

REPORT TO: HOUSING COMMITTEE - 31 OCTOBER 2011

REPORT ON: DEMOLITION OF 53-76 ORMISTON CRESCENT,
WHITFIELD

REPORT BY: DIRECTOR OF HOUSING

REPORT NO: 478-2011

1. PURPOSE OF REPORT

To seek approval for the demolition of 24 properties at 53-76 Ormiston Crescent.

2. RECOMMENDATIONS

It is recommended that Committee:

- 2.1. Agree to declare surplus and demolish 24 flats at 53-76 Ormiston Crescent, Whitfield.
- 2.2. Remit the Director of Housing to award priority rehousing status to the remaining tenants, together with the statutory Home Loss payment of £1,500.
- 2.3. Remit the Director of City Development to prepare tenders and seek offers for demolition and post demolition treatment at the appropriate time.
- 2.4. Remit the Director of Housing to bring forward proposals for redevelopment at the appropriate time.

3. FINANCIAL IMPLICATIONS

- 3.1. Demolition and post demolition costs are estimated at £70,000. These costs will be met from an allowance in the 2011/12 HRA Capital Budget.
- 3.2. Home Loss Payments for the remaining 15 tenants is estimated at £22,500. These costs will be met from an allowance in the 2011/2012 HRA Capital Budget.
- 3.3. Should full rehousing not be achieved during 2011/2012, allowances will be made in future HRA Capital Budgets.

4. MAIN TEXT

- 4.1. Housing, Dundee Contract Services and Environment Services Committee on 9 May 2011 approved Committee Report 232-2011 which approved demolition of the properties at 37-52 Ormiston Crescent. The Report also remitted the Director of Housing to develop further consultation with tenants on transferring the properties at 53-64 and 65-76 Ormiston Crescent to Angus Housing Association. This was dependent on a successful bid to the Innovation and Investment Fund by Angus Housing Association

(AHA) for funding to assist the redevelopment of these properties. The Scottish Government announced in September 2011 this bid was unsuccessful, and Angus Housing Association has withdrawn its interest in transfer since this would not be possible without subsidy.

4.2. Reference is made to Housing Committee Report 489-2004 which specified the criteria for declaring properties "at risk" of demolition. These criteria included:

- No sustainable demand.
- Void levels greater than 5% for 6 months.
- Unpopular house type.
- Consideration of development opportunities.
- Capital investment is economically unjustified.
- SHQS requirements.
- Financial Viability Study.
- Demand and supply of Council houses.
- Tenants and staff views.
- Lost rents and management costs and properties.

4.2.1. The present management performance of properties above are:

- Number of properties 24
- Voids 9 (a further 2 are network properties)
- Turnover N/A
- Offers per Let N/A

4.2.2. The requirements to meet SHQS by 2015 are as follows:

| | Per House | Total |
|-------------------------|------------------|--------------|
| 53-76 Ormiston Crescent | £16,700 | £400,800 |

The city-wide average is £4,000 per house.

4.2.3. Further consultation was undertaken with the 15 tenants still living in these blocks in March 2011 regarding future proposals for the blocks within an AHA similar property which has been newly refurbished. Some of the tenants requiring 2 bedroom accommodation liked the property viewed since AHA has converted the ground floor to have individual access and garden area. The majority of tenants, particularly those requiring 3 bedroom accommodation favoured demolition. Despite keeping tenants informed of plans and progress since then tenants have been contacting the Department over the summer expressing their desire to move out of the blocks.

4.2.4. The properties have poor management performance, extremely high investment requirements and in consultation the residents are in favour of demolition. It is therefore recommended these properties are declared surplus and demolished.

5. **POLICY IMPLICATIONS**

5.1. This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management. There are no major issues.

6. **CONSULTATIONS**

- 6.1. The Chief Executive, Depute Chief Executive (Support Services), Director of Finance and all other Chief Officers have been consulted on this report. No concerns have been expressed.

7. **BACKGROUND PAPERS**

- 7.1. Report No: 232-2011 (9 May 2011) - Housing, Dundee Contract Services and Environment Services Committee.

ELAINE ZWIRLEIN
DIRECTOR OF HOUSING

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