

FAREHAM

BOROUGH COUNCIL

Report to Housing Tenancy Board

Date **20 May 2013**

Report of: **Director of Finance and Resources**

Subject: **HOUSING CAPITAL PROGRAMME 2013/14**

SUMMARY

This report provides the Board with background to the development and details of the capital investment programme for the Housing stock for 2013/14.

RECOMMENDATION

That the Board considers endorsing the programme of investment.

INTRODUCTION

1. Each year the Council owned housing stock receives a capital investment programme of works to:
 - (a) maintain the value of the assets
 - (b) ensure properties provide modern facilities for residents
 - (c) prevent dwellings falling into a state of disrepair
 - (d) address health and safety matters.
2. The recent stock condition survey informs the capital programme, ensuring investment is made in a 'just-in-time' approach. The timing of undertaking improvements, repairs and upgrades is critical to demonstrating the finance is being used in the most cost effective way possible.

FINANCE

3. The four-year capital programme has been updated and is summarised in the following table. More details of the capital schemes and its financing can be found in Appendix A.

Year	£'000
2013/14	2,258
2014/15	1,653
2015/16	1,712
2016/17	1,774
Total	7,397

4. Elements of the capital programme are used to fund works on a responsive basis throughout the year including kitchen and bathroom renewals, electrical upgrading and central heating installations to vacant properties.

PERFORMANCE MONITORING

5. Delivery of the capital programme will be reported to the Board on a quarterly basis, providing information on expenditure, commitment and number of properties/projects completed.
6. Contracts with vetted contractors have already been established to deliver a significant proportion of this year's programme as follows (note: commitments for kitchen/bathroom modernisations and boiler replacements are not for the complete budget allocation):

(a) Kitchen and bathroom replacement	£ 750,000
(b) Electrical upgrading	£ 200,000
(c) Central heating boiler replacement	£ 250,000
(d) Drain replacement	<u>£ 25,000</u>
	£1,225,000

RISK ASSESSMENT

7. There are no significant risk considerations in relation to this report.

CONCLUSION

8. The capital programme for 2013/14 has been developed to deliver an effective, timely and cost-efficient investment to the housing stock. Future reports will be provided to the Board to monitor its implementation.

Background Papers:

None.

Reference Papers:

11 February 2013 Executive Report - Housing Revenue Account Spending Plans, including the Capital Programme for 2013/14.

Enquiries:

For further information on this report please contact Chris Newman, Head of Building Services (Ext 4849).

HRA CAPITAL PROGRAMME 2013/14

Programme	Details
<p>Kitchen & Bathroom Renewals</p> <p>(Ongoing long-term arrangement)</p>	<p>Budget: £950,000</p> <p>This investment programme is to renew kitchens and bathrooms in line with the decent home standard. The works are undertaken using the 5 year term contract with MITIE Property Services Ltd and started their 3rd year in January.</p> <p>Properties being considered this year are in the following roads/blocks:</p> <p>Condor Avenue, Eagle Close, Windmill Grove, Seaway Grove, Coral Close, Norgett Way, Denville Avenue, Drake Close, Hardy Close, Hunts Pond Road, Holly Close, Winnards Park and Barnes Lane.</p> <p>Desk top studies and condition surveys will be undertaken to validate information currently held.</p> <p>Programmes are developed using the new stock condition information and previous collected information from our own surveys. The majority of this year's budget will focus on bathrooms. The vast majority of kitchens meet the decency standard and do not qualify for renewal. We will investigate those that have either refused or ignored previous offers for modernisation.</p> <p>The budget will also finance showering facilities within the bathrooms at our 'flagship' sheltered housing schemes Downing, Crofton and Barnfield Courts. Residents are offered a wet room (level access) showering facility in lieu of a standard bathroom modernisation, considering the 'lifetime home' initiative adopted by the Council for new build homes. Initial surveys have been completed and open days are held for residents to promote this investment. Barnfield Court and Downing Court are in progress. Crofton Court will be started in May/June.</p> <p>In addition, modernisations required at properties that become vacant will be funded from this budget. A sum of £100,000 is set aside for vacant properties to receive such works as required. The work is carried out by either the Council's Direct Service Organisation who undertake all other works to vacant properties or by MITIE on a schedule of rates basis.</p>
<p>Recycling Bin Stores</p>	<p>Budget: £30,000</p> <p>This budget is a contingency sum for the provision of recycling bin accommodation at blocks of flats and</p>

Programme	Details
Spring/Summer 2013 project)	<p>maisonettes.</p> <p>A scheme for recycling bin store improvements at Garden Court has been indentified by Tenancy Services. This work will be undertaken during the summer of 2013.</p> <p>An improvement scheme at Spencer Court, Stubbington is also being investigated. Proposal options will be consulted with affected residents.</p>
Other Communal Works	<p>Budget: £50,000</p> <p>All common areas are inspected twice a year programme indentifying any required works.</p> <p>No works have been indentified at present.</p>

<p>Central Heating and boilers</p> <p>(Ongoing long-term arrangement)</p> <p>(Spring 2014 project)</p>	<p>Budget: £368,000</p> <p>This budget allows for replacing old and inefficient boilers with new condensing fuel efficient boilers and central heating systems. These boilers generally fail on a regular basis or are considered to be beyond economical repair.</p> <p>A schedule of rates agreement with TSG Building Services Ltd exists for responsive boiler replacement following breakdowns for approximately 80 properties.</p> <p>Garden Court communal heating system requires its electrical controls to be updated. Consultants will be required to design and develop the works for the procurement of the project.</p>
<p>Electrical Upgrading</p> <p>(Ongoing long-term arrangement)</p> <p>(Autumn/Winter 2013 project)</p>	<p>Budget: £200,000</p> <p>The Council implements a 5 year programme of periodic electrical inspections of the housing stock. This budget finances the inspection regime, identified remedial works (i.e. change of consumer units, upgrades, repairs) and complete rewiring projects. This work benefits approximately 400 to 500 properties across the entire borough each year. Mains powered smoke and carbon monoxide detection is installed to all inspected properties.</p> <p>Emergency Lighting Projects</p> <p>This work is identified by means of commissioning Fire Risk Assessments of communal areas to blocks of flats. Remedial works and programmed to be undertaken with regard to risk and budget provision.</p> <p>Communal areas at Garden Court and Frosthole Close have been identified as requiring extensive rewiring work and have been programmed for the Autumn/Winter of 2013. Consultants have been appointed to design and develop the works for the procurement of the project.</p>

<p>Window & Door Replacements</p> <p>(Spring 2014 project)</p> <p>(Autumn 2013 project)</p>	<p>Budget: £350,000</p> <p>This budget will finance the first phase of replacement double glazed windows. The new stock condition survey will inform the programme accordingly together with known stock information, subject to validation surveys.</p> <p>Replacement doors are being procured for properties in Portchester and Fareham, including Kenwood Road, Roman Grove, Webb Road, Valentine Close, Park Walk and Nashe Way. 192 front and 169 rear doors have been indentified. This will include some leasehold dwellings therefore it is subject to the formal service charge notification process. The anticipated commencement of these replacements is September 2013. The windows at these roads were found to be in good condition and therefore the replacement was deferred for a further 5 years.</p>
<p>External Works</p>	<p>Budget: £50,000</p> <p>This budget provides for properties that are identified for external works by the new stock condition survey. Such work will include fascia and soffit replacements with PVCu, re-pointing brickwork, chimney replacements, rebuilding boundary walls, relaying paths, etc. Validation survey work will be undertaken by Building Services to verify the extent of the suggested work. Any works identified during reactive visits will be undertaken using this budget.</p> <p>A Council wide external works (road surfacing, highway repairs, line marking etc) project is due tendered using a Hampshire framework and will be used to undertake indentified works.</p> <p>Works included:</p> <ul style="list-style-type: none"> - Bishopsfield maisonette service area road repairs - Widley Court service area road repairs - Line marking at various service area car parks

<p>Major Reroofing</p>	<p>Budget: £20,000</p> <p>The need for major works to roof coverings is very low as reported in the recent stock condition survey. This is the result of the works undertaken across the borough within a 5 year roofing partnership contract with a local contractor which was completed in 2008.</p> <p>A nominal budget provision has been made to address any properties identified as requiring significant roofing repair or renewal works.</p> <p>Frosthole Close will be surveyed to ascertain the condition of the window bay flat roofs.</p>
<p>Structural Repairs</p> <p>(Spring 2014 project)</p>	<p>Budget: £150,000</p> <p>This budget will fund reactive structural works identified by the Responsive Repairs team and supported by specialist surveys and reports.</p> <p>A project to carry out concrete repairs and protective coatings to blocks of medium rise flats (blocks of 24) and maisonettes across the borough will be tendered.</p> <p>Engineering Consultants have been appointed to carry out condition surveys and develop a schedule of works for the procurement of the required remedial works. The initial findings report should be available by June for review. The report will inform the Council on preventative maintenance programmes to maintain the life of the concrete element of the buildings.</p>
<p>Security Doors</p> <p>(Summer 2013 projects)</p>	<p>Budget: £50,000</p> <p>Security doors and door entry systems to Belvoir Close flats and upgrading the door entry system at block 31-36 Northmore Close, Locks Heath are being considered.</p> <p>King George Road door entry system will be upgraded and the automated doors improved following complaints from aged residents that they are difficult to use.</p>
<p>Mobility Scooter Storage</p>	<p>Budget: £20,000</p> <p>This budget will be used to finance any mobility scooter storage facility requests.</p>

Drain Replacements	<p>Budget: £20,000</p> <p>This budget will be used to finance ad hoc drainage replacement works identified by the Responsive Repairs team and supported by CCTV survey and reports that is not the responsibility of Southern Water.</p>
Revenue Budgets of interest to the Board:	
<p>Disabled Adaptations</p> <p>(Ongoing long-term arrangement)</p> <p>(Spring 2012 project)</p>	<p>Budget: £186,000</p> <p>This work is carried out at the request of Social Services Occupational Therapists on an ad-hoc basis throughout the financial year. Primarily, adaptations requested are level access showers, over bath showers, grab rails, access ramps and stairlifts.</p> <p>A 5 year schedule of rates framework for adaptations commenced in April 2010 with Comserv UK Ltd. Significant savings in excess of £80,000 have been realised in the last financial period using these rates.</p> <p>Extensions are being considered to a 3 bedroom house in Portchester, a 3 bedroom house in Fareham and a 4 bedroom House in Stubbington.</p>
External Redecoration	<p>Budget: £150,000 plus c/fwd of £53,702</p> <p>External redecorations and associated repairs are carried out on a 7 year cyclical programme to maintain the Council's and leaseholders assets.</p> <p>The works have been undertaken using the long-term contract with Imperial Building and Decorating Contractors, who were due to commence their 3rd year of a 7 year term contract in spring 2012. Unfortunately the contractor has now become insolvent.</p> <p>A new arrangement will be explored this summer using existing frameworks to progress the redecoration of properties that are due this year.</p>