

North Lanarkshire Council Report

Finance and Resources Committee

approval noting

Ref DMcC/WARDS 19

Date 18/09/19

AHP Purchases at Ravenscraig - Keepmoat

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Executive Summary

This report concerns the proposed acquisition of 11 affordable houses from Keepmoat Homes at Ravenscraig.

Recommendations

It is recommended that the Finance and Resources Committee:

1. Approve the proposed acquisitions detailed in section 2.3 of this report; and
2. All other terms and conditions to be adjusted by the Head of Asset and Procurement Solutions.

The Plan for North Lanarkshire

Priority Improve economic opportunities and outcomes

Ambition statement (1) Ensure a housing mix that supports social inclusion and economic growth

1. Background

- 1.1 In September 2018, the Enterprise and Housing committee approved a report that set out proposals to purchase 11 houses for a total sum of £1,205,000.
- 1.2 Keepmoat Homes have received planning permission for the erection of 111 houses at Ravenscraig, Motherwell and have an affordable housing policy obligation in relation to this site. The council are proposing to purchase these 11 units as part of its new build programme. The houses to be purchased by the council will be built to meet Housing for Varying Needs Standards. The houses are shown highlighted with a red asterisk on the attached plan.

2. Report

2.1 Description

As noted above Keepmoat Homes have recently received planning consent for the proposed development of 111 houses on a site which is approximately 4.2 hectares (10.38 acres) in size. The site comprises the area formerly occupied by the Ravenscraig offices within its south eastern corner fronting Meadowhead Road in Craigneuk. It is generally flat but subject to a gentle downwards slope on a south-westwards course. Areas of tarmac remain and define the former layout of access roads and parking areas in association with the former office accommodation. The wider Ravenscraig site exists to the north via an over-bridge at a former railway line, local authority housing exists to the east and south, whilst a mixed use area comprising Flemington Industrial Estate, residential, commercial, public worship, and an area of vacant land owned by the Council lie to the west.

2.2 Keepmoat Homes is developing the remaining 100 units on the site for sale. These comprise of 2, 3 and 4 bedroom terraced, semi-detached and detached houses.

2.3 Proposed Terms for Purchase

Since the report in September 2018 there have been changes to the original specifications of the houses and these will meet Housing for Varying Needs and achieve Sustainability Standard Silver Aspects 1 & 2 and as such will meet the Scottish Government requirement for 'greener standards'.

Following further discussions with Keepmoat Homes it has been provisionally agreed that the revised purchase prices for the properties are as listed below:-

Number of properties	Accommodation	Original Price Per unit	Revised Price Per Unit
4	2 person/2 apartment (1 bedroom) ground floor cottage flats	£102,500	£121,074
4	2 person/2 apartment (1 bedroom) upper floor cottage flats	£110,000	£126,318
1	4 person/2 apartment (2 bedroom) mid-terrace house	£115,000	£136,573
2	5 person/4 apartment (3 bedroom) end-terrace houses	£120,000	£142,846

This will give a total purchase price of £1,411,832. The council will also be liable for Land and Buildings Transaction Tax estimated at £11,750.

3. Equality and Diversity

3.1 Fairer Scotland Duty

The purchase of these properties will help address inequality through the provision of high quality housing for rent which will help address housing need. The properties will be built to Housing for Varying Needs standards making them more accessible for people with a physical disability.

3.2 Equality Impact Assessment

An Equality Impact Assessment has been completed for the new supply programme.

4. Implications

4.1 Financial Impact

Provision has been made within the council's Housing Revenue Account to fund the purchase of these properties.

4.2 HR/Policy/Legislative Impact

There are no specific HR/Policy/Legislative impacts arising directly from the approval of the proposal.

4.3 Environmental Impact

The new homes will be more energy efficient contributing to the reduction in CO² emissions.

4.4 Risk Impact

There are no specific risk impacts arising out of the proposal.

5. Measures of success

- 5.1 The acquisition of these properties will help the council meet its new supply targets and will contribute to meeting local housing need.

6. Supporting documents

Appendix 1 Location Plan



JAMES MCKINSTRY
Head of Asset and Procurement Solutions

Location Plan

ENTERPRISE & COMMUNITIESS

Asset & Procurement Solutions

North Lanarkshire Council

Fleming House

2 Tryst Road

Cumbernauld G67 1JW



Location Plan – For Information Only



Meadowhead Road, Wishaw

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