



The general consents under section 25 of the Local Government Act 1988 (Local Authority assistance for privately let housing) 2010



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Contents

A. The general consent under section 25 of the Local Government Act 1988 for the disposal of land to registered providers of social housing 2010	4
B. The general consent under section 25 of the Local Government Act 1988 for the disposal of dwelling-houses to registered providers of social housing for refurbishment 2010	9
C. The general consent under section 25 of the Local Government Act 1988 for financial assistance to any person 2010	12
D. The general consent under section 25 of the Local Government Act 1988 for small amounts of assistance 2010	14
E. The general consent under section 25 of the Local Government Act 1988 for the disposal of residential care homes 2010	17
Commentary	19

A. The general consent under section 25 of the Local Government Act 1988 for the disposal of land to registered providers of social housing 2010 (as amended)

The Secretary of State in exercise of his powers under sections 25(1) and 26(1) of the Local Government Act 1988 (“the 1988 Act”), hereby gives to all local authorities in England the following general consent:

Please note that paragraph A2(d)(i) was amended in January 2012.

CONSENT

A1 A local authority may provide a registered provider, for the purposes of or in connection with the matters mentioned in section 24(1) of the 1988 Act, with any financial assistance or any gratuitous benefit consisting of:

- (a) the disposal to that registered provider of land for:
 - (i) development as housing accommodation or as housing accommodation and other facilities which are intended to benefit mainly the occupiers of the housing accommodation; or
 - (ii) the provision of access to land used or to be developed as housing accommodation; or
- (b) the grant to that registered provider of any easement or right appurtenant to land used or to be developed as housing accommodation.

A2 Consent is given on condition that:

- (a) any housing accommodation on the land when the disposal is completed is vacant, and that the terms of the disposal provide that the housing accommodation (other than any accommodation which has been developed pursuant to the terms of the disposal) shall not be used again as housing accommodation and shall be demolished; and
- (b) completion of the disposal is by transfer of the freehold, assignment of a lease with an unexpired term of 99 years or more or grant of a lease for a term of 99 years or more; and
- (c) the terms of the disposal provide that the development of any housing accommodation on the land shall be completed by a date which is not more than three years after the completion of the disposal, but provision may be made for that date to be varied in the event of circumstances beyond the registered provider’s control;
- (d) subject to paragraph A3, the terms of the disposal provide that any housing accommodation to be developed on the land shall be:
 - (i) let by the registered provider as social housing or a shared ownership lease or a lease for the elderly or used as temporary accommodation for homeless persons (where “social housing” means low cost rental accommodation as defined by section 69 of the Housing and Regeneration Act 2008); or
 - (ii) used as a hostel; or
 - (iii) occupied by persons who, on account of mental illness or handicap, are receiving support from a local social services authority; and

(e) the local authority are not, under any agreement or other arrangement made on or before the disposal, entitled to manage or maintain any of the housing accommodation to be developed on the land.

A3 The condition specified in paragraph A2(d) need not be binding on any mortgagee of the land or any person whose title is derived through such a mortgagee.

A4 (a) The aggregate value of the financial assistance or gratuitous benefit provided by the disposal or grant and any financial assistance or gratuitous benefit provided previously by the local authority under this consent in the same financial year shall not exceed £10 million. A certificate that the aggregate value of the financial assistance or gratuitous benefit so provided does not exceed £10 million, given by the chief executive or chief financial officer or chief legal officer of the authority (whatever the actual titles of those officers) or by a qualified valuer, employed or engaged by the authority, shall be conclusive for the purposes of this paragraph.

(b) For the purposes of this paragraph:

(i) the value of financial assistance or gratuitous benefit provided by the disposal or grant is the difference between the open sale value of the land to be disposed of and the value of the consideration received by the local authority for the disposal; and

(ii) "open sale value" means the amount which the interest disposed of by the local authority would realise if sold on the open market with vacant possession by a willing vendor, but disregarding any restriction on the purpose for which the property may be used which the authority are not under an obligation to include and which is not included in order to protect the enjoyment of other nearby properties.

A5 No further consent of the Secretary of State to a disposal under this consent shall be required by virtue of section 26(4) of the Town and Country Planning Act 1959, section 123(2) of the Local Government Act 1972 or section 32(2) or 43(1) of the Housing Act 1985.

INTERPRETATION

A6 In this consent:

"development" has the same meaning as in section 55(1) of the Town and Country Planning Act 1990;

"disposal" includes an agreement which provides for the registered provider or its contractors to occupy the land for the purposes of carrying out the development and for the registered provider to obtain legal title to the land when the development has been completed;

"dwelling-house" means a house or flat, including any yard, garden, out-houses and appurtenances belonging to or usually enjoyed with it;

"financial year" means the twelve months ending on 31 March;

“homeless person” means a person to whom the local authority owes a duty to secure accommodation, or is exercising a power to secure accommodation, under Part VII of the Housing Act 1996;

“hostel” has the same meaning as in section 622 of the Housing Act 1985;

“house” has the same meaning as in section 183 of the Housing Act 1985;

“lease for the elderly” means a lease which complies with the conditions in paragraph 4 of Schedule 4A to the Leasehold Reform Act 1967 and the requirements further prescribed by regulations under that Schedule;

“locality” shall be construed as follows:

- (a) if the dwelling-house is in the area of a town council or parish council, the locality is the whole of the area of that council;
- (b) if the dwelling-house is not in the area of a town council or parish council, but is in a parish for which there is a parish meeting, the locality is the whole of the area of that parish;
- (c) if the dwelling-house is in the City of London or the Isles of Scilly, the locality is the whole of the City or (as the case may be) the Isles;
- (d) in any other case, the locality is the whole of the district or London borough or unitary county, in which the dwelling-house is situated;

“market value” means the amount which the interest of the tenant in the dwelling-house would realise if sold on the open market with vacant possession by a willing vendor on the assumption that the tenant had previously purchased 100 per cent of the shares in the dwelling-house, disregarding the following matters:

- (a) any mortgage of the tenant’s interest; and
- (b) any interest in or right over the dwelling-house created by the tenant; and
- (c) any improvement made by the tenant or any of his predecessors in title; and
- (d) any failure by the tenant or any predecessor in title to carry out any repairing obligations under the lease;

“qualified valuer” means a fellow or professional associate of the Royal Institution of Chartered Surveyors or any successor body thereof;

“registered provider” has the same meaning as in Part 2 of the Housing and Regeneration Act 2008;

“shared ownership lease” means a lease of a dwelling-house which satisfies the following requirements:

- (a) it is granted for a term of 99 years or more; and
- (b) it is granted on payment of a premium calculated by reference to a percentage, which is not less than 25 per cent or more than 75 per cent of the market value of the dwelling-house; and
- (c) subject to paragraphs (d), (e) and (f) below, it entitles the tenant (including his successor in title) to acquire additional shares in the dwelling-house, the price of any such additional share to be the same

percentage of the market value of the dwelling-house as the percentage of the additional share;

(d) if the dwelling-house is in a locality with a population at the time of the disposal of the land of 3,000 or more:

(i) it entitles the tenant to acquire additional shares up to 100 per cent; and

(ii) where the dwelling-house is a house and the landlord owns the freehold, it provides that the tenant shall be entitled, on his acquiring a total share of 100 per cent, to require the freehold to be conveyed either to himself or to such other person as he may direct; and

(iii) it does not restrict the right of a tenant who has acquired a total share of 100 per cent to sell his interest in the dwelling-house on the open market; and

(iv) it is not terminable by the landlord except in pursuance of a provision for re-entry or forfeiture; and

(e) if the dwelling-house is in a locality with a population at the time of the disposal of the land of less than 3,000:

(i) it may set a maximum percentage of shares which may be acquired by the tenant, which shall not be less than 80 per cent; and

(ii) it may reserve a right preventing the tenant from assigning the lease unless he first offers to surrender or assign the lease to the landlord;

(f) if the dwelling-house is let on a lease for the elderly, it may set a maximum percentage of shares which may be acquired by the tenant, which shall not be less than 75 per cent;

“the land” means land disposed of under this consent;

otherwise expressions have the same meaning as they have in Part III of the 1988 Act.

CITATION, COMMENCEMENT AND REVOCATION

A7.1 This consent may be cited as The General Consent under Section 25 of the Local Government Act 1988 for the disposal of land to registered providers of social housing and shall come into force on [] November 2010.

A7.2 The General Consent under Section 25 of the Local Government Act 1988 for the Disposal of Land to Registered Social Landlords, given on 21 March 2005, is hereby revoked.

Peter Ruback

Local Authority Housing Finance and Physical Standards Division

Department for Communities and Local Government

9 December 2010

B. The general consent under section 25 of the Local Government Act 1988 for the disposal of dwelling-houses to registered providers of social housing for refurbishment 2010 (as amended)

The Secretary of State, in exercise of his powers under sections 25(1) and 26(1) of the Local Government Act 1988 (“the 1988 Act”), hereby gives to all local authorities in England the following general consent:

Please note that paragraph B2(e)(i) was amended in January 2012.

CONSENT

B1 A local authority may provide a registered provider, for the purposes of or in connection with the matters mentioned in section 24(1) of the 1988 Act, with any financial assistance or any gratuitous benefit consisting of the disposal of a dwelling-house to that registered provider for the purposes of:

- (a) the carrying out of works of conversion, rehabilitation or improvement to the dwelling-house; and
- (b) the dwelling-house being used after the works either wholly as housing accommodation or as housing accommodation and other facilities which are intended to benefit mainly the occupiers of the housing accommodation.

B2 Consent is given on condition that:

- (a) the housing accommodation is vacant when the disposal is completed; and
- (b) completion of the disposal is by transfer of the freehold, assignment of a lease with an unexpired term of 99 years or more or grant of a lease for a term of 99 years or more; and
- (c) the estimated cost of the works (excluding the cost of design and supervision and the provision of other facilities) expressed as a percentage of the market value of the dwelling-house at the completion of the disposal or the commencement of the works, whichever is the earlier, is more than:
 - (i) if the dwelling-house is situated in a London borough or the City of London, 25 per cent;
 - (ii) if the dwelling-house is situated elsewhere, 30 per cent; and
- (d) the terms of the disposal provide that the works shall be completed by a date which is not more than three years after the completion of the disposal, but provision may be made for that date to be varied in the event of circumstances beyond the registered provider’s control; and
- (e) subject to paragraph B3, the terms of the disposal provide that the housing accommodation in the dwelling-house after the works shall be:
 - (i) let by the registered provider as social housing or a shared ownership lease or a lease for the elderly (where “social housing” means low cost rental accommodation as defined by section 69 of the Housing and Regeneration Act 2008); or
 - (ii) used as temporary accommodation for a homeless person; or
 - (iii) used as a hostel; or

- (iv) occupied by persons who, on account of mental illness or handicap, are receiving support from a local social services authority; and
- (f) the local authority are not, under any agreement or other arrangement made on or before the disposal, entitled to manage or maintain the housing accommodation in the dwelling-house after the works; and
- (g) where the dwelling disposed of to a registered provider was social housing within the meaning of Part 2 of the Housing and Regeneration Act 2008, the dwelling continues to be social housing and remains so unless and until it ceases to be social housing under the provisions of sections 72 to 76 of the Housing and Regeneration Act 2008.

B3 The condition specified in paragraph B2(e) need not be binding on any mortgagee of the housing accommodation or any person whose title is derived through such a mortgagee.

B4 The aggregate number of dwelling-houses included in the disposal and any previous disposal by the local authority under this consent in the same financial year shall not exceed a number (“the ceiling”) equal to the greater of 50 or one quarter of one per cent of the number of dwelling-houses owned by the authority at the commencement of the financial year in which the disposal takes place. A certificate that the aggregate number of dwelling-houses so disposed of does not exceed the ceiling, given by the chief executive or chief financial officer or chief legal officer of the authority (whatever the actual titles of those officers), shall be conclusive for the purposes of this paragraph.

B5 No further consent of the Secretary of State to a disposal under this consent shall be required by virtue of section 26(4) of the Town and Country Planning Act 1959, section 123(2) of the Local Government Act 1972 or section 32(2) or 43(1) of the Housing Act 1985.

INTERPRETATION

B6 In this consent:

“dwelling-house” means a house or flat, including any yard, garden, out-houses and appurtenances belonging to or usually enjoyed with it;

“financial year” means the twelve months ending on 31 March;

“homeless person” means a person to whom the local authority owes a duty to secure accommodation, or is exercising a power to secure accommodation, under Part VII of the Housing Act 1996;

“hostel” has the same meaning as in section 622 of the Housing Act 1985;

“market value” means the amount which the interest disposed of by the local authority would realise if sold on the open market with vacant possession by a willing vendor, but disregarding any restriction on the purposes for which the property may be used which the authority are not under an obligation to include and which is not included in order to protect the enjoyment of other nearby properties;

“registered provider” has the same meaning as in Part 2 of the Housing and Regeneration Act 2008;

“the works” are the works referred to in paragraph B1 of this consent; otherwise expressions have the same meaning as they have in Part III of the 1988 Act.

CITATION, COMMENCEMENT AND REVOCATION

B7.1 This consent may be cited as The General Consent under Section 25 of the Local Government Act 1988 for the disposal of dwelling-houses to registered providers of social housing and shall come into force on [] November 2010.

B7.2 The General Consent under Section 25 of the Local Government Act 1988 for the Disposal of Dwelling-houses to Registered Social Landlords for Refurbishment 2005, 21 March 2005, is hereby revoked.

Peter Ruback
Local Authority Housing Finance and Physical Standards Division
Department for Communities and Local Government
9 December 2010

C. The general consent under section 25 of the Local Government Act 1988 for financial assistance to any person 2010

The Secretary of State, in exercise of his powers under sections 25(1) and 26(1) of the Local Government Act 1988 (“the 1988 Act”), hereby gives to all local authorities in England the following general consent:

CONSENT

C A local authority may provide any person with any financial assistance (other than the disposal of an interest in land or property):

- (a) for the purposes of or in connection with the matters mentioned in section 24(1) of the 1988 Act;
- (b) in exercise of any power conferred on the authority by section 48 of the Local Government Act 1985; or
- (c) which consists of the making of a grant or the carrying out of works with respect to a project, the expenditure for which has, at the time the grant is made or the works are carried out, a current approval for the purposes of a contribution by the Secretary of State by way of a grant under section 1 of the Local Government Grants (Social Need) Act 1969.

CITATION, COMMENCEMENT AND REVOCATION

C2.1 This consent may be cited as The General Consent under Section 25 of the Local Government Act 1988 for financial assistance to any person 2010 and shall come into force on [] November 2010.

C2.2 The following general consents are hereby revoked:

- (a) The General Consent under Section 25 of the Local Government Act 1988 for financial assistance to registered social landlords or to private landlords to relieve or prevent homelessness 2005;
- (b) The General Consent under section 25 of the Local Government Act 1988 for loans to registered social landlords for the acquisition or improvement of land 2005;
- (c) The General Consent under section 25 of the Local Government Act 1988 for assistance for housing accommodation leased from, or managed on behalf of, private landlords 2005;
- (d) The General Consent under section 25 of the Local Government Act 1988 for the making of specified grants 2005.

Peter Ruback
Local Authority Housing Finance and Physical Standards Division
Department for Communities and Local Government
9 December 2010

D. The general consent under section 25 of the Local Government Act 1988 for small amounts of assistance 2010

The Secretary of State, in exercise of his powers under sections 25(1) and 26(1) of the Local Government Act 1988 (“the 1988 Act”), hereby gives to all local housing authorities in England and, to the extent provided in paragraph D3 below, all county councils in England, the following general consent:

CONSENT

D1 Subject to the provisions of this consent, a local housing authority may provide any person, for the purposes of or in connection with the matters mentioned in section 24(1) of the 1988 Act, with any financial assistance or gratuitous benefit which consists of the disposal of an asset which is a dwelling house or hostel.

D2 The aggregate amount or value of the financial assistance or gratuitous benefit provided by the local housing authority to all persons under this consent in any financial year shall not exceed the sum ascertained by multiplying the population of the area of the authority by the figure of £3.00. The population of any area shall be taken to be the mid-year population estimate for the local authority published annually by the Office for National Statistics.

D3 A local housing authority and the council of the county in which the local housing authority are situated may from time to time apportion between them the sum ascertained in accordance with paragraph D2 and, where they do so, consent is given to the provision of financial assistance or gratuitous benefit by the county council.

LIMITATION ON FUTURE COMMITMENTS

D4.1 A local housing authority or a county council shall not agree to provide any financial assistance or gratuitous benefit by virtue of this consent in respect of a financial year other than the financial year in which the agreement is made or any of the three following financial years.

D4.2 The limitation in paragraph D4.1 shall not apply if the financial assistance or gratuitous benefit is provided for the purposes of or in connection with housing accommodation which is:

- (a) intended to be occupied by persons who have a special need; or
- (b) is the subject of a lease granted in accordance with paragraph D6 below.

DISPOSAL OF HOUSING ACCOMMODATION

D6 The disposal of a dwelling-house or hostel in accordance with this consent:

(a) must be to:

(i) a person who intends to use the accommodation for occupation by persons with a special need; or

(ii) a registered provider; and

(b) must be by the grant of a lease for a term not exceeding 21 years; and

(c) must not be subject to any secure tenancy when the lease is granted; and

(d) the aggregate number of dwelling-houses comprised in the disposal and any previous disposal by the local authority under this consent in the same financial year must not exceed a number (“the ceiling”) equal to the greater of 50 or one quarter of one per cent of the number of dwelling-houses owned by the authority at the commencement of the financial year in which the disposal takes place. A certificate that the disposal does not breach the ceiling, given by the chief executive or chief financial officer or chief legal officer of the authority (whatever the actual titles of those officers), will be conclusive for the purposes of this paragraph.

(e) where the dwelling-house is disposed of to a registered provider was social housing within the meaning of Part 2 of the Housing and Regeneration Act 2008, the dwelling continues to be social housing and remains so unless and until it ceases to be social housing under the provisions of sections 72 to 76 of the Housing and Regeneration Act 2008.

NO REQUIREMENT FOR CERTAIN OTHER CONSENTS

D7 No further consent of the Secretary of State to a disposal under this consent shall be required by virtue of section 26(4) of the Town and Country Planning Act 1959, section 123(2) of the Local Government Act 1972 or section 32(2) or 43(1) of the Housing Act 1985.

INTERPRETATION

D8 In this consent:

“dwelling-house” means a house or flat, including any yard, garden, out-houses and appurtenances belonging to or usually enjoyed with it;

“financial year” means the twelve months ending on 31 March;

“registered provider” has the same meaning as in Part 2 of the Housing and Regeneration Act 2008;

“secure tenancy” has the same meaning as in Part IV of the Housing Act 1985;

“special need” means a need arising from disablement, past or present dependence on alcohol or drugs, past or present mental disorder, or fear of domestic violence;

otherwise expressions have the same meaning as they have in Part III of the 1988 Act.

CITATION, COMMENCEMENT AND REVOCATION

D9.1 This consent may be cited as The General Consent under Section 25 of the Local Government Act 1988 for small amounts of assistance 2010 and shall come into force on [] November 2010.

D9.2 The General Consent under Section 25 of the Local Government Act 1988 for Small Amounts of Assistance 2005, given on 21 March 2005, is hereby revoked.

Peter Ruback
Local Authority Housing Finance and Physical Standards Division
Department for Communities and Local Government
9 December 2010

E. The general consent under section 25 of the Local Government Act 1988 for the disposal of residential care homes 2010

The Secretary of State, in exercise of his powers under sections 25(1) and 26(1) of the Local Government Act 1988 (“the 1988 Act”), hereby gives to local authorities in England which are local social services authorities the following general consent:

CONSENT

E1 A local social services authority may provide any person, for the purposes of or in connection with the matters mentioned in section 24(1) of the 1988 Act, with any financial assistance of a kind mentioned in section 24(2)(a), (c) or (d) of that Act or any gratuitous benefit where:

(a) that financial assistance or gratuitous benefit consists of, or is provided in connection with, the disposal by the authority to an establishment or agency in respect of which registration would be required under the Care Standards Act 2000 (“the 2000 Act”) or in respect of which registration would be required but for section 3(3), 4(6), 11(3) or 121(9) of the 2000 Act; and

(b) the disposal is for the best consideration that can reasonably be obtained, taking into account the restrictions imposed by E2.

E2 Consent is given on condition that the terms of the disposal:

(a) restrict the use of the establishment by the transferee to:

(i) residential accommodation in respect of which registration is required under the 2000 Act or in respect of which registration would be required but for section 3(3), 4(6), 11(3) or 121(9) of the 2000 Act; or

(ii) residential accommodation of the kind mentioned in subparagraph (i) above and other facilities for persons who have a need arising from old age, disablement, past or present dependence on alcohol or drugs, or past or present mental disorder; and

(b) contain a covenant by the transferee that he shall, if required, duly register under the 2000 Act in respect of the establishment and comply with the terms and conditions of that Act and any regulations issued in pursuance of that Act; and

(c) restrict the transferee’s right to dispose or part with possession of the establishment without the consent of the local social services authority.

INTERPRETATION

E3 In this consent:

“local social services authority” means the local authority for the purposes of the Local Authority Social Services Act 1970;

otherwise expressions have the same meaning as they have in Part III of the 1988 Act.

CITATION, COMMENCEMENT AND REVOCATION

E4.1 This consent may be cited as The General Consent under Section 25 of the Local Government Act 1988 for the disposal of residential care homes 2010 and shall come into force on [] November 2010.

E4.2 The General Consent under Section 25 of the Local Government Act 1988 for the Disposal of Residential Care Homes 2005, given on 21 March 2005, is revoked.

Peter Ruback
Local Authority Housing Finance and Physical Standards Division
Department for Communities and Local Government
9 December 2010

Commentary

1. The general consents are largely self-explanatory. The following notes deal only with those provisions where some explanation or comment is necessary.
2. The notes are not an authoritative statement of the law. Local authorities should satisfy themselves, on the basis of their own legal advice that any action they propose to take is in accordance with the consents and the principal legislation.
3. Consents are administrative documents and should be construed reasonably according to their intention.
4. The consents allow local authorities a wide measure of discretion over the scale of the assistance. However, the Secretary of State's consent does not relieve the authority of their obligations under general law to act reasonably and in accordance with their fiduciary duty to local tax and rent payers.
5. Social Services Authorities, which are Local Housing Authorities, as defined in Section 1 of the Housing Act 1985, have the power under section 24 to provide financial assistance
6. If consent under section 25(1) of the Local Government Act 1988 is required but is not obtained, the transaction is void by virtue of section 25(3). Consent may be given retrospectively under section 26(4).
7. If a proposed transaction falls outside the terms of the general consents, an application for special consent may be made to the Department for Communities and Local Government, Local Authority Housing Finance and Physical Standards Division, zone H10, Eland House, Bressenden Place, London SW1E 5DU.

GENERAL CONSENT A: DISPOSAL OF LAND TO REGISTERED PROVIDERS OF SOCIAL HOUSING

8. Paragraph A1(a): the reference to "other facilities" is intended to permit the development of, for example, a foyer scheme, which includes facilities for counselling and social activity. The other facilities need not be for the exclusive benefit of the occupiers of the housing accommodation, but they must be the main beneficiaries. Therefore, it would be in order, for example, for a sheltered housing scheme to include facilities open to non-residents, provided that the main users will be residents.
9. The other facilities are not privately let housing accommodation. Therefore, the general consent does not convey any consent that the provision or financing of those facilities may require under other legislation.

10. Paragraph A2(a): the reference to accommodation developed “pursuant to the terms of the disposal” envisages the possibility that the development will be carried out under a licence to occupy before the disposal is completed. See also the definition of “disposal” in paragraph A6.

11. Paragraph A2(d): it is for the local authority to determine how the conditions of the general consent should be carried into the legal documentation. It is not a requirement of the consent that any of the conditions should be enshrined as restrictive covenants running with the land. The authority may consider that other arrangements will be sufficient in the circumstances. Paragraph A3 recognises that funders’ concerns about their security need to be considered.

12. Special consent will be required under section 25 for the disposal of land to the registered provider at less than the best consideration that can reasonably be obtained or with a gratuitous benefit if some of the new housing will be sold on the open market.

In a strategic case, the application for special consent should include

- the statutory purposes for which the land is presently held;
- the location of the land (with a simple plan showing the site boundaries);
- the names of the registered provider and any associated developer;
- whether the disposal will be freehold or leasehold (and if the latter the main particulars);
- the unfettered market value of the whole site (as assessed by a qualified valuer and no more than three months old);
- the consideration for the disposal;
- the content of the development, including the mix of tenures to be provided; and
- the estimated cost (on any reasonable apportionment) of designing and constructing the social housing.

13. The Department will determine whether the gratuitous benefit and any other public subsidy to the social housing expressed as a percentage of the cost of the social housing (including an appropriate share of the value of the site) is reasonable.

14. Paragraph A5: this paragraph (pursuant to section 26(5) of the 1988 Act) waives the requirement for separate consent under certain other enactments. It does not waive any requirement for consent under, for example, section 8 of the Allotments Act 1925 or section 233 of the Town and Country Planning Act 1990.

15. In the Department’s view, the paragraph has the further effect that consent under section 133 of the Housing Act 1988 will not be required for any subsequent disposal of the land, because the need for consent under section 133 arises only where consent under section 32 or 43 of the Housing Act 1985 is required for the original disposal.

16. Paragraph A6: if any of the new housing is to be sold on shared ownership lease terms, the initial share must be between 25 per cent and 75 per cent, and the lessee must have a right to staircase to 100 per cent ownership, unless the property is in a “locality” (see definition) with a population of less than 3,000, in which case the lease may bar staircasing at 80 per cent (or such higher percentage as the lease may specify).

17. The current regulations referred to in the definition of a lease for the elderly are in Statutory Instrument 1987 No 1940.

**GENERAL CONSENT B:
DISPOSAL OF DWELLING-HOUSES TO REGISTERED PROVIDERS OF
SOCIAL HOUSING FOR REFURBISHMENT**

18. Paragraph B2(b): the disposal must be freehold or, if leasehold, for a term of 99 years or more.

19. Paragraph B2(c): the consent does not specify a minimum monetary price for the disposal, but the proposed works must be estimated to cost at least 25 per cent (if the scheme is in London) or 30 per cent (if the scheme is elsewhere) of the market value of the property before the works. Probably, the works will be carried out after the completion of the disposal; however, the condition in this paragraph envisages the possibility that the works will be carried out under a licence to occupy before the disposal is completed.

20. Paragraph B2(e): Special consent will be required under section 25 before the disposal to the registered provider if any of the refurbished housing will be sold (whether on shared ownership lease terms or on the open market). The application for special consent should include:

- the statutory purposes for which the property is presently held;
- the address;
- the age, character and general condition of the property;
- the names of the registered provider and any associated developer;
- whether the disposal will be freehold or leasehold (and if the latter the main particulars);
- the unfettered market value of the unrefurbished property (as assessed by a qualified valuer and no more than three months old);
- the consideration for the disposal;
- the content of the development, including the mix of tenures to be provided; and
- the estimated cost (on any reasonable apportionment) of designing and constructing the social housing (including any shared ownership).

21. The Department will determine whether the gratuitous benefit and any other public subsidy to the social housing expressed as a percentage of the cost of the social housing (including an appropriate share of the value of the unrefurbished building) is reasonable.

22. Paragraph B4: the limit is necessary as larger transfers may have significant implications for public expenditure on housing benefit and housing subsidy. Applications for special consent will be considered on their merits.

23. Paragraphs 8, 10 to 17 of the notes on General Consent A apply (mutatis mutandis) to General Consent B.

GENERAL CONSENT C: FINANCIAL ASSISTANCE TO ANY PERSON

24. This consent is directed at enabling a local authority to provide financial assistance to registered providers or private landlords for the purposes of, or in connection with, the acquisition, construction, conversion, rehabilitation, improvement, maintenance or management, whether by that person or by another, of any property which is intended to be privately let as housing accommodation. It extends consent in respect of grants for privately let housing, which are subject to other statutory regimes.

25. It is intended to be a wide general consent and replaces the 2005 General Consents C, D, E and H. It also replaces the financial assistance, which does not involve the disposal of an asset, element of the 2005 General Consent F.

GENERAL CONSENT D: SMALL AMOUNTS OF ASSISTANCE

26. This consent is intended to enable local authorities to provide financial assistance or gratuitous benefit to small schemes, consisting of the disposal of an asset, which falls outside the terms of the other general consents. Generally, the consent leaves the amount and terms of the assistance or benefit to the discretion of the authority.

27. Paragraph D6: this paragraph covers, inter alia, the leasing of run-down local authority housing for basic renovation.

28. In the Department's view, it will normally be reasonable to assess the gratuitous benefit provided by the grant of a lease as the difference between the premium (if any) actually obtained for the lease and the premium which would be obtainable were the property offered on the open market with vacant possession on the terms of the lease (including the terms as to duration and rent), but disregarding any restriction on the purposes for which the property may be used which the authority are not under an obligation to include and which is not included in order to protect the enjoyment of other nearby properties.

**GENERAL CONSENT E:
DISPOSAL OF RESIDENTIAL CARE HOMES**

29. This consent is concerned with the disposal by local social services authorities of residential care homes to the independent sector. The disposal of the establishment must be for the best consideration that can reasonably be obtained taking into account any particular user restrictions and conditions imposed on the establishment.

30. Paragraph E1(a): the terms of the disposal may include the provision of other financial assistance (excluding guarantees) or gratuitous benefit towards the improvement, maintenance and management of the accommodation. Assistance towards the provision of care is not subject to consent under section 25 of the Local Government Act 1988.

31. Paragraph E1(b): if the terms of the disposal include the right to purchase places in the home at sub-market prices, the monetary value to the authority of that right should be taken into account when considering whether the total consideration for the disposal is the best that can reasonably be obtained.

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