

## **Proposal to Aberdeen City Council to Consider Viable Alternatives to a Compulsory Purchase Order for Balnagask RAAC Houses in Private Ownership**

### **1.0 Background to this Submission**

1.1 Aberdeen City Council (ACC) is seeking to demolish 372 out of 504 dwellings in the Balnagask housing scheme which are affected by RAAC. However, ACC is only in ownership of a majority of properties within this area, with a further 132 properties currently in private ownership. Council owned properties and privately owned properties are interspersed throughout the area, thereby making it difficult for the Council owned properties to be demolished in isolation.

1.2 ACC has approached the owners of the remaining properties seeking voluntary acquisition of their properties at market value. By way of explanation the District Valuer in determining market value deems that the market value must reflect the existence of RAAC panels in the roofs of these dwellings and accordingly a deduction requires to be made to reflect this situation. ACC are currently not prepared to increase the valuation, as determined by the valuer, to reflect pre-RAAC market values for those dwellings.

1.3 Accordingly, given that the majority of owners would be severely financially disadvantaged by accepting the current level of valuations, and in many instances rendered unable to clear their existing mortgages, the situation is unlikely to be resolved anytime soon, unless alternative solutions are investigated, since there is no guarantee that an unconditional CPO would be approved, even if ACC were of a mind to make application for one.

1.4 If ACC does decide to proceed to make such an application, the majority of residents are determined to object to an unconditional CPO being granted on a number of grounds, one of which would be that ACC had failed to seriously explore, consider and evaluate alternative proposals offered by owners, thereby significantly delaying any demolition activity over much of the site concerned for a number of years. This would, result in increased costs to ACC, who will have to ensure that its properties are kept secure and maintained, especially where these are contained within mixed blocks which have shared services with owners. It would also delay any potential development of the overall site for a similar period.

1.5 In order to try to assist both ACC and the owners resolve this situation, the Torry Community RAAC Campaign Group Management Committee (TCRC) has met with its members and established their willingness to consider alternative options to those currently available, being voluntary acquisition and CPO, neither of which are acceptable to the owners in their present form. This proposal, therefore, outlines two options, which TCRC believe are worthy of investigation and consideration by ACC so as to enable an early resolution of the current situation, which is severely impacting on the mental and physical health and wellbeing of the owners.

1.6 Following recent informal meetings between TCRC and ACC Chief Officers and ACC Joint Council Leaders, during which we informally described these two options, each of which we believe would be seriously considered by owners, to avoid Aberdeen City Council (ACC) having to proceed with the making of an application for a Compulsory Purchase Order (CPO), we are now writing to formally propose those alternative solutions to ACC.

1.7 This submission seeks to achieve the main objectives of the ACC scheme, while minimising monetary loss and disruption to affected property owners and reducing associated legal and financial costs. We therefore request that ACC gives full and fair consideration to these alternative proposals as part of its evaluation of viable options.

## **2.0 Overview of the Alternative Proposal (1)**

2.1 This proposed alternative involves exchanging privately owned houses, that are scattered throughout the Balnagask scheme, with vacant, council-owned properties located at the periphery of the development site in either a single, or in multiple clusters. Upon identifying suitable properties, ACC would engage with the owners, reach legal agreement over transfer of title and, thereafter, through a mechanism to be agreed, to effect removal of all RAAC panels from each dwelling and replacing these with a prefabricated, insulated cassette roof.

2.2 Where private owners' houses are already contained within a 'cluster' area they could either choose to retain title of that property and have the RAAC removed and new roof fitted under the mechanism to be agreed, or move to an alternative property, which has already had the remedial works completed and titles in those respective properties be exchanged. Budget estimated costs and roof design details have already been provided to ACC Chief Officers for review.

This would allow:

- Affected residents to retain homeownership by exchanging their properties, where required, for equivalent council-owned homes, which would be made 'RAAC free'.
- The assembly of a contiguous site of sufficient size to meet the ACC scheme's objectives.
- A reduction in demolition and displacement, aligning the development with human rights and proportionality principles.

2.3 By clustering affected residents in housing near the site's periphery, this approach ensures that the authority can progress with its demolition and redevelopment plans, while respecting the property rights of owners and minimizing community disruption.

### **3.0 Key Benefits of this Proposal**

#### **3.1 Benefits to ACC**

- **Facilitates Scheme Objectives:** This solution ensures the assembly of a sufficiently large site, enabling the ACC redevelopment scheme to proceed without compromising its core objectives.
- **Reduces Legal Risks:** By minimizing reliance on CPO powers, the authority mitigates the risk of costly and time-consuming legal challenges from property owners.
- **Enhances Public Perception:** A balanced approach that considers the rights of affected owners is likely to generate goodwill and public support, strengthening the authority's reputation.
- **Efficient Use of Resources:** Leveraging existing council-owned properties, which are to be otherwise demolished, maximises the utility of public assets and reduces the need for additional acquisitions or construction.
- **Reduced Loss of Housing Stock:** By reducing the overall numbers of houses to be demolished, and 'repurposing' them as outlined above, will lessen the loss of housing stock at a time where a 'housing crisis' has been declared by ACC.

#### **3.2 Legal Benefits**

- **Proportionality and Necessity:** This alternative aligns with the principles set out in the European Convention on Human Rights (ECHR), specifically Article 1 of Protocol 1, which protects the right to peaceful enjoyment of property. By preserving property rights and minimising displacement, the proposal ensures that the authority's actions remain proportionate and necessary.
- **Reduced Risk of Legal Challenges:** Minimising the use of CPO powers reduces the likelihood of legal challenges from affected property owners, which could delay the demolition project and incur additional costs by ACC.

#### **3.3 Financial Benefits**

- **Cost Savings on Compensation:** Avoiding full-scale CPO proceedings significantly reduces the financial burden associated with compensating for property value, disturbance, and legal fees. The estimated costs involved in 'repurposing' the dwellings are less than the costs of voluntary acquisition, thereby leading to an overall saving to ACC.
- **Efficient Use of Resources:** Utilising vacant council-owned properties, that would otherwise be demolished, ensures that existing public assets are deployed effectively, avoiding unnecessary expenditure on acquiring additional housing.

- **Demolition and Relocation Costs:** This proposal reduces the number of properties requiring demolition, lowering associated costs and mitigating environmental waste.

### 3.4 Community Benefits

- **Preservation of Homeownership:** By offering a 'property swap', affected residents retain the ability to own their homes, RAAC free, mitigating the financial, emotional and social impact of displacement.
- **Minimised Disruption:** Clustering affected residents within local properties preserves social ties and maintains a sense of community cohesion.
- **Public Support:** A compromise solution that balances public and private interests is more likely to gain widespread community acceptance, reducing opposition and fostering goodwill toward the scheme.

### 3.5 Market Realities and Feasibility

- **Uncertain Demand for the Cleared Site:** At present, there is no guaranteed demand or approved development plan for the cleared site, making any intention to demolish purely speculative. Proceeding with wholesale demolition without a clear, funded plan risks leaving the site unused, wasting resources, and causing unnecessary disruption.
- **Funding Constraints:** ACC currently lacks sufficient funds to carry out development in the near future, further underscoring the speculative nature of the proposal and the potential inefficiency of proceeding with total demolition at this stage.
- **Low Commercial Value of the Land:** ACC Chief Officers have assessed the land as being of low commercial value. Therefore, reducing the extent of the cleared site under this proposal would not significantly impact the overall land realisation value, ensuring that the authority's financial interests are not adversely affected.

## 4.0 Overview of the Alternative Proposal (2)

4.1 ACC currently own a number of properties in shared blocks within which ACC is a minority owner. This causes problems to ACC in managing these properties due to arrangements for repairs and other shared costs having to be organised. As a consequence, ACC has been trying to sell those properties to reduce its management costs, which can be disproportionate in terms of monetary, time and effort spent on them.

4.2 This second option relates to the ‘swopping’ of an owned house in Balnagask for one of these dwellings in a minority owned block, as and when a vacancy arises. Albeit there is unlikely to be sufficient vacancies to deal with a majority of owners in Balnagask, this scheme would, nevertheless provide an option for any owner who desired to leave the Balnagask scheme but retain the same level of pre-RAAC equity they have in their current property.

## **5.0 Key Benefits of this Proposal (many similar to option 1)**

### **5.1 Benefits to ACC**

- **Facilitates Scheme Objectives:** This alternative solution ensures the assembly of a potentially larger site for demolition, enabling the scheme to proceed without compromising its core objectives.
- **Reduces Legal Risks:** By minimising reliance on CPO powers, the authority mitigates the risk of costly and time-consuming legal challenges from property owners
- **Enhances Public Perception:** A balanced approach that considers the rights of affected residents is likely to generate goodwill and public support, strengthening the authority’s reputation.
- **Efficient Use of Resources:** Leveraging existing council-owned properties maximises the utility of public assets and reduces the need for additional acquisitions or construction. The higher management costs of these properties will be removed from the HRA budget.

### **5.2 Legal Benefits**

- **Proportionality and Necessity:** This alternative aligns with the principles set out in the European Convention on Human Rights (ECHR), specifically Article 1 of Protocol 1, which protects the right to peaceful enjoyment of property. By providing options that minimise the potential for forced displacement of owners, the proposal ensures that the authority’s actions remain proportionate and necessary.
- **Reduced Risk of Legal Challenges:** Minimising the use of CPO powers through owners’ voluntary agreement to relocate reduces the likelihood of legal challenges from affected property owners, which could delay the demolition project and incur additional costs to ACC.

### **5.3 Financial Benefits**

- **Cost Savings on Compensation:** Avoiding full-scale CPO proceedings significantly reduces the financial burden associated with compensating for property value, disturbance, and legal fees.

- **Efficient Use of Resources:** Utilising vacant council-owned properties in minority ownership blocks, that would otherwise be costly and inefficient to manage, ensures that existing public assets are deployed effectively, avoiding unnecessary expenditure on such housing.

#### 5.4 Community Benefits

- **Preservation of Homeownership:** By offering a property swap, affected residents retain the ability to own their homes, mitigating the financial, emotional and social impact of displacement.
- **Provision of Choice:** By ensuring owners have a choice between staying within the community, or leaving it, means that those who remain are more likely to be committed to furthering community cohesion.
- **Public Support:** A compromise solution that balances public and private interests is more likely to gain widespread community acceptance, reducing opposition and fostering goodwill toward the scheme.

#### 6.0 Practical Considerations (Both Options 1 and 2)

The success of this alternative relies on the following key practical steps, which we believe are achievable with the authority's cooperation:

- **Inventory of Vacant Properties:** Conduct an assessment of suitable council-owned properties within Balnagask and city-wide minority owned blocks to ensure they meet the needs of affected residents in terms of size, type and location.
- **Property Evaluation and Matching:** Match affected properties with equivalent vacant Council properties and assess any required refurbishments, adaptations or transfer of equipment from existing dwellings, such as kitchen, bathroom fittings etc.
- **Legal and Administrative Framework:** Establish a clear framework for the exchange of ownership and associated agreement documentation to prevent any potential for misunderstandings between each of the parties to occur.
- **Stakeholder Engagement:** Work collaboratively with affected owners, TCRC, and legal advisors to finalise the details of the proposal and ensure broad support.

## **7.0 Conclusion and Request for Consideration**

7.1 This proposal provides a balanced, cost-effective, and community-centred alternative to a full-scale CPO. It achieves the authority's objectives while respecting the rights and interests of affected residents, reducing financial liabilities, and fostering public support for the scheme.

7.2 We, therefore, request the opportunity to discuss this proposal further and to work collaboratively with ACC to develop a detailed implementation plan. We would also welcome the opportunity to assist ACC in engaging with affected residents in helping them reach the decision that is suited to them and to ensure a smooth transition, thereafter.

We thank you for your consideration and look forward to receiving your response to each of the options and to the possibility of us working together on a collaborative basis to achieve a solution that benefits all parties.



**John Meiklejohn**

**Chair**

**On behalf of Torry Community RAAC Campaign Group Management Committee**