

**ANGUS COUNCIL**

**COMMUNITIES COMMITTEE – 20 JANUARY 2015**

**PROPOSED APPROPRIATION OF FORMER CARETAKER'S HOUSE AT BORROWFIELD  
PRIMARY SCHOOL, NEWHAME ROAD, MONTROSE**

**REPORT BY HEAD OF TECHNICAL & PROPERTY SERVICES**

**ABSTRACT**

This report advises the Committee that the former caretaker's house at Borrowfield Primary School, Newhame Road, Montrose is vacant, and surplus to Angus Council's requirements. It is proposed to appropriate the property to the Housing Revenue Account for the provision of Affordable Housing.

**1. RECOMMENDATIONS**

It is recommended that the Committee:

- (i) notes that the former caretaker's house at Borrowfield Primary School, Newhame Road, Montrose is surplus to the requirements of the People Directorate;
- (ii) notes that the Housing Division of the Communities Directorate has expressed an interest in the building for residential use for the provision of affordable housing; and
- (iii) approves the appropriation of the caretaker's house at Borrowfield Primary School, Newhame Road, Montrose from the People Directorate to the Housing Revenue Account, subject to the approval of the Scottish Ministers, on the basis of Report No. 509/13 POLICY FOR THE APPROPRIATION OF SURPLUS GENERAL FUND ASSETS TO THE HOUSING REVENUE ACCOUNT FOR AFFORDABLE HOUSING.

**2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT/COPORATE PLAN**

This report contributes to the following local outcomes contained within the Angus Community Plan and Single Outcome Agreement 2013-2016:

- Angus is a good place to live in, work in and visit
- Individuals are supported in the their own communities with good quality services

**3. BACKGROUND**

The former caretaker's house at Borrowfield Primary School, Newhame Road, Montrose is now vacant.

**4. CURRENT POSITION**

The former caretaker's house at Borrowfield Primary School, Newhame Road, Montrose as shown outlined black on the plan at **Appendix 1**, is now vacant and officers have assessed that it is suitable for residential use as barrier free affordable housing. It is considered that disposal to Community Planning Partner is not appropriate and that an appropriation to the Housing Revenue Account is the most appropriate way forward.

In terms of the Housing (Scotland) Act 1987, Scottish Ministers approval is required to transfer assets from the General Fund to the Housing Revenue Account. Consent to transfer the property at Borrowfield Primary School, Newhame Road, Montrose to the Housing Revenue Account will be sought from the Scottish Ministers prior to the appropriation being completed.

In accordance with the criteria outlined at Appendix 1 in Report No. 509/13 an appraisal has been undertaken for the former caretaker's house at Borrowfield Primary School, Newhame Road, Montrose and is contained in **Appendix 2**.

## **5. PROPOSALS**

It is proposed that the property at Borrowfield Primary School, Newhame Road, Montrose be redeveloped as affordable housing and with the building being appropriated to the Housing Revenue Account on the basis of a value established in line with Report No. 509/13 – POLICY FOR THE APPROPRIATION OF SURPLUS GENERAL FUND ASSETS TO THE HOUSING REVENUE ACCOUNT FOR AFFORDABLE HOUSING, approved by Angus Council on 12 September 2013. Taking account of the cost of conversion and upgrading to barrier free accommodation which meets the Scottish Housing Quality Standard the resultant appropriation value is **£125,000**.

## **6. FINANCIAL IMPLICATIONS**

Detailed costing for the proposed conversion/upgrade of the building has now been completed, allowing a residual value for the property to be calculated in line with the POLICY FOR THE APPROPRIATION OF SURPLUS GENERAL FUND ASSETS TO THE HOUSING REVENUE ACCOUNT FOR AFFORDABLE HOUSING. The resultant residual value for the property for affordable housing is £125,000.

## **7. PROPERTY IMPLICATIONS**

The property at Borrowfield Primary School, Newhame Road, Montrose, will be converted and upgraded to provide new affordable housing.

**NOTE:** No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

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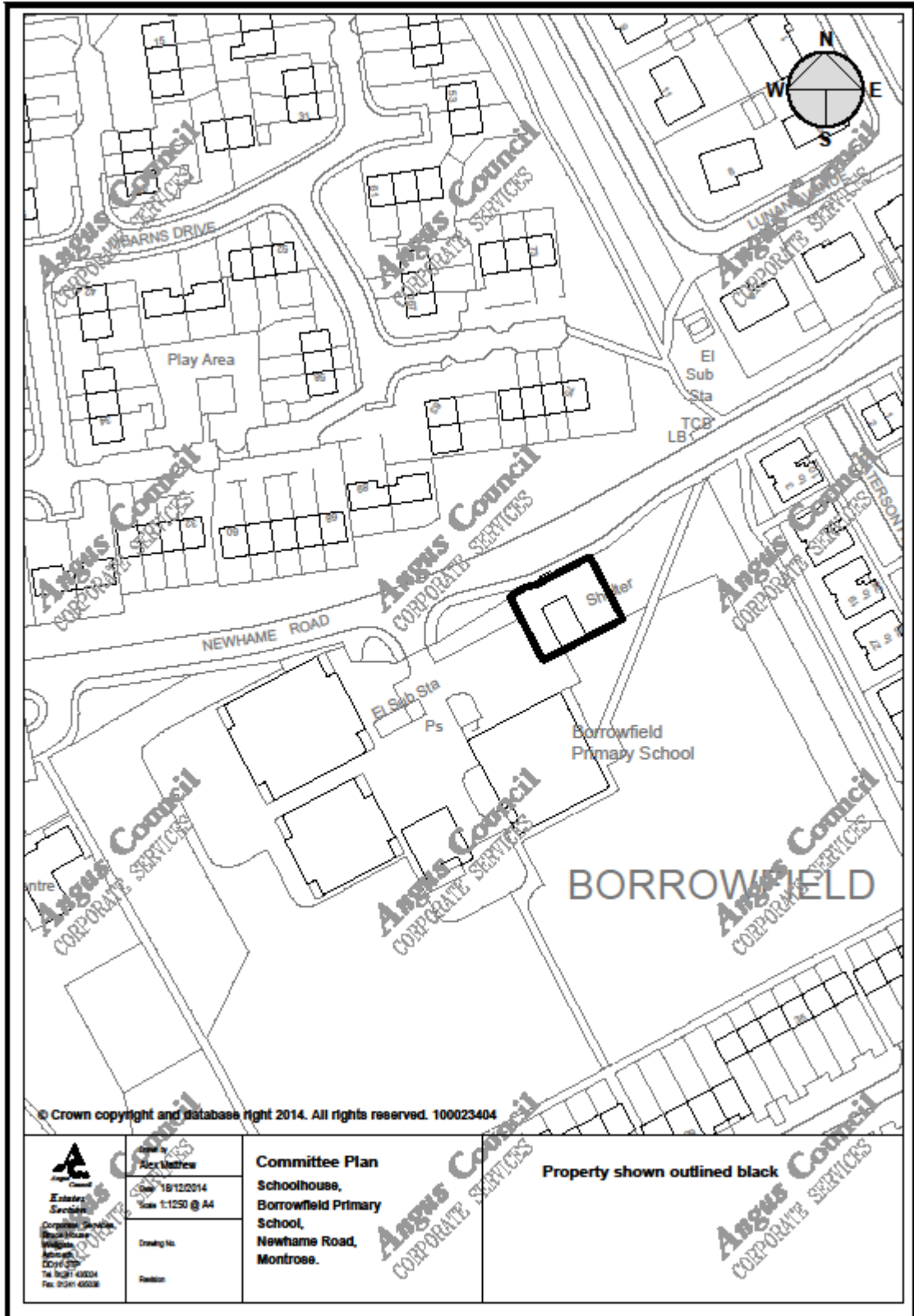
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List of Appendices:

Appendix 1 – Plan of office at Borrowfield Primary School, Newhame Road, Forfar

Appendix 2 – Appraisal Criteria

Appendix 1 – Plan of Former Caretakers House at Borrowfield Primary School, Newhame Road, Montrose



## Appendix 2 – Appraisal Criteria

1. A plan of the property is contained at Appendix 1. The property is a former three bedroom house. The property is all on one level and consists of a kitchen, lounge/diner, 3 bedrooms, kitchen bathroom and will be upgraded.
2. The property is owned by Angus Council with no restriction to its future use.
3. The open market value of the property after upgrading has been assessed at TBC which is based on comparable sales in the Montrose area. The appropriation value takes account of the upgrade cost of TBC.
4. There are to be no restrictions placed on the Housing Revenue Account in respect of the development of the site.
5. In terms of Regulation 4(2) the appropriation to the HRA (rather than sale on the open market) is justified because:
  - i. The Housing Division have a new-build Council house programme intended to alleviate the shortage of affordable housing across Angus in response to the housing Need and Demand assessment. This identified a need for up to 331 additional affordable units per year. A crucial element in helping to deliver this target is having access to land in the appropriate location, where development costs are affordable and achievable.