



**Enter into a Deed of Variation for the Estate rent charge relating to the maintenance of Sustainable Drainage System (SuDS) at Manor Way Peterlee (Woodland Mews Development)**

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**Report of Mark Readman, Head of Highways**

**Electoral division(s) affected:**

Peterlee East

**Purpose of the Report**

- 1 To seek authority to enter into a deed of variation for the estate rent charge between the County Council of Durham and Durham Villages Regeneration Limited for the sustainable drainage system (SuDS) at Manor Way, Peterlee (Woodland Mews, Development)

**Executive summary**

- 2 The Council will enter into a deed of variation for the estate rent charge between the County Council of Durham and Durham Villages Regeneration Limited for the sustainable drainage system (SuDS) at Manor Way, Peterlee (Woodland Mews, Development).
- 3 The variation will waive the right to take possession of properties under Law of Property Act 1925, S121 for any outstanding rent charge arrears.
- 4 This will allow affected residents to arrange mortgages with lenders that would otherwise have resisted due to the inclusion of S121 powers.

**Recommendation(s)**

- 5 To carry out legal process required to enter into a deed of variation for the estate rent charge between the County Council of Durham and Durham Villages Regeneration Limited for the sustainable drainage system (SuDS) at Manor Way, Peterlee (Woodland Mews, Development)
- 6 The variation will waive the right to take possession of properties under S121 for any outstanding rent charge arrears.

## **Background**

- 7 On the 16<sup>th</sup> March 2018 Durham Villages Regeneration Limited and The County Council of Durham entered into an estate rent charge over the development to provide a mechanism for collecting the service charge. The service charge is for the management, administration and maintenance of the SuDS.
- 8 The original rent charge contained powers under S121 to enter into possession of and hold the land charged and take income until the annual sum and all arrears due at the time of entry.
- 9 Multiple lenders will not mortgage properties that are subject to S121 powers. The Council have no intention of taking possession of properties under S121 for any outstanding rent charge arrears.

## **Main implications**

- 10 For any unpaid charges the council will rely on existing debt collection processes.

## **Conclusion**

- 11 The Council will enter into a deed of variation for the estate rent charge between the County Council of Durham and Durham Villages Regeneration Limited for the sustainable drainage system (SuDS) at Manor Way, Peterlee (Woodland Mews, Development). The variation will waive the right to take possession of properties under S121 for any outstanding rent charge arrears

## **Background papers**

- Drawings plans and correspondence held within the drainage and Coastal protection officers' files and Legal Services files.

## **Other useful documents**

- None

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## **Author(s)**

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## **Appendix 1: Implications**

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### **Legal Implications**

The Council would no longer be able to take possession of properties relating to the rent charge

### **Finance**

N/A

### **Consultation**

N/A

### **Equality and Diversity / Public Sector Equality Duty**

N/A

### **Climate Change**

N/A

### **Human Rights**

N/A

### **Crime and Disorder**

N/A

### **Staffing**

N/A

### **Accommodation**

N/A

### **Risk**

Outlined in section 9

### **Procurement**

N/A