

REPORT TO: HOUSING COMMITTEE – 9 MARCH 2015

REPORT ON: DEMOLITION OF 1-34 BUTTERBURN SQUARE, HILLTOWN, DUNDEE

REPORT BY: DIRECTOR OF HOUSING

REPORT NO: 79-2015

1. PURPOSE OF REPORT

- 1.1. To seek approval for the demolition of the 31 properties at 1-34 Butterburn Square, Hilltown, Dundee.

2. RECOMMENDATIONS

It is recommended that the Committee:

- 2.1. Agree to declare surplus and demolish 31 flats at 1-34 Butterburn Square, Hilltown, Dundee.
- 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 Housing to enter negotiations with the eleven owners regarding the repurchase of these properties.
- 2.4. Remit the Director of City Development to prepare tenders and seek offer for demolition and post demolition treatment at the appropriate time.
- 2.5. Remit the Director of Housing to bring forward proposals for redevelopment in due course.
- 2.6. Remit the Director of Housing to develop an appropriate Local Lettings Initiative, providing residents with the opportunity to continue living within the Hilltown, and potentially utilising new build social housing in the area.

3. FINANCIAL IMPLICATIONS

- 3.1. Demolition and post demolition costs are estimated at £287,000. These costs will be met from allowances in the 2014/2019 HRA Capital Estimates.
- 3.2. Buy backs and Home Loss payments for the remaining 20 tenants and 11 owners is estimated at £855,000. These costs will be met from allowances in the 2014/2019 HRA Capital Estimates.

4. BACKGROUND

- 4.1. Reference is made to Article 2 of the minute of the meeting of Housing Committee (21 June 2004) where report no 489-2004 refers to 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
- Demand and supply of Council houses
- Tenants and staff views
- Lost rent and management costs

- 4.2. There is poor demand for these properties from applicants on the Council's Waiting List.

It is considered that these blocks are unsustainable in the long term and are incongruous to achieving successful regeneration in the Hilltown as outlined in Draft Hilltown Physical Regeneration Framework adopted in January 2008.

- 4.3. The capital investment costs per house are £43,000 per house, this being considerable higher than the £10,000 average to meet the SHQS.
- 4.4. Consultation was carried out with the residents regarding the future of the properties. The outcome of the consultation was as follows:
- 4.4.1. A public meeting was held followed by a newsletter and ballot paper being delivered to each resident and, where appropriate, private landlord. Twenty-three papers were returned.
- 4.4.2. Consultation was held at the blocks on the weekend 1/2 February 2015 where a further 9 responses were received.
- 4.4.3. In total 32 responses of a possible 35 were received. Twenty-three were in favour of demolition with 9 against.
- 4.5. These properties above have poor management performance, high investment requirements and in consultation, the residents are in favour of demolition. It is, therefore, recommended these properties are declared surplus and demolished.
- 4.6. In order to expedite re-housing of existing residents, development of a Local Lettings Initiative will be developed.

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. **CONSULTATION**

- 6.1. The Chief Executive, Director of Corporate Services, Head of Democratic and Legal Services and all other Chief Officers have been consulted in the preparation of this report. No concerns were expressed.

7. **BACKGROUND PAPERS**

- 7.1. None.

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DIRECTOR OF HOUSING

26 February 2015