

**ITEM No ...7.....**

**REPORT TO:** NEIGHBOURHOOD SERVICES COMMITTEE –30 OCTOBER 2017  
**REPORT ON:** 219-245 BLACKNESS ROAD  
**REPORT BY:** EXECUTIVE DIRECTOR OF NEIGHBOURHOOD SERVICES  
**REPORT NO:** 379-2017

**1 PURPOSE OF REPORT**

1.1 To seek approval for the demolition of the 26 flats and one shop unit at 219-245 Blackness Road.

**2 RECOMMENDATION**

2.1 It is recommended that the Committee:

- a) Agree to declare surplus and demolish 26 flats and one shop unit at 219-245 Blackness Road, as outlined in Option 3 at Paragraph 4.2 below.
- b) Remit the Executive Director of Neighbourhood Services to award priority rehousing status to the remaining tenants, together with the statutory Home Loss payment of £1,500.
- c) Remit the Executive Director of City Development to enter negotiations with the 10 owners regarding the repurchase of these properties.
- d) Remit the Executive Director of City Development to prepare tenders and seek offers for demolition and post demolition treatment at the appropriate time.
- e) Remit the Executive Director of Neighbourhood Services to bring forward proposals for redevelopment.

**3 FINANCIAL IMPLICATIONS**

- 3.1 Demolition and post demolition costs are estimated at £310,000. These costs will be met from allowances within the 2017-2022 HRA Capital Plan.
- 3.2 Home Loss Payments for the remaining 16 tenants will be £24,000. Buy backs and associated payments for the 10 owned properties are estimated at £800,000. These costs will be met from the Neighbourhood Services revenue budget.

**4 BACKGROUND**

4.1 The properties at 219-245 Blackness Road comprise 26 flats and one retail unit, access to the flats is by three external stairwells to the rear of the tenements. These are traditional tenement buildings dating from 1890s. There are 10 sold flats, 16 Dundee City Council flats and one small retail unit.

Due to the age of the buildings and exposure to the elements over time the condition of the stairwells has significantly deteriorated. Urgent repairs were carried out to the stairwell at 229-237 in 2015 to ensure its safety and further works completed to the stairwells of all three tenements in March 2017 to further ensure Health and Safety. Advice from Dundee City Council Engineers is that these stairwells may have a 4-5 year lifespan at best. All stairwells continue to be subject to regular inspection to ensure the safety of the residents. The roofs have reached the end of their useful life and require to be replaced, there are several roof leaks at present and tenants have had to be decanted.

Consultation has been carried out with the residents regarding the future of the properties. This has been by means of an initial public meeting, drop-in events held in a vacant flat within the buildings, meetings with owners, letters and personal interviews. From the responses 14 residents expressed a preference for Option 3, the Demolition and Re-development proposal, 7 expressed a preference for Option 2, to Re-build the Stairwells. There are 3 void flats and 2 no responses (one owner and one tenant),

Therefore the majority view from the residents is for Option 3, Demolition and Re-development.

Given the age, condition of these buildings, and cost of repairs to rebuild suitable access stairways, an options appraisal has been undertaken.

#### 4.2 Options

##### Option 1 – Take No Action

The stairwells are such a poor state of repair that this is not an option. In order to provide safe access to the tenements the stairwells must be rebuilt.

##### Option 2 - Rebuild the Stairwells

The works required are estimated to cost in the region of £880,000 to £1.200M depending upon a like for like replacement or an improved design with stairwells protected from the exposure to the elements thereby ensuring a more sustainable lower maintenance future. These works would mean that the owner's shares for their contribution to the works would be estimated between £34,000 to £47,000. Grants available under the Council's Scheme of Assistance would be limited to the maximum cost per dwelling of 40% on a maximum approved expenditure of £20,000 for owner occupiers and 25% to a maximum approved expenditure of £20,000 for professional private landlords. Therefore owners would be responsible for meeting bills in the region of £26,000 - £39,000 and professional private landlords £29,000 - £42,000. Depending on individual household circumstances owners and private landlords could be unable to meet the cost, or raise finance and be in negative equity should they try to sell their property.

##### Option 3 - Demolition and Re-development

The blocks would be demolished and the site cleared. The site would then be re-developed for new build affordable housing.

This costs are estimated to be in the region of £4.500M, with an affordable housing grant contribution around £1.200-£1.700M depending on whether redevelopment was undertaken by the Council or a Registered Social Landlord.

The Council would buy back the properties from the owners and private landlords at the values determined by the District Valuer.

This option would ensure good quality, energy efficient affordable homes for the long term. Owners would be compensated for the loss of their homes and would be assisted with re-housing.

#### 4.3 Conclusion

There are significant challenges presented in implementing the stair rebuild option which will add no value to the properties. The demolition and new build option would ensure good quality, energy efficient affordable housing in a popular area of the City.

## **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 Council Management Team have been consulted in the preparation of this report and agree with the contents.

## **7 BACKGROUND PAPERS**

- 7.1 None.

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**Executive Director of Neighbourhood Services**

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18<sup>th</sup> October 2017

