

LAND AT LONDON ROAD HAZEL GROVE

Report of the Corporate Director for Place Management & Regeneration,
Deputy Chief Executive, Cabinet Member for Sustainable Stockport

1. INTRODUCTION AND PURPOSE OF REPORT

- 1.1 To seek approval for the amendment of the terms agreed for the acquisition of a privately owned site for development by Stockport Homes.

2. INFORMATION

- 2.1 The site as shown identified edged red on the attached plan is in private ownership.
- 2.2 A report submitted to Cabinet on the 23rd June 2020 set out that Stockport Homes had negotiated to acquire the site for the development of 34 units comprising a mix of 12 1 bed 2 person and 22 2 bed 3 person apartments.
- 2.3 All of the accommodation will be made available for social rent.
- 2.4 The development will be funded from a variety of sources as was set out in a confidential appendix. The completed units will be retained in the Housing Revenue account and will from part of the Councils housing stock.
- 2.5 Acquisition of the site will be subject to the grant of planning consent, satisfactory legal title and conformation of funding from the sources identified.
- 2.6 The valuation of the site had been undertaken by independent Chartered Surveyors instructed by Stockport Homes who have confirmed that the acquisition price of the site is realistic for the nature of the scheme proposed.
- 2.7 Following consultation with the Councils Planning Department it has been necessary to reduce the scale of the proposed development which will see a reduction in unit number from 34 to 32 units. An appropriate reduction in the purchase price for the site to reflect this has been agreed with the vendor.
- 2.8 A further condition of the acquisition is that the Council will be subject to an overage provision which will last for 15 years if additional units over the 32 are developed. This is not a factor which SHL consider to be detrimental to the transaction.
- 2.9 The party from whom the Council are acquiring the site has an option with the current owner which expires in May 2021 as a consequence the approval to proceed on the amended terms is sought as a matter of urgency.

3 FINANCE

- 3.1 The funding from the Housing Revenue Account has been identified and is supported by the Councils Strategic Housing Lead.
- 3.2 The Loan Agreement request from Stockport Homes is through the HRA and not the Stockport Homes Group loan facility.
- 3.3 The financial position is as shown in the confidential appendix.

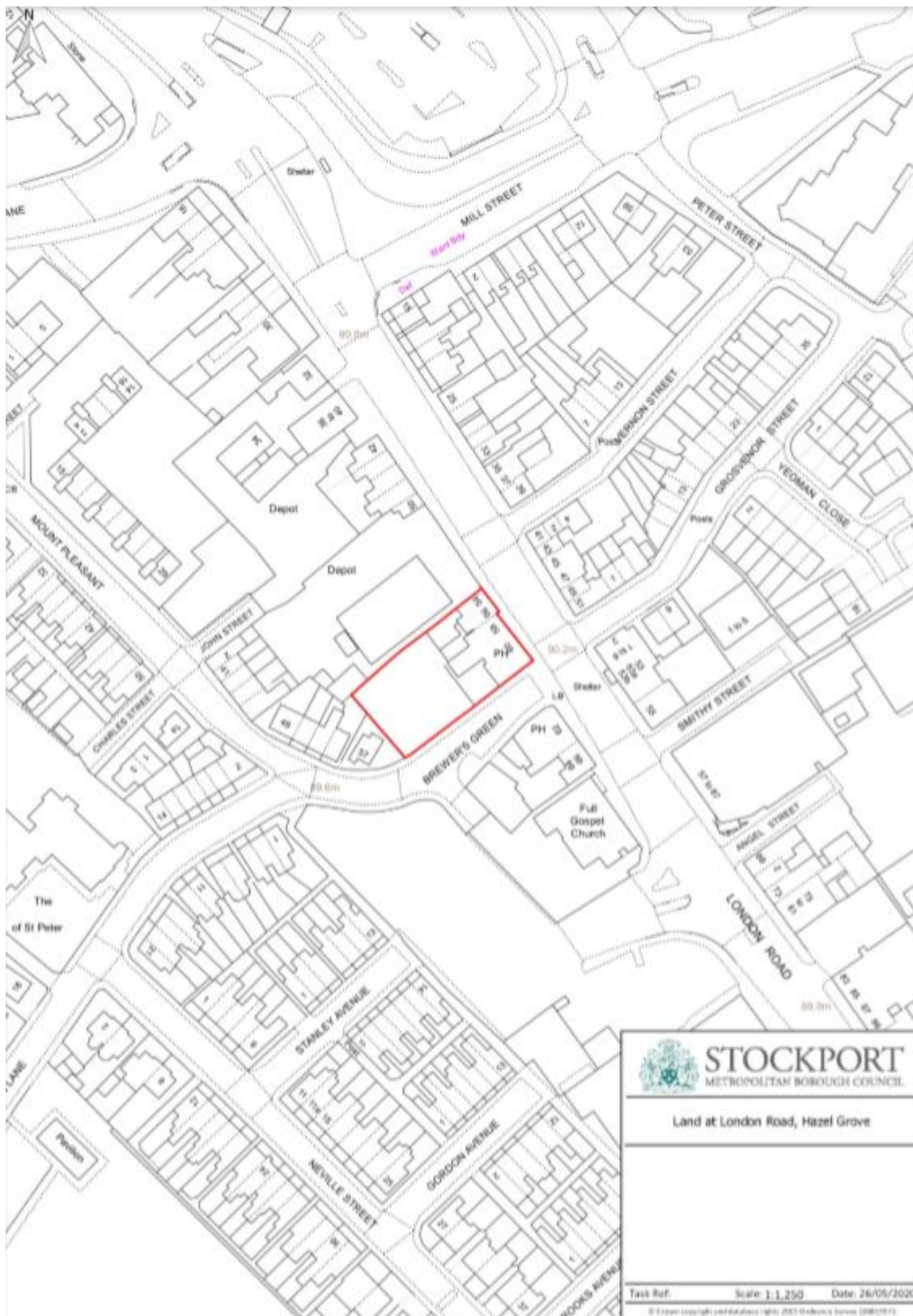
4 CONCLUSIONS AND RECOMMENDATIONS

- 4.1 That approval is given to proceed with the transaction on the revised terms.

BACKGROUND PAPERS

Report to Cabinet 23 June 2020

Anyone wishing to inspect the above background papers or requiring further information should contact Ian Keyte on Tel: 0161 217 6907 or by email on Ian.Keyte@stockport.gov.uk



Location of London Road site identified edged red