

## ***‘Regeneration’ in Interesting Times: a story of privatisation and gentrification in a peripheral Scottish city***

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When I first wrote about what was happening in Dundee, and the proposed demolition of council housing blocks that have dominated the city’s skyline for almost 40 years, house prices were rising – though never as fast as in more fashionable places – and developers still had an unsatisfied appetite for land. That is the background of the first part of my story. But by the time I presented my work as part of the seminar series on which this book is based, the economy had turned, and even politicians seemed to be waking up to the importance of social housing (both council and housing association<sup>1</sup>). I was able to end my talk on two small sources of hope for Dundee: that it was not too late to stop some of the worst of the planned destruction of council housing; and that the forthcoming council by-election would bring a change of administration and just possibly a greater willingness to rethink past decisions. On 30 March 2009, Dundee got a Scottish National Party (SNP) council in place of a New Labour dominated coalition,<sup>2</sup> and the new housing convenor responded to tenant pressure and the changed economic circumstances by agreeing to reconsider the demolition programme. The second part of this story looks at the last ditch campaign to save the blocks against the background of the post-crash economic crisis. I had hoped that the third part would give this story a happy ending, but the day after I completed the first draft of this chapter we learnt that, despite all our campaigns and arguments, the council was going to proceed with the demolitions. We can now only try and ensure the buildings are well maintained to the end, and tenants are offered reasonable alternative accommodation – and that this story is told so that others can learn what is happening to social housing and be better equipped to fight for its survival. We will be spared the latest attacks on social housing being planned by the Conservatives in Westminster, but Scotland’s hegemonic neoliberal consensus is far from accepting defeat.<sup>3</sup>

### ***Part I – The era of ‘regeneration’: selling the city***

I began working with Dundee council tenants angered by the potential demolition of their homes in 2004, when the demolitions were first proposed. I was not then a housing specialist but I could see that what was happening was both wrong in its effect on so many people’s lives, and against common sense, and I wanted to uncover the mechanisms that were driving it forward. Along the way I got a three-year lectureship at Edinburgh University, allowing me to delve into the subject more thoroughly in what I hope was a symbiotic relationship between my academic research and my work with tenants in Dundee and other parts of Scotland.

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<sup>1</sup> The greater part of British public housing was developed, owned and run by local councils. Recent decades have seen a politically-driven shift of resources to ‘third sector’ non-profit housing associations, including large-scale transfers of existing council stock, but in Dundee stock transfer was rejected by tenants at the initial consultative phase. The term social housing is used to refer to both council and housing association homes.

<sup>2</sup> The previous administration was a Labour-Liberal coalition with support from the Conservatives.

<sup>3</sup> Since Devolution in 1997, housing in Scotland has been the responsibility of the Scottish Executive - now Government. However, the devolution settlement limits the extent that government finances can differ from the rest of the UK, and Housing Benefit remains the responsibility of Westminster.

Central to my research was the need to understand how our politicians and councillors have convinced themselves, and others, that the active promotion of policies that encourage gentrification and the displacement of lower income groups is for the common good. Using the example of what was happening in Dundee, I found that this involved: the (mis)use of popular consultation, the selective adoption of academic arguments, and the promotion of policy-driven research. The practices I exposed will be familiar to anyone who has been involved in community politics around the world, but it is important to continue to record and publicise what is happening.

What we are looking at is – in Europe - commonly carried out under the positive-sounding banner of ‘regeneration’, but it has been rather more accurately defined by Jason Hackworth and Neil Smith as ‘third wave gentrification’: in other words, gentrification that is expanding into new areas, is carried out by large developers, and – crucially – is actively promoted by entrepreneurial urban governance. (Hackworth and Smith 2001, Harvey 1989) Hackworth and Smith argue that this has become possible because of the turn away from Keynesianism, which has involved both the dismantling of institutional structures designed to restrict such uneven development, and the dismantling of the physical structures of social housing and other low-cost housing that literally stood in its way. A lot of wealth has been created and, in the absence of Keynesianism’s constraints and redistributive mechanisms, so has exploitation, exclusion and a growing wealth gap. Gentrification’s third wave has also been characterised by a decline in effective resistance as communities are dispersed and community organisers are incorporated into smoothing the progress of the new system. This dissipation of resistance is both symptom and further cause of the decline of the left more generally, and an important part of a wider manufacturing of consent.

This chapter focuses on plans for the demolition of two multi storey blocks in Derby Street, at the top of the Hilltown in central Dundee, and for the subsequent redevelopment of the site. Dundee has little to offer the big league gentrifiers, but it competes with every other city to attract the globalised middle class, and it is these new citizens and their local counterparts, rather than the ex-industrial working class, that are regarded as the city’s future. The 21<sup>st</sup> century Dundonian has been envisaged as an aspirational home-owner, and schemes for regeneration in the city involve the demolition of thousands of council houses – over and above the more than 9,000 already demolished since 1990. (<http://www.scotland.gov.uk/Resource/Doc/933/0056544.xls> [accessed 16 May 2008]<sup>4</sup>) Under current plans, nearly 2,000 more homes are scheduled to go, including six multistories in the Hilltown (two in Derby Street and four in Alexander Street) and five in Menzieshill in the west end.<sup>5</sup> The regeneration plans were intended not only to replace council housing with private houses but to change the visual image of the city, especially for those arriving across the Tay Bridge. This is not, of course, promoted as gentrification, but, working with tenants and with Tony Cox and other housing activists, I found no evidence to back up the official reasons that have been given for demolition. At the same time, I found strong support for the argument that demolition is a damaging policy in both the short and long term.

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<sup>4</sup> These demolition statistics do not give tenure prior to 1998, but the great majority will have been public rented, or former public rented, housing.

<sup>5</sup> 1,898 homes were declared ‘At Risk’ – the first step in the demolition process – by the council’s housing committee on 21 June 2004. The final decision to demolish the Derby Street multistories was taken on 18 October 2004.

These conclusions made use of detailed surveys carried out by tenants in the affected multis, and an analysis of council documents. A crucial source of information was a report by the consultancy firm DTZ Piedad, whose analysis provided the basis for the council's housing strategy. (DTZ Piedad 2005) Tenants were initially denied access to this report, and were only allowed to see it after an appeal to the Scottish Information Commissioner under the Freedom of Information Act. The grounds for the council's refusal were that the methodology used by the consultants was commercially valuable, so its disclosure would harm their commercial interests: (Letter from the council's legal manager, 15 February 2005) an argument that shows a worrying attitude to the idea of objective research, as well as to concepts of consultation, democracy and accountability.

Although our criticisms of council policy have been covered in the local press, until the recent change in administration, debate was always curtailed by an official response that, rather than engaging with the arguments, repeated the same discredited interpretation. Here is the official version of what was happening as set out in a letter to a tenant by the Director of Housing in May 2007:

The continuation of population decline and changes in the housing market continue to generate a surplus of houses in the city, and there is strong, independent evidence that this will continue. Consequently, the Council has houses for which there is no expressed demand, which are blighting neighbourhoods and impacting on community social structures. Additionally there are houses with high investment needs which are unaffordable and uneconomic to retain... This provides the city with the opportunity not only to remove poor quality stock, but to enhance the range and quality of housing opportunities in the city... (Letter from Elaine Zwirlein to Tom Black, 3 May 07)

In other words, and regardless of any evidence that was produced to the contrary, the problems were said to be 'surplus' council housing, council housing for which there was no demand, and high maintenance and improvement costs. These were the ostensible reasons for what was happening, but none of these claims bears much scrutiny.

Even before the economic crisis, homelessness was increasing and housing problems dominated MPs' surgeries.<sup>6</sup> Yet, the DTZ Piedad report had claimed - with no supporting data - that the city had surplus council housing. Dundee had seen a fall in population, however the report predicted only a negligible fall in the number of households. Moreover, in a city with low wages and an aging population, council housing was always likely to become more needed rather than less - but such considerations were not discussed. The report actually stated that only half the people who applied for a council house were allotted one (others, especially younger tenants, will not even bother to apply) and it acknowledged that Dundee Council was already finding difficulty emptying the buildings that had been scheduled for demolition because of lack of alternative accommodation.

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<sup>6</sup> Meeting with Shona Robison MSP and Stuart Hosie MP (both Dundee East) 6<sup>th</sup> October 2006. The average number of households assessed as homeless each quarter rose from 136 in 2004 to 313 in 2006. Over the first 3 quarters of 2009 it averaged 446. <<http://www.scotland.gov.uk/Topics/Statistics/Browse/Housing-Regeneration/qrtrefmarch2010>> [accessed 18 May 2010]

It is at this point that we can see how policy-driven research is brought into play. When the Scottish Executive (as it was then called) commissioned researchers at Heriott Watt University to devise a mathematical model that could be used to predict social housing need (Bramley et al 2006), it was no doubt clear that what they were interested in were minimum figures. In fact the concept of ‘need’ in this context already implies that. The model produced responded to the policy agenda, and the two basic assumptions that underlie all the figures should raise the alarm for anyone who is hoping to be allotted social housing. The first is the assumption that social housing should only be made available as a last resort, with everyone else forced to rely on the market even if that leaves them just above benefit levels. The second is the completely arbitrary decision that councils should only have to meet 1/10 of the backlog of housing need each year. So, taking the example of Dundee, although the report acknowledged that the city had a backlog need for 6061 social rented homes – almost half due to overcrowding and sharing – this was translated into a backlog quota of 605 homes a year, which – with the restrictions on social housing eligibility – could be more than met by current turnover. That allowed the report to conclude that Dundee had a net *surplus* of social housing relets of 700 homes a year.<sup>7</sup>

The council claimed that, not only were the houses not needed, they were not wanted. There was no demand for so much council housing, and low demand for these particular homes. Academic theories about ‘low demand’ were originally developed to explain the decline and deterioration of areas of housing; however, ‘low demand’ housing has come to be seen not just as a symptom of area decline, but as a cause. Research in this field remains a relatively speculative attempt to make sense of a wide range of interconnecting variables, but it has been invested with an unwarranted authority by councils anxious to divest themselves of the costs of public housing, and to promote developments that will attract a new wealthier class of people. Bramley, together with Hal Pawson, has noted with approval how arguments about low demand have been used by councils to justify diversion of investment away from the worst areas of public housing, which were portrayed as fit only for demolition, enabling them to reduce their housing stock; (Bramley and Pawson 2002) and DTZ Piedad commented in a report for the Office of the Deputy Prime Minister in England that the reduction of social housing was an important by-product of such demolitions. (DTZ Piedad 2000) Architectural determinism can be used to gloss over more fundamental social problems, and may itself contribute to neglect and spiralling decline. However, more critical academic assessment (Gough et al 2006) has generally been ignored in favour of these ostensibly pragmatic models.

In Dundee, even after decades of minimal maintenance of council stock, there were, as we have seen, still twice as many people applying for council houses as were allotted them; and, even before the recession, there were clearly many more people who could have benefited from council homes but, for various reasons, had not applied. Some houses and areas are, of course, more popular than others, but, as with any other product, demand is not a fixed number waiting to be discovered: it will increase if the housing is improved or otherwise made more desirable. Graphic evidence of this was provided by two groups of medium-rise flats in Lochee in West Dundee, which were built to identical plans. One group had become very run down, and few

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<sup>7</sup> The figures for Glasgow are even more worrying. A backlog need for 29,603 social rented homes was translated into a backlog quota of 2,960 homes a year and a claimed surplus of social housing relets of 4,590 homes a year, which has been used to justify demolitions on a vast scale.

residents objected to being moved out to allow its recent demolition. The other received an injection of money and a make-over some years back, and the flats are much sought after.<sup>8</sup>

In order to demonstrate the unpopularity of the specific homes proposed for demolition – and also their commitment to consultation – the council’s housing department carried out surveys of the affected tenants. These were done very rapidly and with minimal supporting information: the buildings were described (ambiguously) as ‘at risk’, and the £1500 Home Loss payment was emphasised. The surveys produced the desired results – 57% in favour of demolition in the case of Derby Street - and the councillors speedily and unanimously supported the demolition proposals, despite an impassioned plea from tenants’ representatives and a packed gallery of protestors.

As unease and anger grew among the tenants, I worked alongside housing activists and tenant campaigners to produce alternative independent surveys. These were able to give a more realistic assessment of tenants’ views after anti-demolition campaigns had generated discussion of the issues in the local media and in the buildings concerned, and there had been time for people to understand what was involved and the lack of other options available.

The picture that emerged was very different from that portrayed by the council – and I think that the tenants involved in carrying out the surveys were themselves surprised at the extent of the opposition to demolition. (Glynn 2005) In the two Derby Street multis, we found that 71% of those surveyed wanted to remain in the buildings.<sup>9</sup> Only 18% wanted to leave - and several of those told us that they needed to find somewhere without stairs for medical reasons, or somewhere cheaper. Only 9% supported the idea of demolition. We also found that 30% of the households surveyed said they had not received the council ballot paper on demolition.

The council argued that demolition makes economic sense, freeing up money for essential investments in its ‘core stock’ so as to bring it up to the new mandatory Scottish Housing Quality Standards by the 2015 deadline. In fact, the housing department’s plan assumed that by that date a further 1300 homes would have been declared ‘surplus’ and emptied for demolition so that they would not need investment in improvements. The crucial DTZ Piedad report for Dundee hinges on economics: it is a ‘Financial Viability Study’. However, the figures given in that report suggest that demolition could, in fact, be a hugely more expensive option than repair and improvement. Demolition may have made economic sense for the council, but only, it seems, because they expected to receive vast amounts of subsidy in various forms from the Scottish Executive, or as it is now called, the Scottish Government. It should be noted that then, as now, there was virtually no subsidy available for the management, maintenance and refurbishment of council housing, and that councils’ housing revenue accounts were and are expected to be self-supporting. However, there was subsidy for demolition, and for grants towards limited numbers of new housing association, though not council, homes.<sup>10</sup> According to DTZ Piedad (who give no explanation for, or breakdown of, their figures), demolition of 4,630 homes would require an additional sum of

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<sup>8</sup> Foggeyley Gardens is now largely demolished. Nearby Dryburgh Gardens is owned by a housing association, but the differences can be attributed to investment and maintenance rather than tenure.

<sup>9</sup> The survey had a 48% response rate

<sup>10</sup> Budget tightening has meant that there is no longer money available for demolition, but Dundee City Council received and spent £3.4million of Scottish taxpayers’ money on demolition related programmes. (Figure given by Jimmy Black to a meeting of Derby Street tenants’, 22 April 2009.)

£32 million, plus a further £60 million of grant subsidy towards 1,350 new housing association homes. Can we assume that such subsidies were considered a price worth paying to get rid of a large amount of social housing, boost private developers, and woo middle-classes incomers?

A further abuse of economic logic is found in the arguments about which buildings to demolish. The DTZ Pieda report for Dundee made clear that, despite all the talk about popularity, when it came to choosing targets for demolition, they were largely influenced by maintenance costs.<sup>11</sup> Although the multis were in good condition, with a likely minimum life of 30 years, they have higher electrical and mechanical costs, including lift replacement. But what are never mentioned are the many savings associated with vertical living in matters such as public transport and the maintenance of roads and pathways - savings that would, of course, benefit different budgets.

Tenants were also told that one reason for demolitions is that the buildings do not comply with new, greener, statutory insulation standards. However, insulation can be improved relatively easily, and a serious environmental policy would welcome the multits' compact planning with minimal travel distances, and would reject un-necessary demolition.<sup>12</sup> We are being asked to recycle yoghurt pots by the same authorities that promote the wasteful destruction of whole buildings. (We discovered much later that the majority of the Derby Street flats actually already met the minimum insulation requirement, but the council had never done any calculations.<sup>13</sup>)

After we had finally managed to get access to the DTZ Pieda report, some of these criticisms were covered in the local paper. They were followed by the usual response from the council's then housing convenor, who told their reporter,

We make no apology for taking away the type of housing people no longer want in a bid to regenerate communities and to saving hard-earned rentpayers' money on property that incurs needless costs. (*Courier* 28 April 2006)

Six years after demolition was agreed, 50 out of 374 flats in the Derby Street multits are still occupied (October 2010). It is taking much longer to empty the buildings than planned because people did not want to move, and because of the very real lack of alternative housing.

Many people have been put through high levels of stress. Moving is always stressful, and a sense of powerlessness and an inability to control events only increases stress. It is known that taking older people away from the places with which they are familiar can have serious affects on their psychological – and consequently physical – health.<sup>14</sup> There were disproportionate numbers of older people in all the buildings scheduled for demolition, and quite early on, we were already being told of people being made ill with worry.

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<sup>11</sup> We have since been told that there were also higher than average management costs due to high turnover. (Meeting with Jimmy Black 15 June 2009) There can be many reasons for this, but it would not be unreasonable to expect a higher turnover in flats than in family houses, and there are always people who need short-term accommodation. Besides this more transient group, there were many tenants who had been in the multits a long time, and our May 2009 survey of remaining tenants showed a broad spread of length of residence.

<sup>12</sup> See Anne Power's arguments for improving older housing (Powers 2008)

<sup>13</sup> When we got refurbishment priced by Wates Construction, Wates carried out full heat-loss calculations.

<sup>14</sup> I do not think it is an exaggeration to argue, as Bob Dumbleton has done, that in some cases the disruptions of demolition can be fatal, though of course this is very difficult to prove. (Dumbleton 2006)

At the time the multis were built, slum clearance schemes were being accused of destroying communities. Now another generation of linkages is being pulled apart. In most places today, community ties are not seen to be as strong as they were at that earlier time, but that does not mean that they are not there, or not important. There are families in which two or even three generations lived in different flats in the same multi; and many people have other family members in the area. There are also people who have maintained long-term friendships with their neighbours.

People have been put under a lot of pressure, tempting them to accept places they might not be happy with, in areas where they have no links, for fear of something worse. There are many stories of people who regret having moved and who miss their multi – the security, location, friends, generous-sized rooms and panoramic views. Several people have a housing history of moving from flat to flat ahead of different regeneration schemes – and some from Derby Street have gone to the adjacent sheltered housing scheme, which itself is now being considered for demolition.

Some households will have found themselves forced into peripheral estates, away from the services they are used to, and with few services altogether, dependent on the bus for everything. What's more, the people who lived in the multis formed a significant proportion of those who used local shops, and other amenities. As they left, these have become less viable. Already in January 2007, the council was becoming concerned about commercial decline in the Hilltown, (*Courier* 9 January 2007) and local shopkeepers were very supportive of our recent anti-demolition campaign.

Many tenants will have ended up in homes with higher rents and service charges run by housing associations, or even in much more expensive and less secure private tenancies. Almost all new social housing has been built by housing associations rather than the council, so although the council said it would respect the consultation that showed Dundee tenants did not want stock transfer of council housing to housing associations, it then carried out policies that have resulted in transfer by the back door. The Scottish Executive tried to rebrand stock transfer as 'community ownership', but there is widespread understanding that transferred housing is less democratic, as well as more expensive to run – and consequently to rent.<sup>15</sup>

The statutory £1500 Home Loss payment (set back in 1989 (*Statutory Instrument No. 47 (S.2)*) was intended as compensation for the stress and upset of a forced move. Although the *Land Compensation (Scotland) Act 1973* stipulates that tenants are also eligible for 'disturbance payments' to cover 'reasonable expenses', these are ill-defined and have been interpreted differently by different councils. Dundee City council has got away with providing nothing more than vouchers to help with, but by no means meet, decoration costs.<sup>16</sup> Tenants have to pay

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<sup>15</sup> In 2003, the National Audit Office in London calculated that investment via stock transfer cost the public purse an extra £1,300 per house, and the Public Accounts Committee commented that this was an underestimate. (House of Commons Council Housing Group 2005) The DTZ Piedad report for Dundee observed that an increase in supervision and management costs per unit from £495 to £595 would be a 'reasonable cost for an alternative landlord in stock transfer' (DTZ Piedad 2005, para 4.16)

<sup>16</sup> Instead of vouchers, the council is now making sure relets are in good decorative order, but tenants still need to pay for curtains and floor coverings as well as more personal changes.

removal costs, and many have invested considerable amounts of money, time and energy in improving their homes, which they are now expected to do all over again. This can leave them seriously out of pocket.

Those still living in the emptying multis initially welcomed the relative quiet, but new difficulties soon materialised. As the buildings emptied out, repairs were kept to a minimum and vandalism spread. People found themselves the only ones left on an otherwise empty landing, and vital concierge systems were cut back. Flats where all the surrounding homes are empty can become unbearably and unhealthily cold and damp – and very expensive to heat. Some households in Menzieshill and Alexander Street had to endure three winters in these conditions before being found alternative homes. Derby Street tenants have described wrapping up in extra layers or even staying in bed to ward off the cold, and our May 2009 survey showed that many had spent over £40 a week on heating. (Glynn 2009b) (For the winter of 2009-2010 – after repeated demands - tenants were provided with some financial assistance through the fuel poverty scheme, and similar arrangements have been made this winter.)

The demolitions are affecting not only tenants in the buildings being knocked down, but also many other existing and would be tenants, as the number of houses available has decreased. Good flats have been sealed up, while homelessness continues to rise, and while recession is increasing the need for affordable rented homes. Level entry flats in Menzieshill have been left empty (and are now being demolished), while people with limited mobility remain stuck in upper floor tenements. And, with so many flats unused, the council is receiving fewer rents, forcing it to impose substantial rent increases on remaining council tenants.<sup>17</sup>

And what of the plans for the sites? The regeneration strategy document for the Hilltown, produced in 2008, disguised the plans to remove a large section of the area's existing population under the usual rhetoric about consulting with 'community groups', creating 'a place where people would want to live' and 'planning for strong and stable communities'. (Dundee City Council 2008:8, 12, 10 and 7) No account was taken of the views of existing tenants being forced to leave their homes, for whom these developments are 'fancy houses for somebody else to buy on my plot'. (Interview with tenant 28 July 2006) On the sites occupied by over a thousand council houses in the multis and adjacent buildings, the document proposed an increase in the percentage of 'affordable' private housing, through mixed-tenure developments of around 420 new homes, of which less than a quarter would be socially rented. For the whole of the Hilltown, the council's housing strategy for 2004–09 gave a short-term (five-year) target of just 98 new social-rented units, which was planned to rise to 250 units by 2034. (Dundee City Council, *Local Housing Strategy*, p. 27) Clearly, only a fraction of tenants having to leave their homes will be able to be accommodated in the area. Is this what the director of housing meant by 'enhanc[ing] the range and quality of housing opportunities'?

An internal council discussion document on 'affordable housing', leaked to housing activists in the summer of 2006, presented the development of private housing on the demolition sites as improving the quality and choice of *private* housing in the city, and as bringing

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<sup>17</sup> With each of the (approximately) 4% rent rises introduced in 2006, 2007 and 2008, the director of housing commented on the fall in rental income due to council house sales and demolitions (The *Courier*, 17 January 2006 and 2007 and 22 January 2008).



‘regeneration benefits through encouraging more balanced communities with more diversity of tenure’. (Dundee City Council 2006) Here we see another example of the selective use of academic research. Tenure mix – and implied social mix – is being promoted simply as an unquestioned good, ignoring the growing body of evidence that questions this assumption.<sup>18</sup>

While Dundee Council has made no attempt to record what has happened to those households displaced by demolition, it could not claim to be unaware of some of the knock on consequences of its policies. The leaked document also noted that registered social landlords (generally housing associations) were ‘reporting difficulties in competing with private developers to acquire land... for new housing development’ and that ‘[t]here is a danger that RSLs are only able to secure land in locations that are least attractive to the private sector’. The demolitions, as we have seen, were leading to a substantial reduction in low-cost rented housing in the centre of the city and in the west end, and new housing association homes were being forced out to cheaper land on the margins.

Despite this internal acknowledgement that all was not well, the effect of the way housing policy is currently presented – of which Dundee provides just one example – is to shift debate away from fundamental questions. As with other aspects of neoliberalism, structures that were generated in accordance with the hegemonic political agenda have been credited with the neutrality of scientific facts, and major policy shifts have been accepted as somehow inevitable. Discussion has been restricted to the mechanics of implementation, and bureaucrats drive policy forwards in compliance with centrally audited targets. Elected representatives are portrayed as powerless to resist these ‘natural’ forces, and have become disengaged from the policies they are nominally responsible for. This was brought home to Derby Street tenants when one of the councillors came to meet them, and confessed to never having seen the crucial DTZ Pieda report; at which point they felt like helping him unceremoniously out of the multi window. I doubt if most other councillors had seen the report either, yet they all voted for demolition with hardly a question asked.

## ***Part 2 – After the crash: struggling to get out as the juggernaut ploughs on***

In the last three years so much has changed – and also so little. The construction of an economy around property speculation has proved as unstable as any other pyramid selling scheme, and much of the mechanism of ‘regeneration’ has been brought to an abrupt halt. However, belief in the free market economics that created the speculation has proved rather more resilient. Politicians of all hues are attempting to take on the crisis from within the same neoliberal paradigm that brought it about. While some have used the crisis as an excuse for a stronger dose of neoliberalism, in line with what Naomi Klein labelled disaster capitalism, (Klein 2008) no mainstream politicians have shown willing to do much more than tinkle with the edges of existing systems.

After the crash there appeared to be a growing recognition of the importance of social rented housing, as increasing numbers of families saw other options disappear, and private developers stopped building new homes. But there was more talk than political action. Money for

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<sup>18</sup> Though in the different context of their response to the Scottish Government’s 2007 housing green paper, council spokesmen themselves noted that ‘some of Britain’s most sustainable and stable communities are single tenure.’ (<<http://www.scotland.gov.uk/Resource/Doc/214031/0056981.pdf> > [accessed 17 May 2010] answer to question 23)

new social housing was announced with great fanfare, but the amounts do not begin to match the scale of the problem. Scottish housing policy is devolved and social housing has been generally treated better here than south of the border, however the total Scottish budget is dependent on funding from Westminster, and housing benefit is not devolved, so scope for a radically different approach would anyway be limited.

By the spring of 2008, the situation in Dundee was so bad that the local paper ran features on the city's housing crisis (and the council's denial of its existence) for over two weeks.<sup>19</sup> In response to this, I worked with other activists to organise a public meeting and street stalls. No member of the council administration accepted our invitation to the meeting, and the Dundee Federation of Tenants' Associations, which is funded - and much quoted - by the council, refused too, on the grounds that such a meeting was 'political'.<sup>20</sup> We were also told that we could not hold a stall in the city square as we did not have public liability insurance and someone might trip over it - a tactic increasingly used to clamp down protest. In the event (and to the disappointment of the waiting press cameraman) we were not stopped, presumably because the council wanted to avoid more bad publicity. We had won our small battle in the fight to reclaim public space and prevent the suppression of dissent, but the council took little heed of our arguments. And up on the hill, the Derby Street tenants were still facing a war of attrition, which is a very hard war to win.

While refusing to accept that the city had a housing crisis, Dundee Council did acknowledge the need for more affordable rented homes, and they were one of the first councils to buy up unsold privately-built houses. Such policies were being widely promoted as a way of bailing out private developers, however this gained the council only fifteen homes, and was balanced by a reduction in their target for future social house-building. (*Courier* 7 August 2008) At the same time, most of the developers that might have been expected to build on cleared regeneration sites had stopped building - and Dundee had its share of half-finished aborted developments. But still the council would not reconsider its policy on demolitions.

Then, at the end of March 2009, following a council by-election and subsequent political dealing, a new Scottish National Party administration was formed, with one of the Hilltown councillors as housing convenor; and Derby Street tenants began to hope that this could herald a new approach to the future of their homes.

The changed economic situation was central to these hopes. After all, the previous decision to demolish had been supported by the SNP along with all other councillors, and even though Jimmy Black, the new housing convenor, seemed sympathetic to their position and had not been a councillor at the time of the earlier vote, he needed the support of his SNP group. The tenants' association had, of course, always argued that the decision to demolish was ill-founded, but now it was more manifestly so, and councillors would have ample public justification for a change of policy. In a long interview with Dundee's *Evening Telegraph*, Black stated:

We have about 14,000 council houses, with around 8000 people on the waiting list, 2500 homeless applications every year and some 600 homeless families and individuals waiting to be housed at the moment.

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<sup>19</sup> See *Evening Telegraph* from 25 March 2009 onwards. This is the sister paper to the *Courier*

<sup>20</sup> For an analysis of the role of officially supported tenants' organisations such as the Federation, see Glynn 2010.

On that basis, the idea that we have a surplus of housing is just daft, which is why I want to look again at the demolition programme. (9 April 2009)

(While Black might also have liked to rethink the demolition of the Menzieshill multis, these had had a less active tenants' campaign, were more nearly empty, and – crucially - were less expensive to demolish and on more valuable land.)

For the Derby Street tenants, this second stage of their campaign was very different from the first. Whereas, before, all approaches to the council had been peremptorily dismissed, they now found themselves working alongside the new housing convenor in an attempt to make the case for refurbishment robust enough for him to have both the confidence and the ammunition to take it to his colleagues. I worked with the tenants, helping in the organising of the group and the gathering of evidence.

One of the first things we did was carry out another survey among remaining tenants, which found a very similar proportion wanting to stay in the buildings as before. (Glynn 2009b) It also looked in some detail at what people liked, or did not like, about the flats and the local area. The responses showed strong appreciation of the central location, local shops and good bus services, and of the security of the buildings with their concierge system. People also appreciated the spacious layout of the flats, and, of course, the views; and we included some comments from people who regretted leaving and would like to return. The suggested improvements – better heating, insulation and window seals, rewiring, new kitchen and bathroom fittings, improvements to public areas, and reinstatement of concierge manning levels – would be standard components of a refurbishment scheme; and our report noted that these would have to be combined with better building management.

Next, I looked at the several million pound question of refurbishment costs. To ensure a realistic estimate for the construction costs, I used comparisons with other refurbishments, and budget costs available via the web. Council officers responded with their own calculations, coming up with a figure that was 2/3 as much again as mine. (Powerpoint by Jimmy Black 30 September 2009) Unimpressed – and with the convenor's consent – we invited a private contractor, Wates, who had done similar work in Glasgow and other cities, to look at the buildings. Their price of £7.8 million (including £2.4 million for full insulated external cladding) was a bit lower than my original calculations. In addition, refurbishment would have obviated the need to pay the substantial demolition costs, which the council estimated as between £2.5 and £4.4 million.

Then followed long discussions with Jimmy Black and officers from the housing department, where we argued over financial projections and disputed the assumptions on which they were based. We questioned the assumed void level of 10% (when it had only been 6.4% without refurbishment) and the requirement to pay back any loan within 15 years, and we pointed out possible instances of double counting of maintenance costs and the need to factor in inflation and its impact on the real value of interest payments. (We also pointed out that they had miscounted the number of flats!) Long term projections will always have a large margin of error, and relatively small changes in basic variables can be used to give very different conclusions. The conclusion of the council officers was that the sums did not add up, and without their support it became clear that the elected representatives were not going to be persuaded to take on what

was being presented as a huge and costly risk. People tend to be more concerned about being blamed for doing something that goes wrong, than about not doing something right.

By this time we felt like the hero in a fairy story who at each turn is set an ever more impossible task. Reluctantly, we had to accept that we had reached the end of the line in our pursuit of council investment, and, in spite of all our concerns about stock transfer, we asked if we could approach housing associations to see if they might be interested in taking the buildings on and retaining them as social housing. We put together a description of the buildings (including plans, photographs and sketches of possible improvements) and sent it to the five housing associations active in the city, together with a supporting letter from the housing convenor. Although they found such an approach from a tenants' group rather unorthodox, four of the associations were sufficiently interested to send senior people to meet us and look at the buildings, and one went on to initiate funding discussions with the banks.

The issue then became the council's willingness to demonstrate its commitment to make the scheme work, and to do a deal that did not transfer unsupportable risk to the housing association. To the intense frustration of the association, as well as the tenants, this last hope was dashed when the SNP group agreed not to rescind the original demolition decision. The councillors' position clearly responded to that of the unelected housing bureaucrats, who had always demonstrated an extreme reluctance to backtrack on their plans or admit that they had made a mistake in their assessment of the buildings. Keeping the multis would have had knock-on implications for their regeneration plans, and any successful scheme would not have reflected well on those who had tried to write the buildings off. Throughout these negotiations, the housing department continued to plough ahead with policies geared towards demolition, and a council officer told the chair of the Derby Street tenants' group that they intended to pick off remaining tenants one by one. Maintenance was allowed to deteriorate and one couple was even sent an eviction notice that had to be stopped by the housing convenor.

It did not help, either, that, in the middle of our discussions, the council received the results of its latest 'housing need' study. Although Black publicly disputed the conclusion that there was a 'surplus' of social rented housing, and accused the formula of giving 'distorted results', (*Courier* 3 October 2009) this new report helped to strengthen official thinking and encourage officers' fears that either the Derby Street multis would be hard to let, or that they would take tenants away from other council multis. (It also discouraged at least one of the housing associations.) This approach is consistent with a wider culture of governance that emphasises risk-minimising auditing at the expense of progressive social change. (Cowan and McDermont 2006)

There remains just one positive note. The council has promised that there will be no more mass demolitions, and that the 1300 further homes that had been planned to go before the new standards became mandatory will be kept and improved. As Black pointed out, there is no-where else for tenants to go – but our long campaign must have made his decision easier.

Meanwhile, at a national level, after three and a half years in power the Scottish National Party Government is still patching together its policy towards housing. Subsidies are still being given to support home ownership, housing associations are being told they should rely less on public funding, there are proposals for new partnerships with the private sector, and money for

refurbishment of council housing has hardly even made it to the agenda. Despite articulating support for social housing, the government is still pushing a version of the Bramley 'housing need' model (which was used in Dundee Council's recent reassessments) and encouraging an increased reliance on private renting. (Scottish Government 2010:p3) However, they have ended the right-to-buy for new social housing tenants - though not for existing tenancies; the social housing budget has been increased – but as a short-term measure taken out of future budgets; and some money has been given for new council housing - though only a fraction of what is needed and. In 2009 a Shelter report observed that the number of social rented homes in Scotland was the lowest it had been in 50 years. (Shelter 2009)

I have tried to use this case study to intervene in the developing policy debate, and I would like to end this section with a summary of the arguments for refurbishment of council housing that I wrote for the Scottish Tenants' Organisation to give to the Scottish Housing Minister in April 2009:

The Scottish Government recognises the need for more social housing. It also wants to get the most housing it can for its investment. Improving existing housing is generally a lot cheaper than building new. It is also much greener. And it can avoid the destruction of communities and forced moves that were so rightly condemned in the redevelopments of the 60s and 70s. The underlying reason for most demolitions has been a deliberate reduction in the amount of social housing. If government now recognises the need for more social housing rather than less, then it needs to re-look at the case for demolitions. It is commonly argued that the homes that are demolished are those for which there is no demand. Our research with tenants in Dundee shows that this is by no means always the case. On top of this, demand for a house, as for any other product, will go up if that house is improved. Government has recognised the importance of improved standards for social housing, but unless more money is made available for improvements then the new standards will force councils to get rid of the homes they can't afford to do up – and many tenants will be forced into poor quality private rented housing. Much existing council housing that is currently scheduled for demolition has the potential to become good quality homes for a relatively small investment. To make that happen the Scottish Government needs to work with local councils to make the money available for upgrading existing stock. If not, millions of pounds worth of assets and thousands of potentially good homes will just be destroyed.

### ***Part 3 – Back to an uncertain future***

As the remaining tenants vacate the multis – slowly as there are few places for them to go – there are as many unanswered questions about the future of the Hilltown as there are about the futures of those who are leaving it. Dundee was always the poor cousin of other gentrifying cities, and it has little to fall back on to attract developers in times of recession. (The city's most successful company would appear to be Safedem, which, in 2009, was named World Demolition Contractors of the Year. (*Courier* 6 October 2010)) However, as we have seen, this did not stop Dundee Council from adopting, unquestioningly, the standard 'regeneration' paradigm and attempting to replace social housing with

‘social mix’. Dundee’s ability to attract gentrifiers may be limited,<sup>21</sup> and the nature of the resulting Hilltown ‘community’ will not be clear for many years, however the impacts of the destruction of social housing are already being felt. Other tenures are less expensive in Dundee than many places, but the city has large numbers of households on very low income. The demolitions are affecting not only those forced to leave their homes but everyone who needs somewhere to live. Even as we campaign to ensure that those displaced by the demolitions are offered decent homes, we are aware that each home taken by someone from the multis makes one less for others on the waiting list. At the same time, and contrary to all the ‘social mix’ rhetoric, this forcing of poorer households from the centre of the city to the periphery will actually promote segregation rather than decrease it. And segregation is not only geographical it is also political. Despite the genuine best intentions of some individuals, the political system has demonstrated its disregard for the clearly articulated requirements and wishes of those most in need of its help. It has been made clear that they can expect to have no stake in the future of the city. This has nothing to do with encouraging social interaction; it is social exclusion.

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<sup>21</sup> The council’s hopes now rest on the Bilbao effect of the proposed Dundee V and A design museum, which will move the city centre further from the Hilltown.

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