LEADER AND PORTFOLIO HOLDER FOR FINANCE AND GOVERNANCE

13 JULY 2026

REPORT OF THE CORPORATE DIRECTOR – OPERATIONS & DELIVERY

A. PURCHASE OF THE FREEHOLD INTEREST IN A DOMESTIC GARAGE IN KIRBY CROSS

(Report prepared by Matthew Wicks)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

- To seek approval from the Leader and Portfolio Holder for Finance and Governance to complete the purchase of an ex-Council owned garage within a block in Kirby Cross.

EXECUTIVE SUMMARY

- The garage site at Bemerton Gardens, Kirby Cross consists of twenty-eight garages across two locations. Twenty-three of the garages are managed by the Housing Service. We have been offered the opportunity to buy back one of the remaining garages.
- We have substantial demand for garages at this location.
- There is a risk that by not acquiring the garage it could be sold to another party and/or could be used as ransom to any future site re-development.
- In March 2026 Portfolio Holder approval was obtained to initiate the Council's Property Dealing Procedure. An independent valuation of the garage has been completed and terms have been agreed with the seller as set out in Part B of this report.

RECOMMENDATION(S)

It is recommended that:

That the Leader and Portfolio Holder for Corporate Finance and Governance, in consultation with the Portfolio Holder for Housing and Planning:

(a) Agrees the proposal to purchase the freehold interest in the domestic garage in Kirby Cross, meets the requirements of the Council's Housing Acquisition and Development Policy;
(b) authorises, in principle, to proceed with the acquisition of the garage, subject to the decision in Part B of this report; and
(c) in accordance with the Council's Scheme of Delegation, authorises the Assistant Director for Housing and Environment, in consultation with Legal Services, to enter into contract and transfer deed, as necessary, to complete the purchase of the garage.

REASON(S) FOR THE RECOMMENDATION(S)

Although the purchase of the garage carries a financial cost, it will provide an additional garage for the Council's stock to meet local need and generate rental income.

ALTERNATIVE OPTIONS CONSIDERED

Not to purchase the garage has been considered. Given the rental demand within the Council's own stock this option has been discounted.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The purchase of the garage has potential to contribute to the future viability of the site and priorities in the Corporate Plan:

- For pride in our area and services to residents
- Financial sustainability and openness.
- Championing our local environment

OUTCOME OF CONSULTATION AND ENGAGEMENT (including with the relevant Overview and Scrutiny Committee and other stakeholders where the item concerns proposals relating to the Budget and Policy Framework)

LEGAL REQUIREMENTS (including legislation & constitutional powers)

Is the recommendation a Key Decision (see the criteria stated here)	**~~YES~~/NO**	**If Yes, indicate which by which criteria it is a Key Decision**	☐ **Significant effect on two or more wards** ☐ **Involves £100,000 expenditure/income** ☐ **Is otherwise significant for the service budget**
		And when was the proposed decision published in the Notice of forthcoming decisions for the Council (must be 28 days at the latest prior to the meeting date)	**19 May 2026**

Section 17(1)(b) of the Housing Act 1985 provides the principal power for the acquisition of houses, or buildings which may be made suitable as houses, together with any land occupied with the houses or buildings, for housing purposes.

In accordance with Section 56 of the Housing Act 1985, "house" includes any yard, garden, outhouses and appurtenances belonging to the house or usually enjoyed with it.

In coming to decisions in relation to the management or procurement of assets, the Council must act in accordance with its statutory duties and responsibilities. Under case law following Section 120 of Local Government Act 1972, the Council is obliged to ensure that the management of its assets are for the benefit of the District.

☐	**The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:**

No further comments

FINANCE AND OTHER RESOURCE IMPLICATIONS

The purchase of the garage carries a financial cost but this also results in an additional garage being added to the Housing Revenue Account that can generate a return via the future rental income received.

The purchase is to be met from the existing New Build and Acquisitions budget within the HRA capital programme. Further detail is set out in the Part B report.

Risk

No risk identified other than by not acquiring the garage it could be sold to another party and/or could be used as ransom to any future site re-development

☐	**The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:**

No further comments

USE OF RESOURCES AND VALUE FOR MONEY

A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;	This is set out in the Finance and Other Resource Implications section of this report.
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and	This is set out in the Legal Requirements section of this report.
C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.	This is set out in the Finance and Other Resource Implications section of this report.

MILESTONES AND DELIVERY

Subject to portfolio holder approval, anticipated completion is likely to be in August 2026 and the transaction would be completed by the Council's Legal Service.

ASSOCIATED RISKS AND MITIGATION

Officers have not identified any significant risk associated with the proposals

EQUALITY IMPLICATIONS

Having undertaken an equalities impact assessment, the conclusion is that the proposal does impact on the protected characteristics.

SOCIAL VALUE CONSIDERATIONS

None identified

IMPLICATIONS RELATED TO DEVOLUTION AND/OR LOCAL GOVERNMENT REORGANISATION

The future unitary authority and aligning ourselves with Colchester Borough Homes housing stock is a consideration for the future but there are no implications relating to this decision.

IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2050

The purchase of this garage does not present a direct impact on the Council's target for net zero greenhouse gas emissions from its business operations by 2050.
OTHER RELEVANT IMPLICATIONS
Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder	**None noted**
Health Inequalities	**None noted**
Subsidy Control (the requirements of the Subsidy Control Act 2022 and the related Statutory Guidance)	**None noted**
Area or Ward affected	**Kirby Cross**

ANY OTHER RELEVANT INFORMATION
None

PART 3 – SUPPORTING INFORMATION

BACKGROUND
The garage site at Bemerton Gardens, Kirby Cross consists of twenty-eight garages with twenty-three of the garages managed by the Housing Service. The five remaining garages are privately owned and we have been given the option to purchase one. We have substantial demand for the garages at this site and it would be let in line with our standard rental terms and conditions.
PREVIOUS RELEVANT DECISIONS TAKEN BY COUNCIL/CABINET/COMMITTEE ETC.
Property Dealing Procedure Initiation report published March 2026.
BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL
Published in the Notice of Forthcoming Decisions for the Council on 19 May 2026.

APPENDICES
None

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