

<b>Name of decision maker:</b>	<b>Councillor Nicholas Tiley</b>
<b>Portfolio:</b>	<b>Finance and Resources</b>
<b>Date of Portfolio Holder Decision:</b>	<b>5 January 2009</b>
<b>Title of Decision:</b>	<b>Redevelopment of Garage Courtyard at Mimas Road, Hemel Hempstead</b>
<b>Decision made and reasons:</b>	To transfer the garage site to Hightown Praetorian and Churches Housing Association (HPCCHA) at nil cost to enable the provision of 3 x two bedroom houses and 3 x three bedroom houses for social rent, subject to planning consent being granted.
<b>Reports considered:</b>	Background report attached.
<b>Officers/Councillors/Ward Councillors/Stakeholders Consulted:</b>	Affordable Housing Working Group Ward Councillors Residents adjacent to the site
<b>Monitoring Officer/ Chief Financial Officers Comments:</b>	<p>Monitoring Officer: In return for forgoing the opportunity of realising a potential capital receipt of £253,000 the Council will obtain 100% initial nomination rights (75% thereafter) on 6 houses. This is a reasonable 'return' which would fall within the Secretary of State's General Consent Order referred to below.</p> <p>S.151 Officer: this asset currently contained within the General Fund will be disposed of at a nil cost. From the latest professional valuation the council will forego a capital receipt of around £253,000 but will obtain 100% initial nomination rights, reducing to 75% thereafter which will contribute to discharging its responsibilities as a housing authority.</p>
<b>Implications:</b>	The redevelopment of this site will provide much needed affordable housing in the Borough and will reduce anti-social behaviour linked to the site.
<b>Risk:</b>	Failure to achieve planning permission could delay the delivery of the project and put additional pressure on staff resources.
<b>Value for Money:</b>	This report seeks approval for the disposal of Council owned land at nil cost. Generally, a local authority may not dispose of freehold property other than for the best consideration which can be reasonably obtained. However, for the purposes of this report, the Council can rely on the provisions of the 'General Consent under Section 25 of the Local Government Act 1988 for the disposal of land to Registered Social Landlords 2005'.

Paragraph 7 of the Background of the report explains the nomination rights which will be secured by the Council if the proposed disposal receives approval. Nomination rights are valuable to the Council in that they are a means of discharging its responsibilities as a housing authority.

**Options Considered and reasons for rejection:**

The site could be sold on the open market and provide the Council with a Capital Receipt of £253,000. This has been rejected for the following reasons:

- The Council needs to make the most of the current land resource and continue to pursue opportunities on its own land in order to help meet housing need.
- One of the Council's key visions is the delivery of affordable housing while protecting green space; the redevelopment of this site would support this vision.

**Portfolio Holders Signature:**

**Date:**

**Details of any interests declared and any dispensations given by the Standards Committee:**

**For Member Support Officer use only**

Date Decision Record Sheet received from portfolio holder: 5 January 2009

Date Decision Published: 5 January 2009 Decision No: PH/001/09

Date of Expiry of Call-In Period: 12 January 2009

Date any Call-In received or decision implemented:

**BACKGROUND REPORT**

1. For a number of years the Council has worked in conjunction with Hightown Praetorian and Churches Housing Association to identify underused garage sites in the Council's ownership and to redevelop these for affordable housing. Most recently, this process has provided 50 new affordable dwellings on six sites in Bennetts End. In addition to providing much needed housing in existing residential areas of high demand this programme has also alleviated problems of anti-social behaviour associated with some of the former garage sites.
2. Following the completion of the Bennetts End sites, the garage site in Mimas Road is one of several to be considered by HPCHA as a potential site for redevelopment. The site comprises a roughly 'L' shaped portion of land which is currently occupied by 39 single garages in three terraces.
3. Of the 39 garages on the site, 26 are currently unoccupied. On previous garage sites that have been redeveloped, the Council has relocated displaced garage tenants to neighbouring sites. There are currently 23 vacant garages on alternative garage sites in close proximity to Mimas Road. Each tenancy will be

looked at individually by the Officer responsible for managing garage tenancies and every effort will be made to satisfy individual needs.

4. Following discussions with planning officers HPCHA have prepared proposals for a scheme of 3 x two bedroom houses and 3 x three bedroom houses. The majority of schemes currently under development in Hemel Hempstead are providing one and two bedroom apartments, and whilst this reflects demand, 6 x two and three bedroom houses complements our current affordable housing programme by providing family accommodation rather than flats and puts the site to good use.
5. In order to help in the delivery of affordable housing it is proposed that the site be transferred to HPCHA at nil cost. Brasier Freeth Chartered Surveyors assess the current market value of the freehold interest in the garage courtyard at Mimas Road, on the special assumption that full conditional planning permission would be forthcoming, to be £253,000. The valuation was prepared in December 2008 in accordance with the Practice Statements contained in the Royal Institution of Chartered Surveyors, Appraisal and Valuation Standards (known as 'The Red Book').
6. Dacorum Borough Council would forego a capital receipt for the land but in return will facilitate the construction of six affordable homes and secure nomination rights to the properties thus relieving pressure on the housing waiting list and contributing to the Council's annual target for new affordable homes.
7. The Council will receive 100% nomination rights to the dwellings when initially let, and 75% of any subsequent vacancies that arise.
8. The transfer of the site is dependent upon HPCHA securing planning permission.

## **9. Consultation**

Residents and Ward Councillors were consulted in September 2007. A total of 43 properties were consulted and a summary of the feedback received is attached at Annex A.

Although there was some negative feedback received from the consultation, HPCHA are now very experienced in developments of this kind, which are within existing communities.

HPCHA are required to take into account planning guidance when submitting proposals for new developments including road access issues and parking ratios, and to follow guidelines with regard to overlooking and privacy issues. On previous sites HPCHA's contractors have liaised with individual residents to alleviate concerns regarding disruption during development.

Residents adjoining the site have been advised that once the formal planning application has been submitted, the planning department will follow the normal consultation process, as they would for any other application.