

REPORT TO: ECONOMIC DEVELOPMENT COMMITTEE - 18TH OCTOBER 2004
REPORT ON: STOBSWELL TENEMENT CLEANING AND MAINTENANCE SERVICE
REPORT BY: DIRECTOR OF ECONOMIC DEVELOPMENT
REPORT NO.: 692-2004

1. PURPOSE OF REPORT

- 1.1 To advise Committee of proposals to address property maintenance issues in Stobswell and to seek committee approval for the nomination of two directors to the Stobswell social enterprise company.

2. RECOMMENDATIONS

- 2.1 That Committee approve the nomination of the Principal Policy Officer (Economic Development) and the Principal Housing Officer (Policy and Plans) to the board of the company.
- 2.2 That Committee approves the purchase of 50, £1 shares.

3. FINANCIAL IMPLICATIONS

- 3.1 The total share value of the company will be £150. The Council, as a one-third stakeholder in the company, will be required to purchase 50, £1 shares. This will be met from the Economic Development Department's revenue budget (2004/2005).

4. LOCAL AGENDA 21 IMPLICATIONS

- 4.1 This project contributes to the policy objective of meeting local needs locally.

5. EQUAL OPPORTUNITIES IMPLICATIONS

- 5.1 None.

6. REPORT

- 6.1 In 2002, the Dundee Partnership commissioned Turley Associates to:

"Establish a realistic long-term framework to create a vibrant and sustainable inner city neighbourhood suited to the demands of the 21st century".

- 6.2 The remit was given in response to the significant physical and social deterioration of Stobswell and the resultant comprehensive report elicited a broad range of contributing factors, challenges and potential responses.

- 6.3 The Turley report (copies are available for inspection in the Members' lounge) identified that a clear contributing factor to (as well as a symptom of) the decline of Stobswell is a deterioration of the physical fabric of the area and concludes that 30% of all property within the private rented housing stock is in "critical disrepair". Given the proportion of this tenure within the area, and the largely residential nature of Stobswell, this has a significant overall impact on the image of, and confidence in, the neighbourhood.

- 6.4 The two main points of concern were:

- Common repairs problems
- Poor decor and maintenance of common areas

- 6.5 Under the auspices of the Stobswell Steering Group, the Economic Development Department established a time-limited working group to investigate the potential for addressing this issue, learning from the experiences of the Erskine Street Factoring pilot project.
- 6.6 Initial feasibility work suggested that there was potential to address the issue, avoiding significant public subsidy other than development costs. The group is recommending the establishment of a social enterprise company to provide a basic cleaning and maintenance service at a minimal cost whilst providing training and employment opportunities for local people. The project will explore options for further development and expansion.
- 6.7 The company will consist of 3 stakeholders:
- Dundee City Council
 - The registered landlord sector (represented by Home In Scotland)
 - The Stobswell Forum
- 6.8 The company will run on a commercial basis with social objectives and will be limited by guarantee and each stakeholder will purchase 50 "B" shares of £1 each.
- 6.9 A 3-year development-funding package of £136,000 has been provided by Communities Scotland through Home In Scotland. During the development stage, further feasibility work, market assessments and employment and training will take place. It has been proposed, by all stakeholders and Communities Scotland, that if the enterprise is not commercially viable after that period, the business will fold.
- 6.10 Each stakeholder is to field 2 directors to the company and it is recommended that, from the Council, these be the Principal Policy Officer (Economic Development) and the Principal Housing Officer (Policy and Plans). The directors' responsibilities are fiduciary and will be to ensure the company conducts its business effectively and within the bounds of the law.
7. **CONSULTATIONS**
- 7.1 The Chief Executive, Depute Chief Executive (Support Services), Depute Chief Executive (Finance), Director of Planning and the Director of Housing have been consulted in the preparation of this report.
8. **BACKGROUND PAPERS**
- 8.1 The following Background Papers were relied upon in the preparation of this report:
- Stobswell Neighbourhood Regeneration Framework 2002 (Turley report)
 - Report to Planning and Transportation Committee 27th September "Stobswell Regeneration Strategy and Development Framework: 597-2004"

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DATE: 12TH OCTOBER 2004