

Bolsover District Council

Meeting of the Council on Wednesday 15th June 2022

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

Report of the Portfolio Holder - Housing

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

PURPOSE/SUMMARY OF REPORT

To seek the Councils approval to include the purchase 6 properties for affordable rent in the HRA Capital Programme 22/23.

REPORT DETAILS

1. Background

- 1.1 Keepmoat Homes Limited (“Keepmoat”) 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.
- 1.3 On 13th June 2022, Executive resolved to purchase the properties subject to Council approving the budget.

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 The purchase will be financed by adding the scheme to the Capital Programme utilising HRA borrowing.

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)

That the Council approve adding 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 to the Capital Programme utilising HRA borrowing to finance the purchase.

IMPLICATIONS:

Finance and Risk: **Yes X** **No**

Details: To fund the purchase of the six properties, using HRA borrowing.

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

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| <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> |

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|---|-------------------------------------|
| <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: Executive</p> |

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| <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 | |
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| Appendix No | Title |
| App 1 | Keepmoat Bolsover Valuation |
| App 2 | Keepmoat Mooracre Lane Bolsover Financial Viability |

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| <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> |