



Report to:	Cabinet	22 March 2022
Lead Cabinet Member:	Councillor John Batchelor – Lead Cabinet Member for Housing	
Lead Officer:	Peter Campbell – Head of Housing	

Policy on Small Land Transactions (HRA)

Executive Summary

1. To determine a policy for the potential purchase or lease requested by individuals for small areas of land held within the Housing Revenue Account (HRA). The policy also includes other land transaction requests, such as easements and rights of way on HRA land.
2. The policy does not cover requests to purchase larger areas of land with development potential, or requests for transfer of ownership to communities which is covered within the Council's Transfer of Community Assets Policy.

Key Decision

3. Yes

(b) It is significant in terms of its effects on communities living or working in an area comprising two or more wards or electoral divisions in the area of the relevant local authority.

The key decision was first published in the January 2022 Forward Plan.

Recommendations

4. It is recommended that Cabinet approves the draft Policy on small land transactions (HRA), attached at Appendix A, to be considered by the Housing Engagement Board. Following which, that Cabinet gives delegated authority to the Lead Member for Housing to approve the final Policy subject to minor amendments, if any, arising from the Housing Engagement Board.

Reasons for Recommendations

5. To determine an appropriate framework for the consideration of requests by individuals for small land transactions for land held within the HRA.

Details

6. There is a need to establish an open, transparent and robust policy and procedure to enable each application received relating to HRA land transactions to be assessed fairly based on a set criteria and charging framework.
7. The adoption of the Policy and Procedure would provide a consistent and transparent approach and, as a consequence, demonstrate justification as part of its decision-making process.

Options

8. The option of not adopting the Policy for small land transactions (HRA) is not considered to be appropriate. The Policy ensures that there is a consistent and fair approach in terms of its management of HRA assets and its decision-making.

Implications

9. In the writing of this report, taking into account financial, legal, staffing, risk, equality and diversity, climate change, and any other key issues, the following implications have been considered:-

Financial

10. Overall, it is not expected that the net revenue financial implications of the policy will be material to the Council. The Council will seek to recover all costs incurred for the administration of any small land transaction and any disposal will be at market value.
11. Any income from the sale of land would be a Capital receipt to the HRA unless it is below £10,000, in which case it would be treated as Revenue under the Capital receipt de-minimus rules.

Legal

12. Section 123 Local Government Act 1972 provides the power to Local Authorities to dispose of land save that S123 imposes a requirement for local authorities to

obtain the best consideration reasonably obtainable. Best consideration can be achieved by

- Marketing the property;
- Obtaining an appropriate independent valuation; or
- Both of the above.

13. However, in order to discharge the duty under section 123(2) there is no absolute requirement to market the land being disposed of, or to obtain an independent valuation. For the purposes of this policy the Council will accept a valuation to discharge the duty.

14. The Department for Communities and Local Government has issued the General Housing Consents 2013. The consents, which came into force on 11 March 2013:

- Set out the situations where the specific consent of the Secretary of State is not required before a local authority disposes of council housing land and associated assets.
- Extend the freedom of local authorities in relation to the granting of leases and the disposal of reversionary interests.

Staffing

15. No staffing implications have been identified. The policy will set out a clear and transparent framework to which officers will operate in.

Risks/Opportunities

16. The proposed policy seeks to protect the Council from the risks associated with any land transaction within the HRA and includes measures to ensure a proper legal framework for an agreed transaction and to mitigate future losses that may arise (e.g. covenants to protect the Council from future uplift in the value of assets).

Equality and Diversity

17. The Policy is an operational document which will ensure that all residents are treated in a consistent and fair way. The policy does not have a negative impact on any of the protected characteristics.

Climate Change

18. No climate change implications have been identified in the development of this policy.

Health & Wellbeing

19. Within the criteria set out in the Policy for small land transactions (HRA), the health and wellbeing of residents is a consideration for the approval of requests.

Consultation responses

20. The draft policy will also be considered by the Housing Engagement Board.

Alignment with Council Priority Areas

Housing that is truly affordable for everyone to live in

21. Ensuring that the Council's housing assets are managed in a transparent and appropriate way.

A modern and caring Council

22. The policy provides a clear and consistent approach to any requests for land transactions held within the HRA.

Background Papers

Appendices

Appendix A: Policy on Small Pieces of Land Sales

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