

APPROPRIATION OF GARAGES AT 49-60 and 61-69 GLENISTER HOUSE, AVONDALE DRIVE, HAYES

Cabinet Member(s)	Cllr Jonathan Bianco
Cabinet Portfolio(s)	Cabinet Member for Property, Highways & Transport
Officer Contact(s)	Michele Wilcox, Place Directorate
Papers with report	Site Plan

HEADLINES

Summary	This reports seeks final approval to appropriate 21 garages held in the General Fund to the Housing Revenue account as part of the Hayes Estate Regeneration Project.
Putting our Residents First	This report supports the following Council objectives of: <i>Our Built Environment and Strong financial management.</i>
Financial Cost	There are no direct financial costs arising from the appropriation.
Relevant Select Committee	Property, Highways & Transport
Relevant Ward(s)	Hayes Town

RECOMMENDATIONS

That the Cabinet agree:

- 1) That the two garage blocks known as 49-60 Glenister house (12 garages) and garage block known as 61-69 Glenister House (9 garages) are no longer required for the purposes for which they were or are currently used and that they be declared surplus to requirements as per the site plan attached showing the two sites.
- 2) That the garages be appropriated from the General Fund to the Housing Revenue Account with effect from 31 March 2022, in order that the garage sites can be incorporated into the proposed development of the wider estate for general needs housing as set out in the report.

Reasons for recommendation

The garages at 49-60 and 61-69 Glenister House, Avondale Drive, Hayes are currently held within the General Fund, and it is proposed to appropriate the garages to Housing Revenue Account in order that the sites can be considered and incorporated for development for the wider estate regeneration.

Alternative options considered / risk management

To not proceed with the appropriation of the site to Housing Revenue account. This would prevent the sites being incorporated into the development for the wider estate regeneration.

Select Committee comments

None at this stage.

SUPPORTING INFORMATION

Appropriation is a statutory process that allows the Council to change the purpose for which it holds the property in its ownership from one purpose to another. A Council can appropriate from the General Fund to the Housing Revenue Account (HRA) under powers set out in section 19 (1) of the Housing Act 1985 providing the land being transferred into the HRA is for the purposes of part 11 of the Housing Act 1985. The purposes within the Act relate to the delivery of accommodation and associated infrastructure and services.

The garages are now no longer needed for their current purpose because the access to the garages is being redeveloped and they cannot be used for their existing purposes. They are also in poor repair and are not fit for purpose since they were built in the 1970's at a time when cars were smaller, and they are no longer large enough to accommodate the modern-day size of cars. The garages are to be appropriated back to Housing Revenue Account in order that they can be incorporated as part of the land assembly in preparation for the proposed redevelopment for the wider estate for general needs housing.

There are two garage blocks, one with 12 garages and the other with 9 garages. They do not have their own separate independent access and currently use the unadopted adjacent access road held by the HRA by agreement with the housing department. The forecourt area is also held by the HRA. The garages were originally transferred from the Housing Revenue Account to the General Fund in 2013 based on their book value of £37,277 (49-60 Glenister house) and £27,958 (61-69 Glenister House). None of the surrounding land was appropriated at that time and the garages can only be accessed through the adjoining HRA access road. The garages are now proposed to be transferred back to the Housing Revenue Account at their current balance sheet fair value of £90,272 for their current use.

Equalities Impact Assessment

No equality impact assessment is required for this decision as no negative impact on any of the protected groups set out has been identified.

Financial Implications

The garages at 49-60 and 61-69 Glenister House were appropriated to the General Fund from the Housing Revenue Account (HRA) as part of a bulk transfer of garages, approved by Cabinet in October 2013. The garages are no longer required for their current purpose and the garage site is identified development land for providing new affordable housing in Hayes within the £126,708k 2021-27 Housing Regeneration programme included in the HRA capital programme approved by Cabinet and Council in February 2022.

The valuation of the garages for the appropriation is at their current Net Book Value based on existing use totalling £90k. This value will represent a notional capital receipt to the General Fund. The appropriation to the HRA will enable development to increase the supply of social and affordable housing.

RESIDENT BENEFIT & CONSULTATION

The benefit or impact upon Hillingdon residents, service users and communities?

The appropriation of the site will result in the land being held under the HRA for the site to be considered for future housing development in the interests of the residents of the locality.

Consultation carried out or required

There is no legal requirement for a consultation.

CORPORATE CONSIDERATIONS

Corporate Finance

Corporate Finance has reviewed this report and concurs with the financial implications set out above, noting the recommendation to declare the garages at 49-60 and 61-69 Glenister House as surplus to requirements, and the further recommendation that the garages be appropriated from the General Fund to the Housing Revenue Account, allowing the proposed HRA development to increase the supply of social and affordable housing.

The garages were previously transferred from the HRA in 2013 at a total value of £65,235. The garages will be transferred back to the HRA at the fair value at current use of £90,272. This represents a notional capital receipt to the General Fund.

Legal

A local authority can allocate land held for specific purposes under different statutory powers. Under section 122 of the Local Government Act 1972, appropriation may be made where the land is no longer needed in the public interest of the locality for the purpose for which it is held immediately before appropriation. In this regard, a broad view of local need (taking into account the interests of all residents in the locality) must be taken.

Section 19(1) of the Housing Act 1985 Part II permits a local authority to appropriate for the purposes of this Part any land for the time being vested in the local authority or at its disposal.

However, section 19(2) of the Housing Act 1985 states that the consent of the Secretary of State is required for an appropriation under section 19(1) to "appropriate any part of the land consisting of a house or part of a house for any other purpose".

The wording of section 19(2) is likely to include all dwellings or land associated with the enjoyment and use of the dwelling such as a garden or an offsite garage which was assigned for the benefit of the occupants of any dwelling or house. This will require considering whether the garages were developed as freestanding units for parking or as an additional parking amenity separate from any tenancy or legal title to the user's house or property.

The question of whether the land is still required for the purpose for which it is held immediately before the appropriation is a question for the Local Authority and the Local Authority is the sole judge of this. The courts will not interfere, and the decision cannot be challenged unless the decision was made in 'bad faith'.

A Local Authority must show that the purpose of appropriating the land is in the best and proper interests of the area/locality. In demonstrating this, the Local Authority has to show that there is an appropriate basis for the appropriation of the land and the interests of the locality other than a purely financial motive.

The Borough Solicitor confirms there are no legal impediments to approving the recommendations.

Infrastructure / Asset Management

This report has been authored by Property and Estates and Infrastructure / Asset Management comments are included within the report.

BACKGROUND PAPERS

NIL.