

# Report

Report to:	<b>Housing and Technical Resources Committee</b>
Date of Meeting:	<b>8 November 2023</b>
Report by:	<b>Executive Director (Housing &amp; Technical Resources)</b>

Subject:	<b>Acquisition of 6 Houses at Tenter Place and Lampmaker Drive, Hamilton</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ request approval to acquire 6 houses at Tenter Place and Lampmaker Drive, Hamilton, from Lovell Homes

## 2. Recommendation(s)

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

- (1) that 6 houses at Tenter Place and Lampmaker Drive, Hamilton, be acquired from Lovell Homes for the total sum of £1,306,000, exclusive of VAT, for addition to the Council's housing stock; and
- (2) that the Executive Director (Housing and Technical Resources), in conjunction with the Head of Administration and Legal Services, be authorised to conclude all other matters pertaining to the acquisition of the properties and to enter into the necessary legal agreements on terms which are in the best interests of the Council

## 3. Background

- 3.1. A report to the Executive Committee on 30 November 2022 approved the revised Council Housing Supply Programme target of 1,300 additional homes to increase the total number of council homes in South Lanarkshire by March 2027. It was noted within the report that this would be achieved through a flexible combination of new homes, built on behalf of the Council on existing Council owned land, new homes purchased 'off the shelf' from housing developers and the acquisition of suitable existing homes.
- 3.2. Through the ongoing redevelopment of the former Philips factory site at Wellhall Road, Hamilton, Lovell Homes is building a total of 163 houses. As part of the Section 75 Planning Agreement for this development, Lovell Homes is providing 40 houses to the Council, through a Turnkey arrangement.
- 3.3. An opportunity has arisen for the Council to acquire an additional 6 'off the shelf' units within the current calendar year. The houses comprise four, 3-bedroom semi-detached and two, 3-bedroom townhouses. These units help increase supply and meet housing need in a high pressure area. The Council is already acquiring units within the development as part of the Section 75 Agreement. Therefore, there will be an existing management presence within the immediate locality.

3.4. The properties have been assessed as being in an area of housing need and the properties are of a size and type that the Council has demand for. The acquisitions present the Council with an opportunity to deliver additional housing more quickly than through our ongoing new build programme as planning consent has already been granted and development is nearing completion. It should be noted that the proposed acquisition of the 6 units is an entirely separate transaction from the previous transaction for 40 houses which are being acquired pursuant to planning obligations in the Section 75 Agreement.

3.5. The acquisitions will be eligible for Scottish Government Affordable Housing Grant funding and an assessment of the market value of the houses confirms that the proposed price represents good value for money.

#### **4. Proposal**

4.1. It is, therefore, proposed to acquire the 6 properties at Tenter Place and Lampmaker Drive, Hamilton, from Lovell Homes subject to the following principal conditions:-

- ◆ the purchase price to be the sum of £1,306,000, exclusive of VAT, which will be payable on the date of entry
- ◆ the date of entry to be upon completion
- ◆ 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. Acquisition of the properties will be funded from the Housing Revenue Account capital programme and will be eligible for Scottish Government Affordable Housing grant funding which will reduce the overall cost to the Council.

6.2. The proposed purchase price for each unit type compares favourably with the asking prices of the same house types within the development and prices of similar new properties on the open market.

6.3. The purchase of the properties will be treated as a single transaction which results in a saving on the Land and Building Transaction Tax (LBTT).

#### **7. Climate Change, Sustainability and Environmental Implications**

7.1. There are no climate change, sustainability or environmental implications in terms of the information contained within the report.

#### **8. Other Implications**

8.1. If the proposal did not proceed there would be implications on the supply of affordable housing within the area.

8.2. It is a condition of the agreement that proposed transaction is concluded within the current financial year and if this is not achieved, the opportunity to acquire the houses at the agreed value would be lost.

#### **9. Equality Impact Assessment and Consultation Arrangements**

9.1. All necessary consultations with Housing and Legal Services have taken place and they are supportive of the proposal.

- 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.

**Stephen Gibson**  
**Executive Director (Housing and Technical Resources)**

11 October 2023

**Link(s) to Council Values/Priorities/Outcomes**

- ◆ Accountable, effective, efficient and transparent
- ◆ Good quality, suitable and sustainable places to live
- ◆ Caring, connected, sustainable communities

**Previous References**

- ◆ Executive Committee 30 November 2022 – SLC Housing Supply Target

**List of Background Papers**

- ◆ None

**Contact for Further Information**

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

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