



Department for
Communities and
Local Government

Consultation on the general consents issued under section 25 of the Local Government Act 1988

Summary of Responses and Government Response

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Introduction

1. In August 2013 the Department for Communities and Local Government published its consultation paper on a revised version of the general consents issued under section 25 of the Local Government Act 1988. The revision is in line with the government's view on streamlining policies and cutting unnecessary red tape. The Department believes that revising the general consents issued under section 25 of the Local Government Act 1988 will free local authorities to manage their housing land effectively.
2. The revised consents remove the requirement on local authorities to seek specific consent of the Secretary of State to dispose at less than market value for the provision of privately-let housing accommodation of:
 - (a) vacant housing land; and
 - (b) vacant dwellings to other registered providers.
3. The consultation document included at Annexes 1 and 2 draft versions for consultees to comment on and posed two specific questions:

Question 1: Whether the reforms should go further in providing local authorities greater discretion or whether more conditions should be imposed. And in both cases, why?

Question 2: Sought views as to whether any amendments should be made to general consents A, C, D or E. And again, why?

The proposals

3. The Department sought views on its proposals to remove the requirement on local authorities to seek the specific consent of the Secretary of State to dispose of:
 - AA.** vacant housing land at less than market value for the provision of private-let housing accommodation (allowing disposal to non-registered providers), and
 - B.** at less than market value vacant dwellings provided it is to a registered provider. (Removing the requirement that the property should be in need of renovation and the cap that limited the number of dwellings that can be disposed in this way.)
4. It, however, remains a condition that any such property be:
 - a. let by the registered provider as low cost rental accommodation on a periodic tenancy or a shared ownership lease or a lease for the elderly; or
 - b. used as temporary accommodation for a homeless person; or
 - c. used as a hostel; or
 - d. occupied by persons who, on account of mental illness or handicap, are receiving support from a local social services authority.
5. The closing date for receipt of responses was 13 September 2013.

- 6 The Department would like to thank everyone who took the trouble to respond.
- 7 Enquiries about this document should be addressed to:
henry.boyce@communities.gsi.gov.uk

Overview of Consultation Responses

- 8 The following sections summarises the comments received to each question, the Government's response to comments and also sets out how the Government now intends to proceed.
- 9 A total of 12 responses were received by the consultation closing date from organisations falling into the categories as follows:

	Number of Respondents	Percentage Rate
Local authorities	10	83.3%
Solicitors	1	8.3%
Arms length management organisation	1	8.3%
Total	12	100%

- 10 As evident in the table above local authorities represented the majority of responses received.
- 11 Not all respondents commented on or responded to both questions raised as part of the consultation exercise and we have not included one respondent in the analysis above as the response did not focus on the consultation questions.
- 12 85% of respondents broadly supported the proposals in the paper. 15% did not provide any comment in terms of support or otherwise.

Summary of Responses and Government Response:

- 11 A summary of responses to each question and the Government response are set out below:

Question 1: Should the reforms go further in providing local authorities greater discretion or should more conditions be imposed. If so why?

- 11 A small number of respondents requested suggested that there should be one General Consent A covering both registered and non-registered providers, i.e.: combining general consent A with the new general consent AA.
- 12 Some respondents would like general consent B to be slightly broader and include not just disposals to Registered Providers, but also to non-profit making bodies such as Industrial and Provident Societies and Registered Co-ops provided that adequate clauses around management, maintenance and governance are included in the conveyance, given the tenets of localism.
- 13 One District Council welcomed the additions to the general consent. However, they pointed out that the conditions in AA2 would present a problem as it would prevent their arms length management organisation from managing any future housing developed on land previously disposed of by the council.

Government Response:

- 14 Although the two (A and new AA) consents are similar there are some differences which could make the drafting of a single consent complex and potentially confusing. For this reason we will continue to retain two separate consents so that local authorities can understand how they relate to the disposal of vacant housing land to either registered or non-registered providers of housing.
- 15 Government policy is to encourage the transfer of dwellings within the regulated social rented sector and our proposals will make it easier for councils to transfer vacant dwellings to registered providers. We have not sought to extend this to other bodies in order that we can be confident of the long term provision of social housing stock. But we do recognise that there may be circumstances where a council may wish to transfer vacant dwellings to bodies such as charitable organisations for housing purposes and in those circumstances we recommend that they continue to seek the specific consent of the Secretary of State so that we can be confident about the legitimacy of the proposed disposal.
- 16 The Department has considered Sedgemoor District Council's response, however, it is the Department's current policy that local authorities' arms length management organisations, or partly owned private resident providers, should be required to apply for a specific consent should they need to manage and maintain any housing stock. This is to ensure that those local authorities do not use the consent as a means to increase their borrowing headroom by transferring the stock to a wholly owned company which would be then be run indirectly as local authority housing.
- 17 The revision is in line with the Government's view on streamlining policies and cutting unnecessary red tape. The Department believes that revising the general consents issued under section 25 of the Local Government Act 1988 will free local authorities to manage their housing land effectively.

Question 2: Should any amendments be made to consents A, C, D and E and if so why?

- 18 Only one respondent commented on Question 2, and was of the opinion that General Consents A, C, D and E should be retained in their current format.

Government Response:

- 19 As respondents made no suggestions about changes to general consents A, C, D or E our view is that they remain unchanged.

- 20 Our intention is to publish the revised General Consents under section 25 of the Local Government Act 1988 in April 2014.
- 21 The final version of the revised general consent AA and B will be published alongside the general consents under section 25 of the Local Government Act 1988 (Local Authority assistance for privately let housing) 2010.