Berkeley must satisfy this condition before the Council completes the acquisition. If Berkeley do not satisfy this condition within one year of exchange the deposit (detailed below) shall be returned to the Council and the Development Agreement shall be terminated.

Further to the above, the Council can convert the larger homes from intermediate rent to social rent increasing the total provision on the site. To avoid undue delay and complication, the Council will implement this after entering into contract with Berkeley but before the end of construction.

The average acquisition cost as set out in Appendix A is less than the cost of self-building and therefore represents value for money. The Council has significant waiting time on larger homes and converting intermediate rent to social will provide much needed permanent social housing.

**Stuart Love, Chief Executive,
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Implementation Date: 06 February 2024

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