

Greenbelt on Consumer Choice – Key Facts April 2014

Greenbelt supports legislation which would mean that no-one has a 'job for life' in managing the open spaces on a development. We want to offer all homeowners on both new and existing developments the option of making their own arrangements to maintain their open spaces.

Greenbelt recognises that homeowners may choose to transfer ownership of the open space land to another party and that exercising this option does involve a transfer of responsibilities. Everyone involved needs to understand this. Greenbelt can help homeowners in their choice and make sure the transfers are managed professionally and diligently.

Requirements for the transfer of Open Space Land to Residents

Homeowners who wish to undertake the ownership and responsibilities for the open space land management themselves (in place of Greenbelt) may do so provided they clear all outstanding debts to Greenbelt.

Once this is done, homeowners need to obtain / establish the following:

- Agreement of two thirds of the existing homeowners to the transfer arrangements;
- A properly constituted body to own such land; e. g. limited company with the owners for the time being of each property having 1 share in the company set up;
- Approval of the local planning authority to the new owner where planning obligations attaching to the development require this;

In addition, on transfer of the open spaces, the new owner is required to:

- pay a price for the land which reflects the RICS valuation of the land, to compensate Greenbelt for the loss of the land asset within its business. The price depends on the size, location and nature of the land in each case. In the event of dispute as to price, the matter would be referred to an independent third party for a decision;
- meet Greenbelt's reasonable legal and other professional fees, outlays and VAT in connection with the conveyancing associated with the land transfer;
- accept that the title transfer is made subject to (a) the existing title obligations and planning designations as open space; and (b) any particular provisions required having regard to the particular site in question.

Greenbelt's Perspective

Each development is considered on a site by site basis to ensure all diligence is properly followed. The solution has to be sustainable both in terms of community coherence and also financially to meet the regulatory, safety, environmental and insurance requirements that some more complex developments require. Therefore, homeowners will require to ensure that: -

- SUDS (sustainable urban drainage systems) are properly maintained;

- Landscapes are regularly maintained;
- Children's play areas are properly inspected and maintained;
- Woodland areas are properly managed;
- The community has sufficient support and resources to fulfil these obligations in the long term;
- Any development features comply with planning conditions; e.g. tree preservation orders;
- Records of inspections are maintained for insurance purposes.

Greenbelt recommends that all maintenance contracts and other arrangements required are in place from day 1 to ensure there is no deterioration in the condition of the open spaces after transfer because when the open space is transferred Greenbelt will have no further responsibility for any aspect of the ownership or management of the open spaces.

Homeowners should seek independent legal advice in respect of any queries they may have in relation to the option set out above.

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