### REPORT TO: POLICY & RESOURCES COMMITTEE – 21 APRIL 2014

- REPORT ON: DERELICT PROPERTY AT 14 GARLAND PLACE AND AFFECTED PROPERTY AT 12 GARLAND PLACE
- REPORT BY: JOINT REPORT BY DIRECTORS OF CITY DEVELOPMENT AND HOUSING

**REPORT NO:** 96-2014

## 1 PURPOSE OF REPORT

1.1 To appraise the Committee of the derelict condition of the tenement property at 14 Garland Place and the risk caused to the adjacent occupied property at 12 Garland Place and to seek authority to take action to ensure immediate emergency repairs at 14 Garland Place to ensure the continued habitability of 12 Garland Place, and to prepare a Compulsory Purchase Order for the acquisition of 14 Garland Place by the Council.

### 2 **RECOMMENDATION**

- 2.1 It is recommended that the Committee
  - a agrees to the serving of a Work Notice under the Housing (Scotland) Act 2006 Section 30 requiring the immediate construction of a replacement roof on the building 14 Garland Place for the protection of habitability of 12 Garland Place; and
  - b authorises the promotion of a Compulsory Purchase Order under section 189 of the Town & Country Planning (Scotland) Act 1997 for the acquisition of the tenement property at 14 Garland Place by the Council.

### **3 FINANCIAL IMPLICATIONS**

3.1 Should the owners of 14 Garland Place fail to comply with the Section 30 Works Notice, then the cost to the Council of constructing a new roof is estimated at £180,000. Whilst these costs are recoverable from the owners, it would be prudent to also identify a source of funding for this expenditure given the current ownership position. Accordingly it has been identified that this expenditure can, in the first instance, be met from the allowance for Private Sector Housing Grants in the Council's Revenue Budget (Other Housing). Allowance for the acquisition of 14 Garland Place via a Compulsory Purchase Order (and any subsequent expenditure) will require to be included in the next review of the Council's Capital Plan

#### 4 BACKGROUND

- 4.1 The tenement property at 14 Garland Place was severely damaged by fire on the evening of 26 April 2012. The fire caused the loss of the roof to the building, major damage to the communal stair and top floor flats and some damage to the adjacent property to the east at 12 Garland Place. Some 22 months have since passed with no repair works being carried out by the owners such that No 14 is now completely vacant with no roof and its condition continues to deteriorate.
- 4.2 The owner's failure to maintain the property in safe and proper condition resulted in the Council exercising its statutory powers under Section 29 of the Building Scotland Act 2003. Emergency works were undertaken in November 2013 to remove three dangerous stone chimneys and all internal floors were propped to temporarily stabilise the building. These works were carried out at a cost of £80,000 and to date this money has not been recovered from the owners. The ownership situation within No 14 is very complex with a significant number of absentee owners or owners who are in administration or have been wound up.

- 4.3 The adjacent building at No 12 is still fully occupied and the owners wish to carry out repair works; however, they are being frustrated in this respect by continued rainwater incursion caused by the absence of a roof on the adjacent property at No 14. There is concern that if this situation continues for a lengthy period, then the property at No 12 will deteriorate further to the point where it too will become uninhabitable. There are also concerns about the detrimental effect of the condition of No 14 could have on the adjacent property to the south at 9 Parker Street.
- 4.4 Given the lack of any tangible intention by the owners of No 14 to repair their properties, there is a very real prospect that the building will continue to deteriorate, thus requiring the Council to intervene in the future to remove instances of public danger caused by the loose masonry on the top floors of the building. The Council is only authorised to undertake the minimum action necessary to remove that danger and this would likely be to demolish those sections of dangerous masonry, thus effectively resulting in a slow and expensive process of the buildings complete demolition on a phase by phase basis over many years. The redevelopment of a vacant site at this location would be complex and expensive with the possibility that it lay vacant for many years if not permanently. Furthermore, the Council's ongoing expenditure on the cost of demolition on a phase by phase basis could be substantial with an uncertain prospect of ever recovering those monies.
- 4.5 The Vacant & Derelict Property Working Group have considered a variety of options as to how this situation could be resolved such that No 14 could be retained and brought back into a habitable condition, that No 12 could be properly repaired by its owners and any possible future danger to 9 Parker Street could be avoided. In order to achieve this, there needs to be action taken to help resolve both the short and long term impacts of the vacant and derelict condition of the fire damaged building. It is, therefore, proposed that the Council takes action, firstly, to ensure that a replacement roof is constructed on No 14 to facilitate repair and preservation of No 12 and, secondly, to bring No 14 into a single ownership in order to facilitate its comprehensive restoration.
- 4.6 A replacement roof will resolve the issue of rainwater directly penetrating into No 14 and from there into No 12, thus allowing the owners of No 12 to carry out their necessary repairs and ensure their property meets the Tolerable Standard for residential premises. In order to achieve these required outcomes, the design of the replacement roof will have to match that of the original (ie a mansard roof with sloping sides and a flat top). A Work Notice under Section 30 of the Housing (Scotland) Act 2006 can be served on the owners of No 14 requiring them to carry out these works; if, however, this Notice is not complied with within a reasonable period, then the Council canintervene and carry out the works and recover the costs in due course. These are currently estimated at £180,000.
- 4.7 Once the building at No 14 is roofed, consideration has to be given as to how a full and comprehensive restoration of the building can be made possible, otherwise it will slowly deteriorate internally with inevitable consequences. The current complex and uncertain ownerships within No 14 are a major obstacle to its comprehensive restoration by any public or private body; therefore, bringing these into a single clear ownership would greatly assist in that process. A Compulsory Purchase Order, promoted by the Council under Section 189 of the Town & Country Planning (Scotland) Act 1997 can be served on No 14 which, if confirmed by the Scottish Government would result in the Council taking ownership of the whole building. The Council could then look at a range of possible vehicles to undertake the building's restoration for housing purposes.
- 4.8 In conclusion, almost two years after the fire at 14 Garland Place, there is no real prospect of the building being repaired or restored without the Council's intervention. The adjacent properties to the east and south are being adversely affected by this situation and the position will probably only get worse. Any eventual loss of No 14 would be a blight on the surrounding area with little prospect of a redevelopment being viable. The Council does have powers which can tackle the short and long term impacts of the vacant and derelict condition of No 14

and authority is sought to use these powers to enable the Council to facilitate the building's repair and restoration.

# 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, the Director of Corporate Services and Head of Democratic and Legal Services have been consulted and are in agreement with the contents of this report.

# 7 BACKGROUND PAPERS

7.1 None

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MPG/EZ/MS

24 February 2014

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