

Report to:	Cabinet	Date: 01 June 2022
Subject:	Demolition of the Elms, Whitefield	
Report of	Cabinet Member for Housing Services	

1.0 Summary

- 1.1 This report seeks approval for the demolition of The Elms in Whitefield, a long-term void property owned by the Council.
- 1.2 The Elms, located off Elms Close in Whitefield contains an existing Victorian building which has been subdivided and extended into five flats. The property has been vacant for approximately three years due to extensive and severe dry rot throughout. There is also housing land to the rear of the property which is overgrown and landlocked by the property.
- 1.3 Provision has been made in the approved 2022/23 HRA Capital Programme to fund the cost of demolition and associated fees.

2.0 Recommendations

That Cabinet:

1. Approve the demolition of this property, subject to obtaining the necessary statutory consents.
2. Delegate the finalised terms of the agreement to the Director of Housing in consultation with the Chief Executive and the Cabinet Member for Housing Services.
3. Note that provision has been made for the demolition of this property and associated costs in the 2022/23 HRA Capital Programme.

3.0 Reason for Recommendations

- 3.1 This property is beyond repair at reasonable cost and an options appraisal has demonstrated that demolition is the best option.
- 3.2 To reduce revenue costs to the Council for holding, maintaining, and securing a long-term derelict property.
- 3.3 Risk of further deterioration/dangerous structure, a potential hazard to the public.
- 3.4 Reinstatement/refurbishment costs are unviable.

4.0 Alternative Options Considered and Rejected

- 4.1 Do nothing: This is a derelict property and underutilised asset causing blight to neighbouring properties and the community. It is at risk of anti-social behaviour including fly tipping and arson. Further deterioration of condition would result in additional costs to remedy.
- 4.2 Restoration/refurbishment: The cost of rebuilding and refurbishing this property is unviable.

5.0 Background

- 5.1 The Elms is an old housing asset, owned by the Council's Housing Revenue Account and located off Elms Close in Whitefield. It contains an existing Victorian building which has been subdivided and extended into five flats. The property has been vacant for approximately three years following discovery of extensive dry rot.
- 5.2 The property has been surveyed by independent property surveyors Arcus Consulting, who have advised that it is in an extremely poor state of repair with several significant defects noted during the inspection. If the property were to be reoccupied at this time it would require complete stripping back to brick walls and the reinstatement of internal finishes, joinery items, fixtures, timber floors and electrical and mechanical services, together with extensive dry rot treatment and replacement roof coverings, windows and doors.
- 5.3 Thermal insulation upgrade works would also be required to ensure the property meets current building regulation standards. Estimated costs including professional fees and contingencies would be in the region of £950,000 (excluding VAT). Therefore, this level of cost makes the refurbishment of this property unviable.
- 5.4 The Elms was taken off the HRA rent roll last summer due to its condition.
- 5.5 The Partnership Board have been made aware of the poor condition of this property and have accepted the need to demolish.
- 5.6 Subject to the Cabinet approving this report, an options appraisal will be undertaken to determine the future of the cleared site, in accordance with the priorities set within the Council's Housing Strategy and HRA Strategy.

6.0 Links with the Corporate Priorities:

- 6.1 This proposal contributes towards meeting the Council's priorities across a range of policy areas including minimising the negative effect of empty properties on local communities, in conjunction with the Empty Property Strategy and the Bury Let's Do It Strategy.
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7.0 Equality Impact and Considerations:

- 7.1 Whilst there are no direct equality issues, the demolition of this property will reduce the Council's operational costs for holding, maintaining and securing a long-term derelict property and reduce the opportunity for anti-social behaviour.

8.0 Environmental Impact and Considerations:

- 8.1 The existing building is causing blight to the community and neighbouring properties.
- 8.2 There is a risk of anti-social behaviour including fly tipping and arson.

Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
Consent to demolish is not obtained.	Discussions will take place with Planning prior to any submission.
Insufficient monies to fund demolition and associated fees.	Provision has been made to fund the demolition of this property and associated costs in the 2022/23 HRA Capital Programme.
Derelict properties are a wasted resource and a liability to the Council and it costs the Council time and money to maintain them.	An options appraisal will be undertaken to determine the future of the cleared site.

9.0 Legal Implications:

- 9.1 Detailed legal advice will be provided as required at all stages.

10.0 Financial Implications:

- 10.1 Council approved in February a capital budget of £14.5m for the continuation of the 3 year investment programme in housing properties, along with the carry forward of slippage against the 21/2 empty property strategy and housing development schemes. This has resulted in a 22/23 capital programme for housing, subject to the finalisation of 21/22 costs of £15.474m. The costs of demolition and clearing of this site will be charged against this budget.
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Background papers:

None.

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
HRA	Housing Revenue Account