

REPORT TO: HOUSING COMMITTEE – 17 DECEMBER, 2001

REPORT ON: PROPERTIES AT 34-36 FORRES CRESCENT

REPORT BY: DIRECTOR OF HOUSING

REPORT NO: 796-2001

1. PURPOSE OF REPORT

- 1.1 To seek approval for the marketing of the vacant properties at 34-36 Forres Crescent, and in the event of no acceptable offers being received, for the demolition of the properties.

2. RECOMMENDATIONS

It is recommended that:

- 2.1 Approval is granted for the marketing of the properties of 34-36 Forres Crescent for the reasons outlined in this report.
- 2.2 Approve the obtaining of tenders for the demolition of the properties in the event that no acceptable offers are received.
- 2.3 Remit the Area Manager to liase with the Director of Economic Development on the marketing & disposal of the properties, and if necessary, liase with the City Engineer in the obtaining of tenders for demolition.
- 2.4 Instruct the Director of Support services to obtain Secretary of State's consent for the disposal at the appropriate time.

3. FINANCIAL IMPLICATIONS

- 3.1 Successful marketing of the properties would result in a capital receipt to the Housing Account. It is difficult to assess what the receipt might be. Similar properties at 72/74 Haldane Terrace which were marketed in April 1997 resulted in an offer of £10,250, against which it was estimated the purchaser would be eligible for a Repairs Grant up to a maximum of £2,200 for each property.
- 3.2 The City Engineer estimates that the demolition of the properties would cost in the region of £15,000. In addition to this, fencing at an estimated cost of £6,000 would be required to provide security to surrounding properties. These costs will be met from an allowance to be made in the 2002/2003 HRA Planned Maintenance Estimates.

4. ENVIRONMENTAL IMPLICATIONS

- 4.1 Improvement and repair, or demolition, of these properties would remove a blight from the area and help secure the lettability of surrounding properties.

5. EQUAL OPPORTUNITIES IMPLICATIONS

- 5.1 None.

6. BACKGROUND

- 6.1 The properties at 34-36 Forres Crescent were integrated in to form an 8-apartment cottage for a residential project for Tayside Regional Council, Social Work Department in 1984. Internal alterations were also carried out to the properties, fire doors were fitted a laundry area was provided and minor disabled adaptations carried out. The condition of the tenancy agreement was that at the termination of the lease the properties would be reinstated to their original condition. The property was subsequently transferred to Barnardo's who continued to provide residential care for people with learning and physical disabilities. In 1994 the property reverted to the Social work Department.

On the 8th December 2000 Social Work Department vacated the property and whilst they acknowledge it is their responsibility to reinstate the properties they do not have finance available. Both properties are being vandalised. The location of the properties is shown on the plan at Appendix One

- 6.2 Extensive works are required to reinstate and bring the property up to a habitable condition. A probable cost obtained from the Architects Department which includes the cost of replacement heating and rewiring is estimated to be in the region of £70,000 to £75,000. The heating works account for approximately £13,000 and electrical works £16,000 of the above cost.
- 6.3 There is no demand for the properties. Indeed, there are no applicants on the mainstream or special Needs waiting list for this size of house. It is also not suitable for a disabled applicant, as the kitchen does not lend itself to a wheelchair user. Alterations would also be required to provide a level access shower and widening of internal doors. There would also be additional costs for heating and rewiring.
- 6.4 If the properties are not relet, this leaves us with three options:

- a) **Do nothing** – This is not recommended, since the empty properties are a blight on the area and a drain on maintenance resources.
- b) **Disposal for Improvement/Repair by Another Party** – This is recommended as the first option to be pursued, since it would achieve the upgrading of the properties and also result in a capital receipt to the Housing Account. A similar course of action was pursued previously, with the properties at 72/74 Haldane Terrace also returned to the Housing Department, following use by the Social Work Department, and it was felt that the cost of converting them back to mainstream tenancies was not a priority for housing expenditure. The properties were advertised in April 1997 and attracted one offer of £10,250, which was accepted by Committee in June. Properties at 81 and 83 Balgowan Avenue were also sold on the open market and resulted in a capital receipt of £10,200.

It should be noted that the properties at 81 and 83 Balgowan Avenue and 72/74 Haldane Avenue were eligible for a Repairs Grant. Grant assistance may also be available for 34/36 Forres Crescent, dependent upon the end use of the property.

- c) **Demolish** – The cost of demolition including fencing works is estimated at £21,000. This option should be pursued in the event that no acceptable offers for the properties are received.

7. CONSULTATION

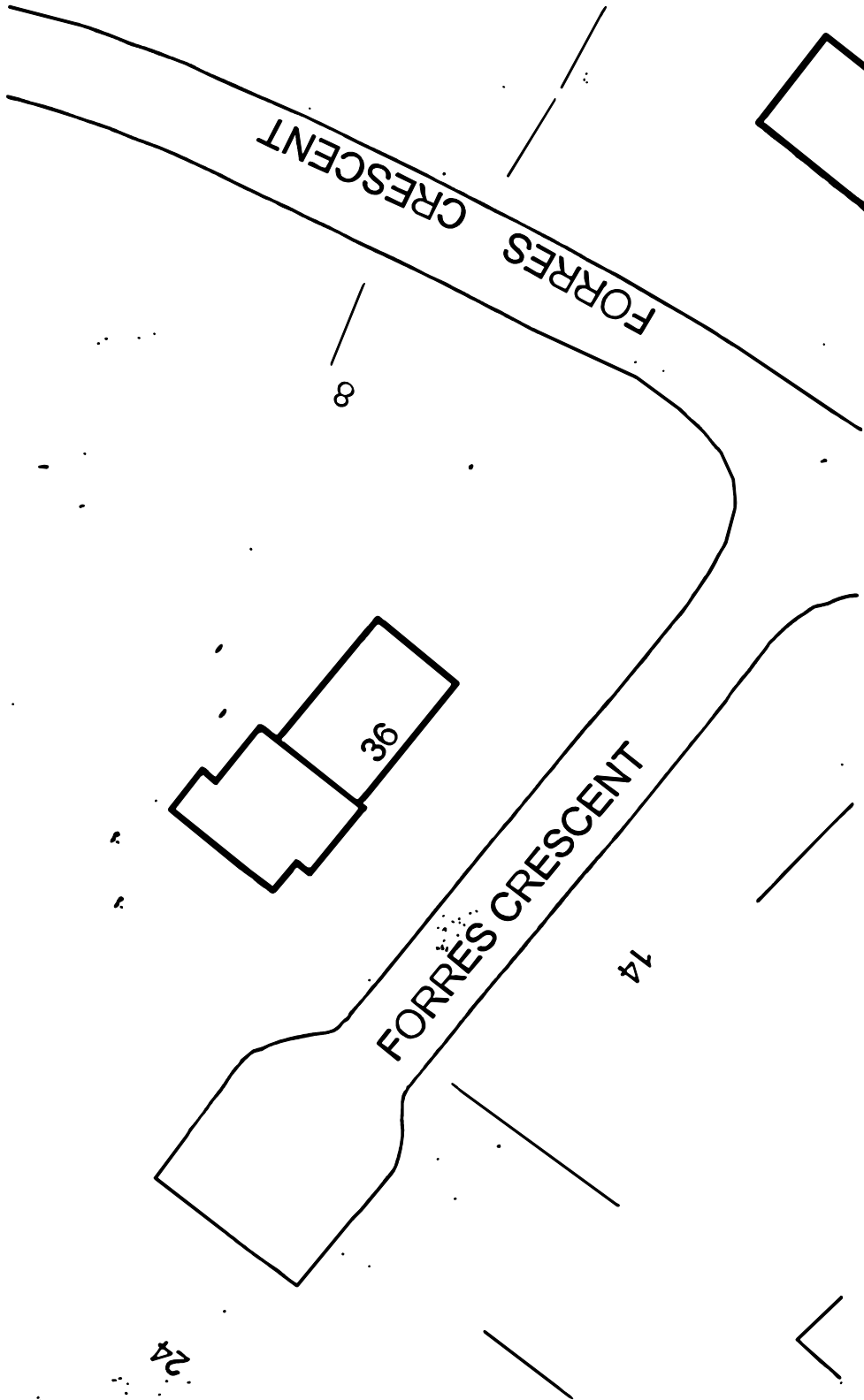
- 7.1 The Chief Executive, Directors of Finance, Support Services, Economic Development, Planning and Transportation, Corporate Planning, City Engineer and D.F.T.A. have been consulted.

The D.F.T.A. have raised some concerns regarding the recommendations in the report and have asked that their position is noted.

ELAINE ZWIRLEIN
DIRECTOR OF HOUSING

SIGNATURE

DATE



APPENDIX 1