

Report

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Report to:	Estates Committee
Date of Meeting:	19 September 2006
Report by:	Executive Director (Enterprise Resources)

Subject:	Kirktonholme Crescent, East Kilbride
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1 Purpose of Report

1.1 The purpose of the report is to:-

- ◆ report successful marketing of land at Kirktonholme Crescent, East Kilbride and to recommend acceptance of the offer to purchase the subjects received from a consortium of developers headed by Bett Ltd who will conclude the transaction directly with the Council.
- ◆ advise on action taken, in terms of Standing Order No. 36(c) because of the timescales involved, by the Executive Director (Enterprise Resources), in consultation with the Chair and an ex officio member, to recommend acceptance of the offer to purchase land at Kirktonholme Crescent, East Kilbride received from a consortium of developers headed by Bett Ltd.

2 Recommendation(s)

2.1 The Committee is asked to approve the following recommendation(s):-

- (1) that the following action taken, in terms of Standing Order No 36(c), by the Executive Director (Enterprise Resources), in consultation with the Chair and an ex officio member, be noted:-
 - ◆ approval of the sale of the site at Kirktonholme Crescent, East Kilbride extending to 1.6 hectares or thereby to a consortium of developers headed by Bett Ltd in terms of the principal conditions as contained in Section 5 of this report.
 - ◆ authorisation of the Executive Director (Enterprise Resources), in consultation with the Head of Legal Services, if appropriate, to conclude the necessary legal agreements on behalf of the Council.

3 Background

3.1 The site at Kirktonholme Crescent, East Kilbride was subject to a report to Estates Committee on 13 December 2005 in which the Committee approved the proposal to market the site. The planning brief required a development of private sheltered housing, social rented (amenity) housing and main stream housing. The exact mix and range of housing to be determined by exposure to the open market.

4 Marketing

- 4.1 The site was therefore marketed with a planning brief stating that it was suitable for amenity housing for the elderly (Housing Association for rent), sheltered amenity housing for the elderly (owner occupation) and main stream housing with the preferred option being that the developers be a partnership approach to be established between a private sector developer and a Housing Association registered with Communities Scotland. Adverts were placed in the local and national press in March and April 2006 and marketing particulars were sent to developers, housing association and agents.
- 4.2 At the closing date of 28 April 2006, eight offers were received from seven different parties. The highest offer which was compliant with the planning brief was £4,072,519 received from a consortium of Bett Ltd, McCarthy and Stone Ltd and Hanover (Scotland) Housing Association. The consortium proposed a development of forty seven main stream two and three bedroom flats, twenty four two bedroom sheltered amenity cottage flats for the elderly for rent, to be owned and managed by Hanover (Scotland) Housing Association, and fifty seven one and two bedroom sheltered amenity houses, for McCarthy and Stone Ltd for owner occupation, together with all associated car parking, landscaping and amenity space.
- 4.3 Bett Homes are part of the Gladedale Group, a highly successful national house building and property investment company. Their Scottish division currently builds in excess of a thousand homes every year, including in 2006, over one hundred and ten in South Lanarkshire. McCarthy and Stone group are Britain's leading builder of retirement apartments and have sold over forty five thousand apartments nationwide. They have completed, or are completing, four developments in South Lanarkshire over recent years. Hanover Housing Association have been developing and managing high quality housing in Scotland since 1975 and they have been involved in the development of one hundred and eighty seven projects incorporating over five thousand units with the majority of their stock being for occupation by older people. They have already developed and operate five developments within South Lanarkshire. Bett Ltd will conclude and settle the transaction with the Council and thereafter carry out onward conveyancing to other members of the consortium.

5 Proposal

- 5.1 It is proposed therefore to dispose of the site at Kirktonholme Crescent, East Kilbride extending to 1.6 hectares (3.978 acres) or thereby shown on the attached indicative plan to the consortium consisting of Bett Ltd (and group companies), McCarthy and Stone Ltd and Hanover (Scotland) Housing Association on the following principal terms. The purchase price shall be £4,072,519 exclusive of VAT, subject to the necessary planning and other statutory consents being granted for the development as outlined in 4.2 above and the developers being responsible for the Council's reasonably incurred legal expenses.

6 Employee Implications

- 6.1 There are no employee implications.

7 Financial Implications

- 7.1 Disposal of the site will generate a receipt of £4,072,519 for the Council's non-housing programme subject to deduction of any abnormal cost following appropriate site investigations. It is anticipated that due to the topography and ground conditions present on the site that abnormal costs will be extensive. Such deductions will be subject to a further report to Committee.

8 Other Implications

- 8.1 There are no other implications.

9 Consultation

- 9.1 All necessary consultations with Housing, Planning, Roads and Legal Services have taken place. Both Planning and Roads Services have intimated that the submission received from the consortium is compliant with the planning brief for the site. Housing are satisfied that the sheltered amenity housing for rent meets their aspirations for the site and the wider area of East Kibride. Legal Services have confirmed the offer submitted on behalf of the consortium is a valid legal offer and advise that the Council should proceed with an offer to sell.

Iain Urquhart

Executive Director (Enterprise Resources)

17 August 2006

Link(s) to Council Objectives

- Creating Successful Communities
- Living in the Community
- Supporting our Communities
- Resource Management

Previous References

- Estates Committee 13 December 2005

List of Background Papers

- Report to Estates Committee 13 December 2005

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:- Bill Barr, Surveyor, Capital Transactions, Estates and Support Services

Ext: 5147 (Tel: 01698 455147)

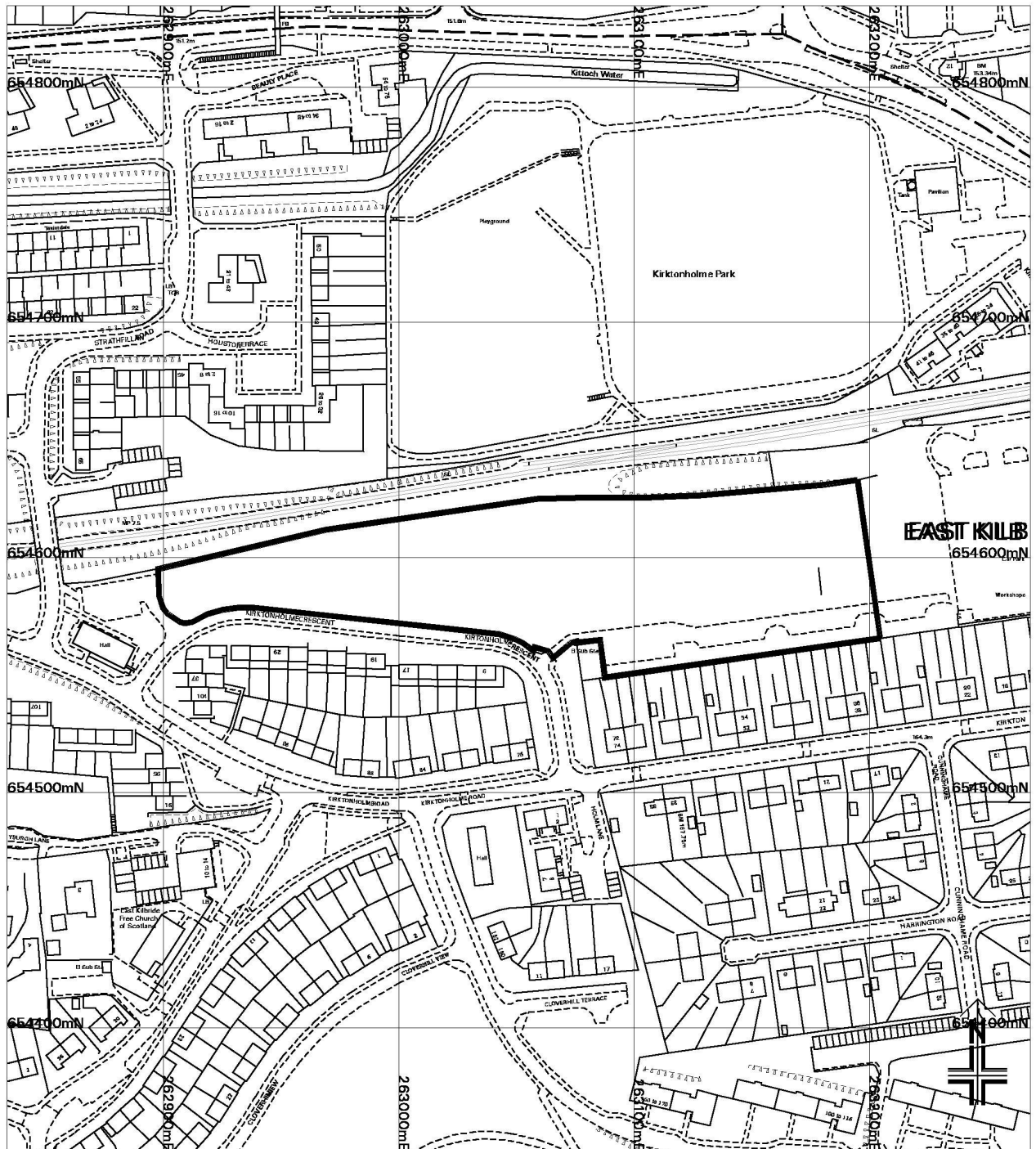
E-mail: bill.barr@southlanarkshire.gov.uk

LOCATION PLAN - For Committee purposes only

Land at Kirktonholme Crescent East Kilbride

SOUTH
LANARKSHIRE
COUNCIL

ESTATES SERVICES



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