

North Yorkshire Council

Executive Member for Finance and Resources

25 April 2025

Acquisition of social rented homes at Airedale Avenue, Skipton

Report of the Corporate Director Community Development

1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek approval from the Executive Member for Finance and Resources to acquire 12 new build properties in Skipton from a developer to use as social rented accommodation, which will be taken into the Housing Revenue Account.

2.0 BACKGROUND

- 2.1 In February 2024, the Council approved the Housing Revenue Account (HRA) 30-year Business Plan, which includes the delivery of 500 new homes over the next 5 years to 2029. These homes will be rented homes, which will address local housing needs across North Yorkshire and be rented out to local households in housing need. One of the key delivery routes to achieve this objective, is through the acquisition of newly built homes from private developers, and through Section 106 Agreements with private developers.
- 2.2 There are high levels of housing need within the former Craven district with almost 700 applicants on the housing register, with the highest concentration of need being within the market town of Skipton.
- 2.3 This report seeks approval to acquire 12 new build homes from a private developer through a Section 106 agreement, to assist in meeting the need for affordable housing within Skipton and the wider Craven area.

3.0 PROPOSAL

- 3.1 The former Craven District Council previously approved the sale of land at Airedale Avenue, Skipton to Skipton Properties, who will develop a scheme of 53 homes of which 16 are to be provided as affordable as per the local planning policy requirements, which require 30% of the properties to be affordable. The 16 affordable homes will consist of 12 for rent and 4 for shared ownership.
- 3.2 The 12 rented homes are to be sold to the Council. The Shared Ownership homes will be sold to Bracewell Homes, the Council's separate shared ownership housing company.
- 3.3 All of the homes will meet Nationally Described Space Standards (NDSS), and are to a specification, which meets the Council's requirements and a minimum of EPC B.
- 3.4 The properties will be allocated to families who are on the Councils housing waiting list. Priority will be given to those who initially have a local connection to Skipton before cascading out to the whole of North Yorkshire, as defined within the Section 106 agreement.

- 3.5 The scheme has full planning approval and is due to start on site in early 2026.
- 3.6 The total cost of purchasing the 12 properties will amount to £840,000. As they are Section 106 acquisitions, the purchase cost of the properties is at the set transfer values within the Craven Affordable Housing Supplementary Planning Document, which fixes the costs at £1000 per square metre. The scheme will be funded by a combination of HRA borrowing and Right to Buy receipts.

4.0 CONSULTATION UNDERTAKEN AND RESPONSES

- 4.1 Discussions have been undertaken with the divisional local member and the Executive Member for Housing.

5.0 CONTRIBUTION TO COUNCIL PRIORITIES

- 5.1 The scheme contributes principally to the following Council priority:

“Place and Environment: Good quality, affordable and sustainable housing that meets the needs of our communities”

6.0 ALTERNATIVE OPTIONS CONSIDERED

- 6.1 The acquisition of “off the shelf” properties from developers forms an important part of the Councils plans for developing and/or acquiring affordable housing. The acquisition of these properties forms contributes to meeting the 500 new homes required over the next 5 years.

7.0 IMPACT ON OTHER SERVICES/ORGANISATIONS

- 7.1 The key services which will be impacted by this proposal will be other service areas within the wider Housing service. There will also be some minimal impact on both the Homes and Places and Housing Landlord service areas.

8.0 FINANCIAL IMPLICATIONS

- 8.1 The total capital cost of purchasing the properties is £840k which amounts to £69,166 per property. This represents good value for money, in comparison with the average cost of developing a new build property, which is on average around £200K to £210K for a two-bedroom house.

8.2 Capital Funding

The property acquisition has been appraised using the standard HRA model and will be funded by HRA borrowing and Right to Buy Receipts.

Capital Funding	£
Borrowing	800,870
RTB Receipts	39,130
Total Funding	840,000

PERFORMANCE OUTPUT

	Output	Benchmark	Pass/Fail
40 Year Net Present Value (£)	£1648	0	PASS
Payback Year	39	40	PASS
40 Year IRR%	5.51%	5.48%	PASS

8.3 The rents charged for the properties will be set at social rents.

8.4 Revenue Implications

There will be revenue costs in the form of management and maintenance costs, which will be covered by the rental income.

9.0 LEGAL IMPLICATIONS

9.1 All property transactions are subject to the Property Procedure Rules, as the capital cost of acquiring the properties exceeds £500k, then either the Executive Member for Finance and Resources or the Executive may approve the acquisition.

9.2 The Council will also need to undertake the standard legal processes required in the acquisition of the properties and will appoint the appropriate solicitors to undertake this work on our behalf.

9.3 The Council would normally be liable for Stamp Duty Land Tax (SDLT) on acquisitions of this nature. However, exemptions may be available for these purchases if they are partially funded by a public subsidy under Section 71(1) Finance Act 2003 which, in this context, includes “any amount that is receipts of the disposal of social housing provided that [NYC] is entitled to use the amount for the purposes of the provision of social housing”. Provided that the RTB receipts used were received from the sale of rented properties which were used to provide housing to those whose needs were not met by the commercial market, relief will be available on the purchases.

10.0 EQUALITIES IMPLICATIONS

10.1 An Equalities Impact Assessment screening has been undertaken, which highlighted that there would be no adverse impacts, and a full Equalities Impact Assessment would not be required. The proposal would have positive impacts, particularly for persons on low income in need of affordable housing. See Appendix A.

11.0 CLIMATE CHANGE IMPLICATIONS

11.1 An initial Climate Change Impact Assessment has been undertaken, which highlighted that there would be no adverse impacts, and a full Climate Change impact Assessment would not be required. See Appendix B.

12.0 PERFORMANCE IMPLICATIONS

12.1 The acquisition of the properties contributes to our overall target of the provision of 500 homes over 5 years across North Yorkshire.

13.0 RISK MANAGEMENT IMPLICATIONS

13.1 The key risks with the scheme are as follows:

Risk	Potential Impact	Mitigation
The properties are delayed in being completed	Would mean delayed occupation of the properties	Programme is in hands of developer.
Properties do not meet our required standards	Would result in increased costs to bring properties to required standards	The properties will meet with Nationally Described Space Standards (NDSS) and a minimum of EPC B which will be included in the contract documents for the sale of the homes.

14.0 REASONS FOR RECOMMENDATIONS

14.1 The reason for the recommendation is to provide 12 properties for social rent in Skipton to meet the Councils 30-year business plan to deliver 500 homes across North Yorkshire.

15.0 RECOMMENDATIONS

15.1 That the Executive Member for Finance and Resources approves of the acquisition of 12 new build properties from Skipton Properties in Skipton at a cost of £840,000 for use as affordable rented accommodation, which will be taken into the Housing Revenue Account.

APPENDICES:

Appendix A – Equality Impact Assessment
Appendix B – Climate Change Impact Assessment

BACKGROUND DOCUMENTS:

Report Author – Emily Shepherd: Senior Housing Delivery Officer
Presenter of Report – Emily Shepherd: Senior Housing Delivery Officer

Note: Members are invited to contact the author in advance of the meeting with any detailed queries or questions.

Initial equality impact assessment screening form			
This form records an equality screening process to determine the relevance of equality to a proposal, and a decision whether or not a full EIA would be appropriate or proportionate.			
Directorate	Community Development		
Service area	Housing		
Proposal being screened	Acquisition of properties for the Housing Revenue Account		
Officer(s) carrying out screening	John Burroughs		
What are you proposing to do?	Acquire 12 new build homes from Skipton Properties Homes Skipton to be used as affordable rented housing for local households in housing need		
Why are you proposing this? What are the desired outcomes?	To meet local housing needs both for rented homes		
Does the proposal involve a significant commitment or removal of resources? Please give details.	No		
Impact on people with any of the following protected characteristics as defined by the Equality Act 2010, or NYC's additional agreed characteristics			
As part of this assessment, please consider the following questions:			
<ul style="list-style-type: none"> To what extent is this service used by particular groups of people with protected characteristics? Does the proposal relate to functions that previous consultation has identified as important? Do different groups have different needs or experiences in the area the proposal relates to? 			
If for any characteristic it is considered that there is likely to be an adverse impact or you have ticked 'Don't know/no info available', then a full EIA should be carried out where this is proportionate. You are advised to speak to your directorate representative for advice if you are in any doubt.			
Protected characteristic	Potential for adverse impact		Don't know/No info available
	Yes	No	
Age		✓	
Disability		✓	
Sex		✓	
Race		✓	
Sexual orientation		✓	
Gender reassignment		✓	
Religion or belief		✓	
Pregnancy or maternity		✓	
Marriage or civil partnership		✓	
People in rural areas		✓	
People on a low income		✓	
Carer (unpaid family or friend)		✓	
Are from the Armed Forces Community		✓	
Does the proposal relate to an area where there are known inequalities/probable impacts (for example, disabled people's access to public transport)? Please give details.	No		
Will the proposal have a significant effect on how other organisations operate? (for example, partners, funding criteria, etc.). Do any of these organisations support people	No		

with protected characteristics? Please explain why you have reached this conclusion.				
Decision (Please tick one option)	EIA not relevant or proportionate:	✓	Continue to full EIA:	
Reason for decision	Decision has no adverse impact			
Signed (Assistant Director or equivalent)	Andrew Rowe			
Date	10/4/25			

Climate change impact assessment

The purpose of this assessment is to help us understand the likely impacts of our decisions on the environment of North Yorkshire and on our aspiration to achieve net carbon neutrality by 2030, or as close to that date as possible. The intention is to mitigate negative effects and identify projects which will have positive effects.

This document should be completed in consultation with the supporting guidance. The final document will be published as part of the decision making process and should be written in Plain English.

If you have any additional queries which are not covered by the guidance please email climatechange@northyorks.gov.uk

Version 2: amended 11 August 2021

Please note: You may not need to undertake this assessment if your proposal will be subject to any of the following:

Planning Permission
Environmental Impact Assessment
Strategic Environmental Assessment

However, you will still need to summarise your findings in the summary section of the form below.

Please contact climatechange@northyorks.gov.uk for advice.

Title of proposal	Acquire 12 new build properties in Skipton from a developer to use as affordable rented accommodation.	
Brief description of proposal	Acquire 12 new build properties in Skipton from a developer to use as affordable rented accommodation, which will be taken into the Housing Revenue Account, and rented out to local households in housing need	
Directorate	Community Development	
Service area	Housing	
Lead officer	Andrew Rowe	
Names and roles of other people involved in carrying out the impact assessment	Emily Shepherd: Senior Housing Delivery Officer	
Date impact assessment started	19/03/2025	

Options appraisal

Were any other options considered in trying to achieve the aim of this project? If so, please give brief details and explain why alternative options were not progressed.

Acquiring properties from developers is a component of the delivery of NYC's HRA business plan to provide 500 new council homes and the temporary accommodation business case to acquire 90 units of temporary accommodation.

What impact will this proposal have on council budgets? Will it be cost neutral, have increased cost or reduce costs?

Please explain briefly why this will be the result, detailing estimated savings or costs where this is possible.

This represents good value for money, in comparison with the average cost of developing a new build property, which is on average around £200K to £210K for a two bedroom house

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	Positive impact (Place a X in the box below where relevant)	No impact (Place a X in the box below where relevant)	Negative impact (Place a X in the box below where relevant)	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> • Changes over and above business as usual • Evidence or measurement of effect • Figures for CO₂e • Links to relevant documents 	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>	
<p>Minimise greenhouse gas emissions e.g. reducing emissions from travel, increasing energy efficiencies etc.</p>	Emissions from travel			X	During construction there may be an increase in travel because officers may be required to visit the site.	Journeys will be planned and car sharing will be encouraged.	
	Emissions from construction			X	During construction emissions will be emitted by the private developer.		
	Emissions from running of buildings			X	When the accommodation is occupied, there will be an increase in emissions.	The properties will be built to a minimum of EPC C.	
	Emissions from data storage		X				
	Other						
<p>Minimise waste: Reduce, reuse, recycle and compost e.g. reducing use of single use plastic</p>		X					

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p>Positive impact (Place a X in the box below where relevant)</p>	<p>No impact (Place a X in the box below where relevant)</p>	<p>Negative impact (Place a X in the box below where relevant)</p>	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> • Changes over and above business as usual • Evidence or measurement of effect • Figures for CO₂e • Links to relevant documents 	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>
Reduce water consumption		X				
Minimise pollution (including air, land, water, light and noise)		X				
Ensure resilience to the effects of climate change e.g. reducing flood risk, mitigating effects of drier, hotter summers		X				
Enhance conservation and wildlife		X		Provision of POS to be provided on site	No negative impacts on provision of amenity land	
Safeguard the distinctive characteristics, features and special qualities of North Yorkshire's landscape		X				

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p>Positive impact (Place a X in the box below where relevant)</p>	<p>No impact (Place a X in the box below where relevant)</p>	<p>Negative impact (Place a X in the box below where relevant)</p>	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> Changes over and above business as usual Evidence or measurement of effect Figures for CO₂e Links to relevant documents 	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>
<p>Other (please state below)</p>						

Are there any recognised good practice environmental standards in relation to this proposal? If so, please detail how this proposal meets those standards.

Properties will be built in line with future homes standard where this is possible

Summary Summarise the findings of your impact assessment, including impacts, the recommendation in relation to addressing impacts, including any legal advice, and next steps. This summary should be used as part of the report to the decision maker.

Although the proposal to acquire 12 new build properties are being developed by private developers, the acquisition of these properties will have an increase on greenhouse gas emissions because they will be occupied. The properties will be built to minimum of EPC C. This demonstrates a future proof decision, and the properties will be built to future homes standards.

Sign off section

This climate change impact assessment was completed by:

Name	Hannah Nutsey
Job title	Climate Change Business Partner
Service area	Climate change
Directorate	Environment
Signature	Hannah Nutsey
Completion date	19/03/2025

Authorised by relevant Assistant Director (signature): Andrew Rowe

Date: 31st March 2025