

WIRRAL COUNCIL

CABINET

14TH APRIL 2011

SUBJECT:	23-37 TRAFALGAR ROAD- OPTIONS FOR REGENERATION
WARD/S AFFECTED:	LISCARD
REPORT OF:	INTERIM DIRECTOR OF CORPORATE SERVICES
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR C BLAKELEY
KEY DECISION?	NO

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to seek Cabinet approval to demolish the block of vacant and derelict Council owned properties at 23-37 Trafalgar Road, Egremont, as the preferred outcome of an options appraisal completed by officers.
- 1.2 The project will promote the Council's Corporate Priorities by providing a site for either new housing or community use and will save money by reducing ongoing security costs for the site.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that the Cabinet approves the demolition of the properties at 23-37 Trafalgar Road, Egremont, inclusive, in order to provide a cleared site for either housing redevelopment or community use.
- 2.2 It is also recommended that officers continue to explore a longer term sustainable after-use for the cleared site.

3.0 REASON FOR RECOMMENDATIONS

- 3.1 The Council has exhausted all other avenues in an attempt to bring these properties back into viable and sustainable use, and the properties have started to deteriorate structurally and attract antisocial behaviour to the area. The demolition of these properties would offer a usable space potentially for the community or could be redeveloped for affordable housing to meet local housing needs.

4.0 BACKGROUND AND KEY ISSUES

- 4.01 The terrace 11-41 Trafalgar Road, inclusive, is located just off and to the east of King Street, Egremont and consists of pre-1919 solid wall, three storey units consisting of both living and commercial accommodation (see plan in Appendix 1). Some properties have undergone conversion into flats and a number have been vacated and left derelict. Property condition is mixed, ranging from very poor and structurally unstable to reasonable. The Council has been aware of both the condition and vacancy problems for a number of years but they have lacked the resources to deal with the terrace on a comprehensive basis until recently.
- 4.02 The properties at 25-37 Trafalgar Rd, inclusive, were bought by the Council with vacant possession between September 2005 and May 2007 in order to progress the Egremont Area Shopping Strategy which was originally agreed on the 26th January 2005. They were all acquired by agreement with individual owners and have remained vacant and secured against unauthorised access since acquisition.
- 4.03 The Egremont Area Shopping Strategy advocated the demolition of 11-41 Trafalgar Road inclusive, and their replacement with new residential accommodation or an amenity space as part of a more comprehensive intervention to rationalise the vacant commercial units in the area, concentrating on King Street.
- 4.04 The properties were bought using Housing Market Renewal funding and are located within an area that was designated as suffering from high stress housing within the Council's Strategy for Inner Wirral 2004-2014.
- 4.05 Efforts were made to secure the acquisition of the remaining properties in the terrace, initially without success. One reason given for refusing to negotiate was the lack of good quality alternative business accommodation in the area, something that the Egremont Area Shopping Strategy as a whole had hoped to provide to facilitate the selective removal of poor quality and vacant stock.
- 4.06 Once it became clear that delivery of the proposed Egremont Area Shopping Strategy had stalled, the Council invited tenders for the refurbishment of the block at no further public cost as part of the Options Appraisal to test market interest in the renovation option. Advertisements were placed in the local press inviting expressions of interest on 27th August 2008.
- 4.07 Several private sector developers expressed an interest in quoting for the works and 44 requested tender packs. These were sent out in September 2008. Despite the initial interest no firm proposals were received. Feedback from the developers suggested that more information was required in order for them to formally quote for the works.
- 4.08 Subsequently, the same 44 contractors were contacted to ask whether they would like to receive an amended tender pack featuring this additional information. Of these, 15 developers requested these amended tender packs, which were sent out in December 2008. This resulted in two developers

submitting proposals for renovating the block but after one withdrew it was eventually concluded that the remaining offer did not provide a sustainable, cost-effective solution that would meet identified local housing need.

- 4.09 The property at number 33 Trafalgar Road was demolished in December 2010 following advice received from the Council's Technical Services Department as the property was deemed to be in a dangerous condition and it was feared that the wind and snow over the winter period may cause the building to collapse.
- 4.10 Since then, the Council has reached agreement with the owner of 23 Trafalgar Road to buy his empty property, and this acquisition has now been completed. As a result the Council is now in possession of numbers 23, 25/27, 29/31, the cleared site of 33, and 35 and 37 Trafalgar Road (inclusive). If left standing, the properties will continue to remain an eyesore in the area, comprising mainly vacant shop units to the ground floor with residential accommodation above. The rest of the block 11-41 Trafalgar Rd contains a delicatessen at 11/13, newsagents at 39, and residential accommodation at numbers 15, 17, and 41. Numbers 19 and 21 are two cleared plots that are owned by an absentee landlord who lives abroad. The Building Control section of the Council demolished the two properties in 2004 due to their poor and dangerous condition and the land remains in private ownership.
- 4.11 Having tested the market for any interest in a renovation scheme and exhausted the option to acquire the complete terrace by agreement it is recommended that the Council owned properties are demolished with a view to the cleared site being used for either community use or the provision of new housing should a developer be interested.

5.0 RELEVANT RISKS

- 5.1 Doing nothing will result in the Council being exposed to ongoing costs for security and maintenance. The Council has already had to take emergency demolition action to remove mid terrace properties due to structural instability.
- 5.2 Demolishing the suggested properties will result initially in a cleared site which will be secured against access and fly tipping. There will be ongoing maintenance expenditure associated with this site. In the longer term there is a risk that a suitable after-use is not identified and the site will remain unused.
- 5.3 Demolition of mid terrace houses risks damaging the adjoining houses left standing, however, suitable precautions will be taken to mitigate this risk. Mid terrace demolitions have been successfully undertaken in the past.

6.0 OTHER OPTIONS CONSIDERED

- 6.1 Several other options have been considered regarding the future of the properties at 23, 25/27, 29/31, 35 and 37 Trafalgar Road. These were mainly combinations of demolition and refurbishment but there has been insufficient interest in a refurbishment scheme from the private sector as was demonstrated during the tendering process. Using public funds for extensive refurbishment does not provide value for money in the current financial climate,

and a need for a resolution indicates that demolition of the site would be the most appropriate option available.

6.2 Approximate costs for the various options explored;

- Refurbish interior of 23, 25/27, 29/31, 35 and 37 Trafalgar Rd, exterior of 11-41 Trafalgar Rd, inclusive, plus returns in Rudgrave Square and Charlotte Terrace. Would need co-operation from owners of adjacent properties. Likely costs in the region of £606,656.
- Refurbish interior and exterior of 23, 25/27, 29/31, 35 and 37 Trafalgar Rd only. Likely costs in the region of £543,607.
- Demolish 23, 25/27, 29/31, 35 and 37 Trafalgar Rd only with associated exposed gable works. Likely costs in the region of £75,000.

7.0 CONSULTATION

- 7.1 Throughout the period of Council intervention extensive consultation has been undertaken with property owners and residents about the future of this terrace. This includes the lengthy negotiations to acquire houses and listening to the concerns raised by owners/residents unwilling to sell to the Council. Local members have also been involved in discussions with officers as acquisitions progressed. Discussions have also been held with local RSLs regarding the possibility of building new housing on the site.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 8.1 Voluntary and/or community groups could be instrumental in operating and maintaining a community use for any site created by demolition. A similar after-use was implemented at the former site of 59/61 Trafalgar Road (also acquired and demolished by the Council) where a successful community allotment scheme has been developed. A lease was granted in November 2009 for 3 years to Wirral Environmental Network, who use and maintain the site.

9.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

- 9.1 The cost of demolition including making good of exposed party walls and site security will be met from housing capital resources carried over from 2010/11. The project will continue to be managed and delivered by existing staff from the Private Sector Housing Renewal Team within the Housing Division.
- 9.2 The site may generate a capital receipt if sold or may remain in Council ownership and may be provided on a leasing arrangement depending on its use.
- 9.3 Residential property constructed or brought back into use could have implications for the award of New Homes Bonus, currently equivalent to £1,439 per annum or £8,634 over six years for an additional Council Tax Band D property, subject to other changes to the total housing stock. The provision of

affordable homes could also attract an additional £350 per annum per dwelling or £2,100 over six years.

- 9.4 The demolition of the properties could have a negative impact on the award of New Homes Bonus in future years, equivalent to 7 residential properties.
- 9.5 Cabinet is also advised that officers have been in discussion recently with British Gas about the possibility of a Community Energy Saving programme for parts of Egremont and Poulton. This proposal may require investment from the Council to maximise the contribution from British Gas in insulation, heating and renewable energy measures and Cabinet is asked to consider that funding set aside for the area under the Housing Market Renewal programme for site assembly, may be a potential funding source, should one be needed. The details of the proposed scheme and the financial implications are now being drawn up in partnership with British Gas and, if necessary, the Interim Director of Corporate Services will discuss these implications with the Cabinet Member for Housing and Community Safety and consider the use of available funds to prevent the missed opportunity for significant leverage of funding from British Gas, in order to meet deadlines to secure this project.

10.0 LEGAL IMPLICATIONS

- 10.1 None.

11.0 EQUALITIES IMPLICATIONS

- 11.1 The existing HMRI Clearance and Improvement Programmes Equality Impact Assessment has been reviewed in light of the proposals in this report and no changes are considered necessary.
- 11.2 Should the cleared site be used for community use in the long term, such use would be inclusive and promote involvement among residents and representative groups.

12.0 CARBON REDUCTION IMPLICATIONS

- 12.1 Any redevelopment of the cleared site with new homes would provide units built to thermally efficient standards and in the case of any RSL new build, Level 4 of the Code for Sustainable Homes.

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 13.1 In order to demolish the properties planning approval will be required. Planning permission will also be required for any further use of the site.
- 13.2 The site lies within a Primarily Residential Area, in a regeneration priority area where new housing would normally be permitted under the Council's Interim Planning Policy for New Housing Development.

13.3 The subject properties have been a target for vandalism and anti-social behaviour for a number of years. Removing these buildings through demolition would reduce anti-social behaviour.

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APPENDICES

Plan of area attached

REFERENCE MATERIAL

- Roger Tym and Partners, Egremont Shopping Area Regeneration Strategy, July 2004
- Strategy for Inner Wirral 2004-14, GVA Grimley, 2003

SUBJECT HISTORY (last 3 years)

Council Meeting	Date