

Report for Resolution

Report to Executive
30 September 2009
Report of Director of Regeneration and Development
Subject Argyle Street

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Purpose

To inform members of structural defects found at 19 properties on Argyle Street, two of which are leasehold, to outline the options for the future of these properties and to gain approval for proceeding to resettle affected residents, purchase the leasehold properties, and sell the land to a registered social landlord (RSL) in order to demolish the properties and provide new affordable housing.

Recommendations

Subject to the financial information as set out in the additional report under the exempt section of this agenda

1. To resettle the current residents of 38-42, 44-54 and 56-64a Argyle Street to properties according to their individual needs and agreed preferences
2. To purchase the leasehold interest in properties 56 and 64 Argyle Street.
3. To secure vacant properties by removing any metal, capping off utilities and securing of windows and doors.
4. To dispose of the council's interest in the land to enable the provision of new, high quality affordable housing.

Financial consequences

The financial consequences of this report are set out within the additional report under the exempt section of this agenda, however all costs will be met from the sale of the land to a Registered Social Landlord.

Risk assessment

- A full viability model for redevelopment with partners will need to be carried out if demolition and redevelopment is approved.
- Sufficient staff resource and budget to manage the resettlement process will need to be considered.
- Management of the communication process and the council's reputation. A communications plan has been drawn up and will be revised following this decision.

Strategic priority and outcome/service priorities

The report helps to meet the following strategic priority:

“Safe and healthy neighbourhoods – working in partnership with residents to create neighbourhoods where people feel secure, where the streets are clean and well maintained, where there is good quality housing and local amenities and where there are active local communities”.

It also aims to meet the service plan priority to strive for sufficient, good-quality, affordable housing, providing choice and accessibility and to provide a safe, secure and healthy environment in which residents live

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Ward: Thorpe Hamlet

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Report

Background

1. Argyle Street is a mixed development of bungalows, houses and two-storey blocks of flats.
2. Housing property services have investigated extensive subsidence affecting 19 of the properties. These are 38-42 (3 bungalows), block 44-54 (6 flats) and block 56-64a (10 flats) - see site plan attached.
3. The subsidence to the 19 properties listed has led to a large amount of repairs being required including ground stabilisation works to block 56-64a, internal and external crack repairs, and the renewal of all kitchen, bathroom and heating systems. Option one for consideration on the future of these properties would be to continue to carry out responsive repairs to the properties as and when required. This repair work would require considerable capital investment. It is also worth noting that some of the stabilisation works may not come with a warranty due to the ground conditions whilst other work may only carry a 12 year warranty.
4. Option two for consideration would be to carry out the work as noted in point three but also to carry out additional ground stabilisation and decent home upgrade works to numbers 38-42 and 44-54. Again this work would require substantial capital investment and would necessitate residents being temporarily decanted whilst work was undertaken.
5. Option three for the future of the properties would be to consider redevelopment of the 19 defective properties. This would involve resettling the remaining eight council tenanted households (nine of the properties are currently void), repurchase the two leasehold properties and sell the land for demolition and provision of new affordable housing.
6. Following the implementation of the council's decommissioning policy a meeting was held to engage with the residents of the affected properties on 12 June 2009. This meeting was to explain the options available, to explain the process for the decision making and to advise residents that we would meet with them individually to gather their preferred option. The meeting was well attended by residents.
7. Officers have subsequently met with all affected residents on a one to one basis. Of the 10 remaining residents in the affected properties five, including the two leaseholders, have expressed a preference to move, three have expressed a preference for minor repairs to be ongoing and two have stated that major repairs would be the preferred option. Although some tenants said they would prefer repairs, notably all had some idea of where they would want to move to if the decision to demolish was made.
8. If option three is preferred then any new social housing that is developed will be built to a higher environmental standard than the current properties. All new social housing developments must meet the code for sustainable homes level 3 as a minimum and we are encouraging our housing association partners to also

have strategies for minimising fuel poverty for residents. Any new development must also meet the Housing Corporations design and quality standards including meeting a minimum requirement under CABE's Building for Life scheme.

9. If redevelopment is agreed tenants will be allocated new properties using the city council's choice based lettings system, HOME OPTIONS, where they will be placed in gold banding. The resettlement will be carried out utilising existing resources in the neighbourhood and strategic housing service.
10. If redevelopment is the preferred option, the security of empty dwellings during the period of resettlement of residents up to the sale of the land to RSL partners in order to minimise the potential for damage and squatting will need consideration. This security would consist of removing any metal, capping off utilities and securing of windows and doors. An estimate of costs will be gained once the decision is made that redevelopment is to proceed.
11. If option three is preferred, then any one off costs for the purchase of leasehold properties, homeloss payments and security of the site would be recovered from the sale of the land.

