

Report

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Report to:	Executive Committee
Date of Meeting:	8 June 2011
Report by:	Executive Director Housing and Technical Resources Executive Director Enterprise Resources

Subject:	Affordable Housing – Catacol Grove, East Kilbride
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ request Committee approval to amend the terms and conditions previously approved by Executive Committee for the purchase and construction of new affordable homes for rent at Catacol Grove, East Kilbride.

2. Recommendation(s)

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

- (1) that Committee approve proposals to amend the legal agreement for the purchase of 10 flats within the existing Block 5 of the Council New Build at Catacol Grove to accommodate redesign and an increase in capacity in Block 5 from 10 flats to 16 flats.
- (2) that Committee grant authority to the Executive Director of Housing and Technical Resources, together with the Executive Director of Enterprise Resources in conjunction with the Head of Legal Services to conclude legal matters to facilitate the purchase of the previously agreed 10 flats within the revised layout in accordance with paragraph 4.1 of this report.
- (3) that Committee grant authority to amend the legal agreements to allow the title of part of the common car parking and common amenity ground to be transferred to Clyde Valley Housing Association should their bid for funding to construct an additional block of 16 new flatted affordable homes for rent be approved by the Scottish Government.

3. Background

- 3.1. A previous report to Executive Committee on the 10th June 2009 approved the “off the shelf” purchase by the Council of 50 flats and 11 houses at Catacol Grove, East Kilbride to help address the serious shortage of affordable housing in the area.
- 3.2. In accordance with the Planning consent obtained at the time, a total of 81 properties were provided on the site. The Council entered into a purchase agreement to buy 61 properties with the balance of 20 properties purchased by Clyde Valley Housing Association. Grant funding to support the purchase of the 61 properties was secured by the Council through the first round of the Scottish Governments “Kick Start” Council New Build Initiative.

3.3. To date 51 properties have been purchased by the Council and 20 properties purchased by Clyde Valley Housing Association providing a total of 71 new affordable homes for rent to meet local housing need. Work is due to start on the final block of 10 flats which are due to be purchased by the Council to complete this first phase of Council new build.

3.4. In November 2010, BMJ Property Ltd secured planning consent to build 32 units on the site and approached the Council to seek an amendment to the original purchase agreement with a view to providing more affordable homes (this consent was subsequently amended to create two blocks each comprising 16 units on 24 May 2011).

4. Revised Design for Block 5 and proposed construction of Block 6

4.1. The Council's existing purchase agreement for block 5 makes provision for the purchase of a single block of 10 flats. The proposed redesign increases this block from 10 units to 16 units comprising 12 two bedroom flats and 4 one bedroom flats in a similar layout to Block 1.

4.2. Clyde Valley Housing Association has secured the necessary funding for the purchase of the additional 6 flats in block 5. The additional 6 flats will be allocated through the Council's Common Housing Register. To facilitate the purchase it is necessary to amend the Council's existing purchase agreement for the 10 flats within Block 5 to accommodate the increase in units

4.3. The developer has secured planning consent for an additional block of 16 flatted units on that part of the site which, in terms of the current legal agreements, falls to be transferred to the Council's ownership for use as shared car parking and amenity ground with Clyde Valley Housing Association. If constructed, this additional block would assist in meeting the shortage of affordable housing in the area. The Council is not in a position to fund the construction of this additional block. However, Clyde Valley Housing Association is making a bid to the Scottish Government Innovation and Investment Fund 2011/12 (IIF) for monies to carry out this development. If their bid is approved they would require outright ownership of and title to the land on which the additional block and its ancillary facilities are to be constructed. It is recommended that the Council agree to the current legal agreements being amended to allow Clyde Valley Housing Association to take title of the required area of land, if their bid is successful, for the sole purpose of the construction and ownership of this additional block of 16 flatted units which will be allocated through the Council's Common Housing Register.

4.4. There is considerable pressure and growing demand for affordable housing in South Lanarkshire and in particular in the East Kilbride area. Adding this relatively modest number of additional units of social rented housing will help to meet this need.

5. Employee Implications

5.1. There are no employee implications

6. Financial Implications

6.1. The six additional flats in Block 5 will be purchased by Clyde Valley Housing Association. Legal costs relating to amendment to the legal agreement for purchase of block 5 will be met by Clyde Valley Housing Association.

6.2. The additional block of 16 flats will be purchased by Clyde Valley Housing Association if their bid to the IIF is approved. Legal costs relating to amendment to the legal agreement for purchase of the land in question will be met by Clyde Valley Housing Association.

7. Other Implications

7.1. The shortage of Social Housing is ranked as the second top risk in the Council's current risk register in terms of links to Connect the Council Plan. The proposals in this report if approved go some way to mitigating these risks in the East Kilbride Area.

7.2. There are no significant issues in terms of sustainability in relation to the recommendations made in this report.

8. Equalities Impact Assessment and Consultation Arrangements

8.1. This report does not introduce a new policy, function or strategy and therefore no separate impact assessment is required.

8.2. Appropriate consultation has taken place with key partners including Clyde Valley Housing Association and the Scottish Government.

Lindsay Freeland
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(Housing and Technical Resources)

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Executive Director
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1 June 2011

Link(s) to Council Objectives

- ◆ Improving the quality, access and availability of Housing
- ◆ Improve the quality of the physical environment
- ◆ Sustainable development

Previous References

- ◆ Executive Committee of 10 June 2009 (Paragraph 15 referes)

List of Background Papers

- ◆ Executive Committee 10th June 2009

Contact for Further Information

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

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