

Bolsover District Council

Meeting of the Executive on Monday 13th June 2022

Purchase of Section 106 Properties from Keepmoat Homes Limited off Mooracre Lane, Bolsover

Report of the Portfolio Holder for Housing

| | |
|------------------------|---|
| Classification | This report is Public |
| Report By | Andy Clarke Operational Repairs Manager 01246 593031 andy.clarke@bolsover.gov.uk |
| Contact Officer | Andy Clarke Operational Repairs Manager 01246 593031 andy.clarke@bolsover.gov.uk |

PURPOSE/SUMMARY OF REPORT

To recommend the purchase of 6 properties for affordable rent within the HRA.

REPORT DETAILS

1. Background

- 1.1 Keepmoat Homes Limited are building 215 properties off Mooracre Lane in Bolsover, including 19 affordable properties as a S106 planning condition.
- 1.2 The Council have previously purchased 13 properties on this development, and Keepmoat Homes Limited have now offered the Council the opportunity to purchase an additional six 3 Bedroom Houses following preliminary discussions with Planning and Housing Management.

2. Details of Proposal or Information

- 2.1 The combined purchase price of these properties is £770,000 (excluding fees and SDLT). This is based on the Keepmoat Bolsover Valuation (appendix 1).
- 2.2 Assuming the rents for these properties are set in line with the affordable rent levels (80% of market rent) the scheme will break even after 48 years.

2.3 A report has been submitted to the 15th June 2022 Council meeting, recommending that the scheme be added to the Capital Programme. The recommendations for Executive to approve the purchase are made on the assumption that the amendment to the Capital Programme is approved by Council.

3. Reasons for Recommendation

3.1 That this proposal offers value for money, meets local housing need and increases the councils housing stock. Therefore the council should proceed with this purchase.

4 Alternative Options and Reasons for Rejection

4.1 To not purchase the properties has been rejected as the properties will fulfil a housing need in the area. This housing mix best supports that identified housing need.

RECOMMENDATION(S)

1. That Executive approve the purchase of the 6 properties off Mooracre Lane, Bolsover from Keepmoat Homes Limited for £770,000 subject to SDLT and 10% contingency to include fees.
2. That, subject to Council approval of the financing, the Director of Development is given delegated powers to enter into contract with Keepmoat Homes Limited for the purchase of the properties.

Approved by Councillor Sandra Peake, Portfolio Holder for Housing

IMPLICATIONS:

Finance and Risk: Yes X No

Details: To fund the purchase of the six properties, using HRA borrowing. A report has been submitted to Council on Wednesday 15th June 2022 recommending that the scheme be added to the Capital Programme.

On behalf of the Section 151 Officer

Legal (including Data Protection): Yes No X

Details:

None directly.

The current planning permission includes provision of Affordable Rent S106 properties.

On behalf of the Solicitor to the Council

Staffing: Yes No X

Details:

On behalf of the Head of Paid Service

DECISION INFORMATION

| | |
|--|------------|
| <p>Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds:</p> <p>Revenue - £75,000 Capital - £150,000 X <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i></p> | <p>Yes</p> |
| <p>Is the decision subject to Call-In? <i>(Only Key Decisions are subject to Call-In)</i></p> | <p>Yes</p> |

| | |
|---|-----------------|
| <p>District Wards Significantly Affected</p> | <p>Bolsover</p> |
| <p>Consultation: Leader / Deputy Leader <input type="checkbox"/> Executive <input type="checkbox"/> SLT <input type="checkbox"/> Relevant Service Manager <input type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/></p> | <p>Details:</p> |

| |
|--|
| <p>Links to Council Ambition: Customers, Economy and Environment.</p> |
| <p>Enabling Housing Growth: increasing the supply, quality and range of housing to meet the needs of the growing population and support economic growth.</p> |

| DOCUMENT INFORMATION | |
|----------------------|---|
| Appendix No | Title |
| App 1 | Keepmoat Bolsover Valuation |
| App 2 | Keepmoat Mooracre Lane Bolsover Financial Viability |

| |
|---|
| <p>Background Papers <i>(These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Executive you must provide copies of the background papers).</i></p> |
| <p>Mooracre Lane Site Layout drawing Mooracre Lane Property floor plan and elevations drawing (type 842 & 764)</p> |