

Report

Report to:	Housing and Technical Resources Committee
Date of Meeting:	30 June 2021
Report by:	Executive Director (Housing and Technical Resources)

Subject:	Sale of Properties to West Whitlawburn Housing Co-operative Limited
----------	--

1. Purpose of Report

1.1. The purpose of the report is to:-

- ♦ seek approval for the Council to enter into a contract to sell 60 properties to West Whitlawburn Housing Co-operative Limited (WWHC) as part of the Council's Whitlawburn Regeneration Project

2. Recommendation(s)

2.1. The Housing and Technical Resources Committee is asked to approve the following recommendation(s):-

- (1) that the sale of 60 properties to WWHC for a total price of £9,679,811 (which includes the cost of land) be approved; and
- (2) that the Executive Director (Housing and Technical Resources) be given authority to authorise the transactions(s) and instruct Legal Services to conclude transaction(s), in the appropriate manner and in the best interest of the Council, with the transaction(s) being in excess of the current £200,000 disposal limit under the existing delegated powers arrangements.

3. Background

- 3.1. On 4 September 2013, Housing and Technical Resources Committee approved the transfer of the management of the housing stock from East Whitlawburn Tenant Management Co-op back to the Council, effective from 1 April 2014. The report highlighted a number of long standing issues and challenges within the area and the demand problems associated with the stock profile. It approved the development of plans to regenerate this area.
- 3.2. A further report to Committee on 18 June 2014, confirmed that work to develop comprehensive regeneration proposals would be taken forward, in consultation with the local community and other relevant stakeholders during 2015/2016.
- 3.3. An independent consultant, Ironside Farrar, was appointed in May 2015 to prepare a Masterplan for the area. Following an extensive masterplanning process involving the local community and other key stakeholders, which concluded in December 2015, a full report was finalised in February 2016 by Ironside Farrar which included options and recommendations for a Masterplan to regenerate the East Whitlawburn area.

- 3.4. A report detailing the outcome of the masterplanning exercise and its recommendations was approved by Committee on 12 October 2016. Following Committee approval, Hub South West Scotland Limited were appointed as the Council's delivery partner and carried out a tendering process which concluded with CCG (Scotland) Limited being appointed as their preferred Tier 1 Contractor for the project.
- 3.5. The Regeneration project will deliver 230 social rented homes, and 81 private homes to be built by CCG Homes Limited. The project commenced on site in September 2019 and has made excellent progress, despite the challenges of the pandemic, and the first Council tenants moved into their new homes on 4 February 2021.
- 3.6. Throughout the masterplanning process, the Council has consulted with WWHC as a significant stakeholder and partner within the area. This has included the option to participate in the Regeneration through taking delivery of 60 of the social rented homes within the project.
- 3.7. The final details of the properties to be delivered for WWHC have now been agreed, including the specification and cost. WWHC have made a successful Affordable Housing Supply Grant application to the Scottish Government towards the cost of these homes.
- 3.8. This report seeks the Committee's approval to conclude the sale of these properties from the Council to WWHC.

4. Proposal

- 4.1. It is, therefore, proposed to sell 60 completed properties to WWHC, subject to the following principal conditions:-
- the Council receive a payment of £9,679,811 (exclusive of Value Added Tax) for the 60 properties;
 - the properties will be sold on a "turnkey" basis, i.e. upon completion of the properties which will be on a phased basis;
 - the current programme for delivery of the properties is a site start of August 2021, with a 19 month construction period;
 - each party will be responsible for their own legal fees.

5. Employee Implications

- 5.1. There are no employee implications.

6. Financial Implications

- 6.1. The sale of the properties has been included within the budgets approved for the Whitlawburn Regeneration Project and included in the approved Housing Revenue Account Capital Programme.

7 Climate Change, Sustainability and Environmental Implications

- 7.1. This report does not introduce a new policy, function or strategy which impacts on the natural environment, climate change or sustainability.

8 Other Implications

- 8.1 If the proposal did not proceed there will be a risk to the delivery of the Whitlawburn Regeneration project as currently approved. The Council would, therefore, require to re-assess the delivery options.

9. Equality Impact Assessment and Consultation Arrangements

- 9.1. The proposals have received all of the necessary statutory consents required.
- 9.2. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no impact assessment is required.

Daniel Lowe

Executive Director (Housing and Technical Resources)

7 June 2021

Link(s) to Council Values/Ambitions/Objectives

- ◆ Improve the availability, quality and access of housing
- ◆ Accountable, effective, efficient and transparent
- ◆ Achieve results through leadership, good governance and organisational awareness

Previous References

- ◆ Housing and Technical Resources Committee Report – 16 October 2016

List of Background Papers

- ◆ None

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

Frank McCafferty, Head of Property Services

Ext: 4073 (Tel: 01698 454073)

E-mail: frank.mccafferty@southlanarkshire.gov.uk