

# Demolition in Derker opposed

Oldham residents have won a legal battle to prevent their homes being demolished under the government's controversial Pathfinder scheme. In our continuing series on the schemes across the north, Ciara Leeming also hears the opposing side of the story from Pathfinder officials

**Maureen Walsh did not expect her retirement to be consumed by activism. But the sprightly 67-year-old grandmother has spent the last few years battling to save her home and almost 600 others from demolition under controversial regeneration plans.**

Walsh and her husband Terry moved to the Derker neighbourhood of Oldham 43 years ago, during the slum clearances of the 1960s. Back then it was a thriving community. How things have changed.

Now the streets are lined with tinned-up terraces, social blight all around. Feeling is running high around here. Posters in people's windows read "Stop This Madness", "Save Our Homes" and "No Demolition." Those who have not yet sold up to the council talk conspiratorially of being "driven away" to make way for developers. Derker, they claim, has been neglected for 30 years – and now its residents are paying the price.

Oldham Metropolitan Borough Council tells a different story. The authority sees Derker as a failing community in desperate need of intervention. The only way forward, say the regenerators, is to clear swathes of redundant housing for new build, while renovating remaining properties. This will make Derker desirable once again and attract new people to the area.

Derker is just 10 minutes walk from Oldham town centre and over the coming years will be linked to Manchester by an extended Metrolink. Perfect, some suspect, for a wealthier, commuting class of resident.

Walsh, like many residents, is sceptical about the policy, pointing out that most homes that will be bulldozed are solid, well cared for and range in size. She believes the approach would be both financially and environmentally wasteful and is furious about what has happened to her community.

"Oldham Council are trying to make out they're doing us, the residents of Derker, a favour," she tells *The Big Issue in the North*. "They harp on about all the millions being spent here and how much better it's going to be. What they're doing



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though is tearing the spirit out of Derker.

"Elderly people are being forced out of perfectly good homes that they have paid for, because they're not the right kind of people. As far as I can tell all this money is going into these developers' pockets. We're certainly not the ones benefitting."

The row has raged since the masterplan was first revealed in late 2003, polarising sections of the community. A campaign group was established and it delivered a petition against the plans to Downing Street.

The population has dwindled in the meantime

yet the battle went to the High Court in March, as campaigners launched a bid – funded by Legal Aid – to block the process. The judge quashed planning permission affecting 588 homes in the area, after the council failed to carry out an environmental assessment or consider the cumulative effect of demolitions and rebuild on three sites.

And in a separate challenge, residents gave evidence to a public inquiry into the first phase of compulsory purchase orders in Derker. The inspector is due to rule on whether the policy should go ahead over the coming weeks.

Under the scheme, some £8 million of public money will be pumped into Derker over each of the coming three years to kick-start the 15-year regeneration process. The cash is being filtered through the Oldham Rochdale Housing Market Renewal Pathfinder, the local arm of a government scheme aimed at "correcting" unsustainable housing markets.

There are nine such Pathfinder or Housing Market Renewal (HMR) schemes across the North and the Midlands, with a budget of £5m until 2015. Some 57,000 mainly pre-1919 terraced homes are earmarked for demolition. But in a 2005 report, Empty Homes and Low-Demand Pathfinders, a House of Commons select

committee said evidence of rising demand in Pathfinder areas should trigger a "review of demolition programmes as a matter of urgency and [concentrate] on neighbourhood management and housing refurbishment".

Prices are rising in Derker, as elsewhere in Oldham. Terraces in the regeneration zone went up 173 per cent from 2000-06, something critics believe shows that demand is there. Yet the clearance policy continues.

Walsh, an active member of Derker Community Action Group whose London Road home falls in the second phase of demolitions, was one of the

Activist: Walsh (left);  
Transforming: Graham  
(below)



residents who spoke against the council at the inquiry. She says: "I honestly feel we've been led up the garden path.

"During the consultation they were talking about new windows and doors, improved street lighting and traffic calming. The first we knew of any demolition was when we looked at plans for the area at an exhibition in 2003 – our house was one of the many that were missing.

"We suddenly realised that all of Lower Derker was coming down. It was shattering – everything you've worked for, the home you think you'll grow

old in, is going to be taken away. And for what? More apartments and yuppie town houses.

"Since then, people have grown disheartened and the area has gone downhill. We now have more vacant houses and problems than we did before that word 'regeneration' was first bandied about."

For Walsh, and many like her, a big concern is the fear of being pushed back into debt. Derker's population is largely elderly and many whose homes are facing demolition are worried about being left with no alternative than to take out an

equity loan – one of the solutions offered under Pathfinder.

Residents are offered the difference between the price for their home – currently about £70,000 for the average Derker terrace, up from just £35,000 a few years ago – and the price for a new home. The money is repaid once the house is sold.

"We paid for our house in 1985 and thought we were set up for our retirement," says Walsh. "Now this happens. I don't care what they say – to me it is still a debt, whether it's us that pay it or our kids.

"Whichever way you look at it, the people of Lower Derker who are under threat of demolition are paying the price.

"If I was given an equivalent house to replace mine, and not forced to borrow money, I'd give them the deeds in a flash.

"The thing about HMR is that everyone in the community should benefit. The government said there wouldn't be any losers. But I consider myself a loser if I have to go into tens of thousands of pounds into debt at my age."

Alice Hardy, a solicitor with the Birmingham firm Public Interest Lawyers, which handled the case, believes there are serious flaws with the way the Pathfinder has been handled in Oldham. But she says a positive result in the public inquiry would be a huge confidence boost to communities who find themselves in a similar situation.

"People were being made to feel there was nothing they could do to stop this and had given up on Derker," she says. "The more people that lose hope, the harder it is for the remaining people to win their case because their area gets more deserted and there is less of a community to save.

"Councils grant themselves planning permission so have a lot of power. And developers get huge rewards for schemes like this. It can only be a good thing if more communities take back some of that power and use it to defend themselves, in the way people from Derker have done."

# Radical solutions

**Those charged with the delivery of Derker's regeneration could not perceive the situation more differently from campaigners such as Maureen Walsh. Radical transformation of the area is essential, they say, if this part of Oldham is to be turned back into somewhere that people chose to live, rather than one from which they are desperate to escape.**

Alastair Graham, director of the Oldham Rochdale Housing Market Renewal Pathfinder, believes residents who oppose the demolitions are failing to see the bigger picture. "This place has been in decline for a long time now," he says. "What's also happened in Derker is that people have been moving out once they can afford to.

"One reason is the perception that there's better housing and environment elsewhere. Most houses here are two-up, two-downs and there's little new housing.

"We're trying to transform Derker so that there's better choice – so people don't feel they've got to leave in order to get a modern, attractive house or

a garden. To get that scale of change some demolition is required. But we're also investing money in neighbourhood improvements and group repair.

"Yes, we want to attract new people, particularly families. But this is more about keeping the residents who are already here."

The buzz words within Housing Market Renewal parlance are "transformational regeneration." Pathfinder money is released to the kind of ambitious projects deemed able to change a community. And there's nothing as transformational as demolition and re-build.

Graham says: "We've done refurbishment schemes in the past which haven't worked. We're not saying there's something wrong with refurbishment, just that that isn't enough on its own because it won't turn an area around.

"I can understand that people in Derker want financial support to improve their homes but we've got to look to the future. If we were to stop now and refurbish all the empty properties for



sale, the old problems would simply come back again. At least if we get some new housing we'll have a fighting chance at transforming this place."

Noisy criticisms and legal challenges notwithstanding, Graham and his team believe they have carried much of the local population with them. During the 2003 consultation process that preceded the regeneration, residents were given three options – extensive demolition, extensive refurbishment, or a mixture of the two – and asked which they preferred.

The results, say the Pathfinder team, came back in favour of a balance – something now

## **"If we were to stop and refurbish all the empty properties, the old problems would come back again."**

being put into practice. Over the lifetime of the scheme, and assuming the compulsory purchase order application is approved, 588 properties will be demolished in Derker. But 350 homes will also be refurbished, and 1,200 two-bedroom terraces will still be standing when the Pathfinder withdraws from the area in a decade or so's time.

One of Derker's problems is said to have been the prevalence of absentee landlords, who owned some 30 per cent of housing. Not only did many care little for the maintenance of their properties, but some also allowed anti-social behaviour to flourish unchecked in parts of the neighbourhood.

The big hope of the regenerators is that the new developments will be peopled by those who actually want to live there, with rented accommodation managed responsibly. About 25 per cent of the new properties will be social housing, while a further 10 per cent will go on the market through a shared-ownership arrangement.

Julie Thompson, Derker programme manager for Oldham Metropolitan Borough Council, says one of the main concerns is where demolition leaves people financially. "It seems to be a particular issue for many of Derker's older residents, who want to save up and pass on money to their children.

"It can be quite hard to explain the concept that a bridging or equity loan is not debt in the usual sense. It is an interest-free investment which isn't paid off until later.

"If it helps them get a higher value property it is actually an investment, as prices are likely to increase. Their share goes up while the loan stays the same, so they should certainly still be able to pass something on to the family.

"But it doesn't suit everyone and we don't push them on to people. Everyone has to seek financial advice if they want to go down that route."

So far about 300 households have sold up to the council, with many finding alternative housing

within a few miles of the site.

While millions of pounds of public cash is flowing into the Pathfinder over its early years, as time goes on more should be forthcoming from the private sector. But while Graham admits developers will be making good profits from their involvement, he does not believe this is anything to worry about.

"We've transferred as much of the risk as possible to them, so that if costs rise they can't come back and ask for more grants," he says. "If sale values increase by more than expected we will get a share, and that money would be recycled back into the regeneration of Derker. The developers have been required to comply to tough targets as well – not just in the number of houses but also in using local labour for example."

Overall, those who are delivering Pathfinder on the ground in Oldham do not believe that the majority of residents are

against what they are doing. "Yes, there is a lot of cynicism," says Graham. "But there's also a lot of enthusiasm for what is happening.

"People are getting excited about the new developments in the area, which, together with the Metrolink extension and plans for a university in Oldham, will really help improve this part of town."

Anti-demolition campaigners say many were driven out by the dereliction which now blights Derker's demolition zone, a view backed up by the experience of George Davies, 64, an active action group member until the situation got too much for him.

Nightly anti-social behaviour around his condemned property persuaded he and wife Christine to sell their home on Ramsay Street for £60,000 and take out a £7,500 bridging loan to move a few hundred yards away.

He says: "I can understand where they're coming from – after all I felt the same a few years ago.

"But I came to the realisation that we were living on false hopes by thinking we could save our homes.

"It was a gamble but we are really pleased with our new house, which I'd admired for years and always hoped would come on the market. The people who are fighting should be looking to the future. I'm sorry to say it but they're wasting their time."

