

WEST DUNBARTONSHIRE COUNCIL

Report by the Executive Director of Housing, Environmental and Economic Development

Council: 28 March 2012

Subject: Housing Capital Programme 2012/15, Financial Year 2012/13

1. Purpose

- 1.1** This report provides further detail on Housing Capital Programme 2012/15, focusing on the works to the value of £32.784m targeted for the financial year 2012/13 and the required resource budget.

2. Background

- 2.1** At the Housing, Environment and Economic Development Committee meeting of 7 September 2011, Members agreed a report entitled "Housing Capital Investment Programme 2012 - 2015." The report set out revised resource assumption for financial years 2012 to 2015 taken from the updated business plan based on stock condition survey and stage 2 structural surveys carried out in 2010 - 11.
- 2.2** At the Housing, Environment and Economic Development Committee meeting of 2 November 2011, Members agreed a report entitled "Housing Capital Programme 2012/15." The report set out the work to be carried out in the period 2012 to 2015 and the contractual arrangements to be put in place to deliver the programme of work and advised that reports would be submitted to future meetings of the council in relation to capital budgets and planning.
- 2.3** At the Housing, Environment and Economic Development Committee meeting of 2 November 2011, Members were advised, in a report entitled "New Council House Building - Innovation and Investment Fund", that a new Council House Build Project would be incorporated into the HRA Capital Plan for 2012/13.

3 Main Issues

- 3.1** A number of projects contained in the capital programme for 2011/12 have been committed but will not achieve full spend by March 2012. These projects will be carried forward as committed expenditure against the 2012/13 investment programme. The resources in the attached appendix can accommodate the slippage and meet the previously reported 2012/13 investment proposals due to anticipated improvement in value for money on energy efficiency projects, as it is likely that these will attract grant funding. Because of this the costs detailed in the programme are net of anticipated grant funding.

- 3.2** Members will be aware that the limitations of the Private Sector Housing Grant budget, funded through the Council's Scheme of Assistance is likely to have an impact on owner participation in capital work. The Housing Service will work with owners to positively encourage participation in programmes and, where necessary, possible and appropriate enforcement measures will be used.
- 3.3** The 2012/13 HRA Capital Programme of work is set out below, with a summary contained in the attached appendix. Total resources required to fund the programme are £32.784m. Members are asked to note that while the principal driver for the programme is compliance with the Scottish Housing Quality Standard (SHQS) by 2015, provision has been made to allow the Council to meet its landlord obligations, Health and Safety responsibilities and introduce a new Council House Build Project.

Proposed Programme

- 3.4** Supporting Regeneration - Budget £176,000

This budget will be used to buy owner occupied properties as part of the Council's surplus housing policy.

- 3.5** Demolitions/ Environmental Improvements - Budget £150,000

This budget is required for the demolition of garages and lockups previously agreed by the Council. Allowance has been made for an element of environmental improvement following the demolition.

- 3.6** Kitchen Upgrades - Budget £300,000

The kitchen renewal programme is almost complete and this budget is to carry out ad-hoc installations in properties missed for reasons of no access or refusal when the main programme was being carried out.

- 3.7** General Environmental Improvement - Budget £500,000

This budget is to enable continued planning and programming of environmental projects such as paths, car parks and landscaped areas.

- 3.8** Door Entry Programme - Budget £150,000

This budget is required to ensure that common entrance doors are upgraded to meet SHQS.

- 3.9** Safety Security Projects - Budget £50,000

This budget will contribute to the funding of the Care and Repair service and interagency working with the Police on security related projects.

3.10 CCTV - Budget £53,000

This budget will cover the upgrade of CCTV equipment within housing estates.

3.11 Special Needs - Budget £300,000

This is a contingency budget to undertake major adaptation projects if and when they arise and cannot be accommodated in other adaptation budgets. Demand is led from referrals coming from Occupational Therapists.

3.12 Structural Works Drumry - Budget £500,000

This is a continuing programme of work to address specific structural faults in a number of tenement properties in Drumry.

3.13 Roofing and Gutter Replacement Projects - Budget £1,500,000

This is an on-going programme of roof replacement for roofs that are now beyond economical repair and/or have reached the end of their planned life cycle.

3.14 Bathroom Upgrades - Budget £200,000

This is an on-going programme of work being done by Maintenance and Repairs as part of its current contract.

3.15 Minor Capital Projects - Budget £800,000

This budget is used to carry out one off projects that should be funded from capital rather than revenue. Examples would include structural works, replacement of mechanical plant in high flats and external fabric works identified as SHQS failures.

3.16 Front and Back Door Replacement Programme - Budget £500,000

This budget will cover all single element door failures.

3.17 Void House Strategy - Budget £984,000

This budget provides resources for projects to improve the quality of life for tenants in buildings which are difficult to live in and are unpopular, and/or to tackle anti social difficulties, crime and fear of crime. Investment is designed to assist in reducing the level of voids.

3.18 Heating Improvements - Budget £1,000,000

This budget funds the planned programme of obsolete boiler replacements and ad-hoc replacement of boilers that are beyond economical repair.

3.19 Electrical Improvement - Budget £1,600,000

This budget will be used to upgrade or replace electrical installations to meet SHQS compliance.

3.20 External Fabric Upgrade - Low Rise Properties - Budget £4,500,000

This budget will be used to carry out specialist render or roughcast upgrades to low rise properties in conjunction with external or cavity insulation as appropriate. This budget will fund the ongoing project at Rosshead (£2,000,000).

3.21 External Cladding Projects - High Rise Properties - Budget £2,500,000

This budget will fund the on-going project at Drumry Multis (£2,500,000).

3.22 Comprehensive Upgrade Programme - High Rise Properties - Budget £6,000,000

This is a pilot programme covering five multi storey blocks in Dalmuir. In addition to structural overcladding the works will include new windows, new roof, new laundry rooms, new external doors and screens, upgraded controlled entry systems, new internal wall and floor finishes to common areas and internal common lighting upgrade. The programme will progress into 2013/14 and the budget figure noted is for 2012/13 only.

3.23 Energy Compliance - Budget £100,000

Previous years budgets have been used for the installation of both cavity and loft insulation. It is important to continue this work both to meet the requirements of SHQS and to alleviate the effects of fuel poverty where possible.

3.24 Statutory Compliance Improvement Work - Budget £1,150,000

This budget will fund work such as the management of Fire Risk, Legionella and Asbestos and all other areas of Health and Safety relating to the housing stock.

3.25 Lift Upgrades - Budget £100,000

This is an on-going programme of work to upgrade lifts in multi storey blocks.

3.26 Direct Project Support Costs - Budget £1,776,000

This is mainly central support and salary recharges and the 2012/13 budgets reflect the figures included in the HRA and General Services accounts.

3.27 Contingency - Budget £100,000

This budget will be used for any unforeseen projects which arise during the course of 2012/13.

3.28 Common Housing Register - Budget £100,000

This budget will be used to establish a Common Housing Register.

3.29 New Council House Build Project - Budget £7,695,000

This project is partly funded by the Scottish Government Innovation and Investment Fund (£2,250,000) and will be used to build 75 new council houses for rent.

4. People Implications

- 4.1** Resources will be allocated to progress projects in line with the programme to optimise funding capture and enable early contact with tenants and owners.

5. Financial Implications

- 5.1** The HRA Capital programme totals £32.784m and is fully funded by identification of required resources as detailed in the attached appendix.

6. Risk Analysis

- 6.1** The target date of 2015 for SHQS compliance requires specific funding streams to achieve that target. To ensure compliance the Council on 7 September 2011 agreed a Housing Capital Investment Programme for 2012 - 2015. The work to be carried out in 2012/13 will positively contribute to the Council's compliance capability.
- 6.2** In mixed tenure properties officers will positively engage with owners and consider all options for funding assistance to optimise participation in the programme. Also, enforcement measures will be considered where possible and appropriate.
- 6.3** For new Council House Build Project there is a risk that if the deadline set by the Scottish Government is not met, funding may be jeopardised. A procurement process has been put in place to mitigate this risk.
- 6.4** For energy efficiency projects, there is a risk that if the deadline set for grant funding is not met, then some of the anticipated cost reductions may not be achieved. Procurement processes and early discussion with energy suppliers will mitigate this risk.

7. Equalities Impact Assessment (EIA)

7.1 There are no recognised implications.

8. Strategic Assessment

8.1 The Council's strategic priorities have been considered and the works arising from this report will have a positive impact on Housing Quality.

10. Conclusions and Recommendations

10.1 This report sets out the proposed HRA Capital Programme for 2012/13 in terms of both resource requirements and budget allocation. It describes the elements requiring attention in line with the technical knowledge of staff, combined with the revised and updated stock condition survey: the principal drivers for the Council meeting the SQHS for its stock by 2015. The programme also includes the new Council House Build Project.

10.2 The attached appendix details both anticipated resources and a summary of the programme details.

10.3 It is recommended that Members:

- i) note the proposed 2012/13 HRA Capital Programme; and
- ii) approve the resources budget as indicated in the report.

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Date: 29 February 2012

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Appendix:

HRA Capital Programme 2012/13

Background Papers: Report to 7 September 2011, Housing, Environment and Economic Development Committee entitled "Housing Capital Investment Programme 2012-2015"

Report to 2 November 2011, Housing, Environment and Economic Development Committee entitled "Housing Capital Programme 2012/15"

Report to 2 November 2011, Housing, Environment and Economic Development Committee entitled "New Council House Building - Innovation and Investment Fund"

Wards Affected: All