



The Gateshead Housing Company Asset Management Committee

Thursday 20 October 2011 at 9.30am
Board Room 2, The Gateshead Housing Company, Keelman
House, Fifth Avenue Business Park, Fifth Avenue, Team Valley
Trading Estate, Gateshead NE11 0XA

Agenda

Item	Business
1.	Apologies for Absence
2.	Declarations of Interest
	<u>ITEMS FOR DECISION</u>
3.	Minutes (Pages 3-11) To approve as a correct record the minutes of the last meeting of the committee held on 30 June 2011
4.	Matters Arising
5.	Overview of SAP Performance (Pages 12-15) Report of Director of Corporate Services
	<u>ITEMS FOR INFORMATION</u>
6.	Gateshead Warm Zone (Pages 16-18) Report of Director of Corporate Services
7.	Biomass District Heating Scheme (Pages 19-22) Report of Director of Corporate Services

Contact: Stuart Gibson Tel: (0191) 433 5308 Date: 13 October 2011

Item	
8.	Brandling – Demolition of Flowershow Field (Pages 23-45) Report of Director of Customers and Communities
9.	Capital Monitoring 2011/12 (Pages 46-49) Report of Director of Corporate Services
10.	Forward Plan (Pages 50-52) Report of Chief Executive
11.	Items for Future Agendas
12.	Date and Time of Next Meeting To be agreed



ASSET MANAGEMENT COMMITTEE

30 June 2011

PRESENT:

Directors

Sara Woolley (Chair)
 Robert Buckley
 Joanne Carr
 Stan Dawson
 Peter Mole
 Gordon Spring
 Sara Woolley

Advisers

Jon Mallen-Beadle	Director of Corporate Services
Neil Bouch	Director of Customers and Communities
Stuart Gibson	Governance and Risk Officer

Apologies

Bill Patterson

1 MINUTES

The minutes of the last meeting of the committee held on 24 February 2011 were approved as a correct record.

2 CONDENSING BOILERS – FROZEN CONDENSATE PIPES

Following the Severe Weather report presented to the Board on 20 January 2011, it was proposed that officers review the issues surrounding the condensate pipes in the condensing boilers.

As part of the general investment programme, any boilers which require replacement must be replaced with a highly energy efficient condensing combination boiler. This follows Government policy and is an integral part of the drive to cut energy emissions.

In Britain there are around eight million condensing boilers installed and in Gateshead 12,291 properties have a condensing boiler. A key element of these boilers is a condensate pipe which is part of the flue system and expels condensate fluid and flue gases. Therefore, it must be sealed throughout its entire length and terminate to an external source.

Between 2005 and 2009, the company did not encounter any issues with the freezing of this external element of pipework. However, due to the sub-zero weather conditions which were experienced in the winters of 2010, a number of properties with condensing boilers found that the external pipework froze, rendering the boiler inoperable.

There were three periods of extreme sub-zero weather conditions in 2010. During these periods, there were 193, 147 and 409 standard gas repairs and 1,036, 283 and 2,420 condensate boiler repairs respectively.

A review of the boilers which had frozen pipework has found that there are no specific trends as to the type of boilers which have had the most issues. Much of the work to the condensate boilers was around defrosting the pipework and in extreme situations disconnecting the condensate pipe at the point it exits the building.

In the period of 29 November to 30 December, the company disconnected 294 condensate pipes to prevent the problem from reoccurring. The company needed to implement an immediate solution to these. It could have reconnected these at a cost of £12,000. However, due to the fact that these had required the action of disconnecting the pipework to stop the problem in the winter of 2010 it did not feel this would be an appropriate response. Therefore, it decided that a more risk based approach would be to reinstall all pipework for these 294 boilers internally to ensure that they do not freeze should we experience sub-zero temperatures in the future. This has a cost of £69,000.

To reduce the future risk of the pipework freezing in sub-zero temperatures, the company also proposes to implement the following changes to how it currently fits new boilers: -

- All new boiler installations must have the condensate pipes run internally, and
- Priority of the boiler position and condensate pipe should override a kitchen design.

The solution to the issue of freezing pipework can potentially be addressed through the reinstallation of all external condensate pipes internally. However, upon further review of this solution it was found that the cost of this work was £2.88m.

Even if pipework is routed internally there may still be an issue which would require a pump to be installed at a cost of £51 per pump. The requirement for a pump would not be known until the rerouting of the pipework is being undertaken. Therefore, there is a potential that if all condensate boilers needed the pump, the additional cost would be £627,000.

The risks of not carrying out this course of action are that there may be further instances of freezing condensate pipes if sub-zero temperatures were experienced in the future. However, the company cannot predict where or when these will occur. The company is also unable to predict

with any certainty whether sub-zero temperatures will be experienced again.

The company will review the need to include this solution into the capital programme for 2012/13 or a hybrid solution of rerouting the pipework of those properties which are in rural areas following the 2011 winter period. It will continue to prioritise the loss of heating as a priority repair in the winter months. This approach is in line with other housing providers we have discussed this issue with.

RESOLVED – That the following proposed solution be approved: -

- rerouting the pipework internally for the 294 boilers which had the condensate pipework disconnected;
- reviewing the proposed option of rerouting all pipework internally during the capital budget proposals for 2012/13;
- all alternative options also be explored.

3 DISTRICT HEATING SCHEME

On 12 April 2011, the Council's Cabinet approved the start of a procurement process to find a private partner to finance, install and operate biomass heating systems for tower blocks managed by the company, subject to soft-market testing being completed.

Soft market testing was completed, giving a strong indication that private sector companies, in particular the large power companies, were interested in financing and delivering this sort of scheme. Key factors that were cited in influencing financial viability included: -

- availability of grant funding is restricted to certain areas in Gateshead;
- the size of tower blocks, as larger blocks, with more flats, are more viable, because more tenants can be supplied from the same heating plant;
- the scheme would need to be delivered by Oct 2012 to benefit from grant funding.

There are 13 Gateshead tower blocks with electrical heating (night storage heaters) in individual tenant flats. The current heating systems have high carbon emissions and high running costs, placing low income and elderly tenants at risk of health problems and fuel poverty.

Detailed feasibility studies at a typical tower block as well as soft market testing involving several tower blocks have confirmed that it is technically and financially feasible to retrofit biomass/gas based communal heating systems in relevant council tower blocks.

The proposed scheme would provide tenants with modernised replacement space heating in the form of radiators along with hot water to all flats.

Redheugh and Eslington Courts and Bensham Court have been identified as the most suitable private sector investment opportunities for an initial scheme. The proposed business model and finances for these were reported. The benefits to residents and the Council/company were also reported.

The contract will be awarded to a private sector energy services company for a period of 15 years with an optional five year extension. It is anticipated the scheme will be funded by the private sector partner in a number of ways, using grant funding from the Government's national Community Energy Saving Programme (CESP) Funding, selling heat directly to tenants, and retaining the Renewable Heat Incentive (RHI) payments, which have been confirmed by Government in March 2011 for biomass-fuelled installations.

The Council has produced briefing documents as well as a frequently asked questions document which will be presented to a number of groups.

Tenant consultation would then be undertaken. The proposed timetable for this consultation was submitted.

The invitation to tender will be published mid July, with the aim of appointing the contract by December 2011.

The company will work with the Council to minimise disruption to tenants throughout the process and co-ordinate works with the fire safety works where possible.

RESOLVED – That the information be noted and the committee receive an update at its next meeting and a further report on the outcome of the tendering process.

4 REPAIRS RETENDER

The current repairs contract with existing contractor, Morrison, comes to an end on 31 March 2012. In partnership with the Council the options available to ensure that any future repairs contract delivers the best possible service to tenants and leaseholders whilst achieving efficiency savings in light of the current economic climate has been considered.

The Council's Cabinet approved a proposal at their meeting on 24 May 2011 to retender the Housing Repairs Contract in open competition to secure best value for tenants and leaseholders. The contract will be tendered for three years with an option to extend for a further two years. The annual value of the new contract is estimated to be £18 million.

Due to the legal and pension complexities of the existing contract, the new contract will be in the name of the Council rather than the company's. The company will still have a significant role in the retender and have set up an internal team to work with the Council through the tender process. The new contract will be delivered by the company as it is now.

Under the terms of the current management agreement the procurement of the repairs contract is delegated to the company. The Council has formally requested this delegation is amended to a joint responsibility. Ultimately the Council's Corporate Housing Group (both the Company's Chief Executive and Director of Corporate Services are members of this group) will have oversight of the project and make recommendations to Cabinet through the Council's Strategy Group.

A Contract Project Group has been set up to manage the tender process and report into the Council's Corporate Housing Group. The company are represented by a number of employees on this group who all have a key role to play in the tender process.

There are a number of key dates that need to be met to ensure that the new contract is in place for 1 April 2012, details of which were reported.

Progress to date has been swift and the PQQ was advertised on 22 June 2011. The group is currently working on information that is needed for the invitation to tender and at present there is no reason to expect deadlines to be missed.

RESOLVED – That the information be noted and the committee receive further progress reports including an update at its next meeting.

5 FIRE SAFETY IMPROVEMENT WORKS TO MULTI STOREY BLOCKS

Since 2005, the company's Health & Safety Team has conducted annual joint fire risk assessments with the Tyne & Wear Fire and Rescue Service ("TWFRS") in all multi-storey blocks.

The most recent fire risk assessments produced in 2010 identified a number of 'deficiencies' that resulted in deficiency notices being served by TWFRS. The deficiency items that are identified in the fire risk assessments require the company along with the Council to rectify and remove the risk that will ensure an increased level of fire safety in its blocks. The Council has prioritised funding for multi-storeys to address deficiencies during the current financial year.

The company has agreed in writing with TWFRS to remove deficient items by the end of 2012. Should it continue to allow deficiencies to remain after this date, then the company and the Council could face prosecution, a large fine and the potential for multi-storey blocks to be closed.

Details of the proposed programme were submitted. Works will commence in late June 2011 and are due to be completed by March 2012. The programme has been formulated by looking at the number of deficiencies and risks present.

The Chandless multi-storeys are excluded from the proposed programme, as it has been agreed with the TWFRS to omit these buildings from the programme and manage them under the fire risk assessment and security process for voids properties during the decanting of the residents within these blocks.

Regent Court is not currently included in the programme, as this block requires a full options appraisal with regard to fire safety works, which will be carried out in July 2011.

Details of how the works are to be carried out were reported although it was noted that the actual work content will vary from block to block.

The contract will be delivered through the Council's Local Environmental Services, who will engage the relevant specialist sub-contractors as necessary. The company will deliver the tenant liaison function.

There is likely to be a high level of tenant liaison involvement as it is anticipated that levels of no-access upwards of 10% from past experience of Decent Homes and gas safety work. A no-access procedure is in place, which will ultimately result in a warrant being served should access not be given. The Council's Environmental Health Service will provide similar warrants to those issued for gas safety.

The budget for the Fire Safety Improvement Works is £4million this financial year and has been provided by the Council from the prudential borrowing budget.

Value for money has been demonstrated by using in-house tenant liaison, rather than the traditional approach of using the contractors service. This has saved the budget £100,000.

RESOLVED – That the information be noted and the committee receive updates on progress at each meeting.

6 ESTATE REGENERATION – CLASPER VILLAGE

It is a requirement of Decent Homes investment to consider the long term sustainability of stock. With the Council the company needs to consider future investment needs and options in respect of Clasper Village before carrying out any works.

Clasper Village is programmed to have Decent Homes work undertaken in 2011/12. The estate requires significant investment and has a number of issues relating to the structure of the buildings and the design of the estate, and performs poorly on a number of tenancy and estate management measures when compared to the borough average.

The Cabinet agreed on 21 June 2011 to consult residents and seek their views on the following two options: -

- carrying out decent homes work to all homes; or
- not doing decent homes work, not letting properties on the estate and awarding rehousing priority to enable residents to move to an area of their choice. A regeneration plan would be developed in consultation with local residents and properties would be demolished at an appropriate time after they are empty.

Over 279 homes, including 21 leaseholders and 37 garage tenants are affected by this consultation, of which 60 homes are currently void. Neighbourhood Management is consulting with the shop owner on the estate as any future plans will impact on them.

Consultation with residents will close on 8 July 2011 and their views will be fed back to the Council who will make a final recommendation on the future of the estate in August.

RESOLVED – That the information be noted and the committee receive a further update report at its next meeting.

7 SHELTERED HOUSING PHASE 2

The Board received a report in May 2009 updating it on the Council's review of Sheltered Housing schemes. Whilst approval was given to carry out decent homes and conversion works to schemes in phase 1 (Birtley Villa's, Pleasant Place and McErlane Square), consultation with residents in the phase 2 schemes was deferred until housing options were clearer.

It is a requirement of Decent Homes investment to consider the long term sustainability of stock. With the Council the company needs to consider future investment needs and options in respect of these schemes before carrying out any works. These schemes are programmed to have Decent Homes work undertaken in 2011/12.

The company needs to ensure that the remaining sheltered schemes meet the current and future needs of older people and can be made compliant with the Disability Discrimination Act (the statutory duties are now incorporated in the Equalities Act 2010).

The options appraisal has shown that the structure and layout of these schemes do not lend themselves easily to conversion and that they wouldn't be sustainable in the long term. In addition, there is a high turnover of tenancies and bedsit particularly are difficult to let.

The Cabinet agreed on 21 June 2011 to consult residents in Derwentside, Sunhill, West Park and Victoria House sheltered housing schemes and seek views on the following two options: -

- carry out Decent Homes work and make communal areas compliant with the Equalities Act 2010 but explain that this would be unlikely to provide a long term solution to the issues associated with these schemes ; or
- do not carry out decent homes work, do not let properties at the scheme and award rehousing priority to enable residents to move. The buildings would be demolished when empty.

Over 130 tenants will be affected by the consultation. Due to the age and frailty of older tenants, families and advocacy services will be involved throughout the consultation period to provide support and ensure tenant's views are fully represented.

Consultation with residents will close on 8 July 2011 and their views will be fed back to the Council who will make a final recommendation on the future of the estate in August.

RESOLVED – That the information be noted and the committee received a further update in September 2011.

8 KEELMAN HOUSE – NORTH EAST PURCHASING ORGANISATION

The company moved into Keelman House in Autumn 2007. At the time the space available within the building was just sufficient for the number of staff that the company needed to accommodate.

During the last six months, nearly 50 employees have left through the voluntary redundancy programme. This has included approximately 30 employees who were based at Keelman House. This programme will be completed by 30 June 2011.

Consideration has been given to how best to utilise the space that has been created by the employees who have left Keelman House.

The company has been approached via the Council to consider allowing the North East Purchasing Organisation (NEPO) to move into the space vacated. The proposal would mean that NEPO would share all of the facilities at Keelman House and base around 20 of their employees at Keelman House.

NEPO are prepared to pay £37,500 per annum for their share of the rent and service charges. A licence for NEPO to occupy the building has been drawn up by the Council's Legal Services that means should the company wish to terminate the agreement it only has to give two months notice. The Council's Legal Services has also confirmed that the company is entitled to grant an underlease of part of Keelman House.

A joint working group is currently working through the implications of the move, but the company is hopeful that NEPO will be able to move in during July 2011.

RESOLVED – That the information be noted.

9 CAPITAL BUDGET MONITORING 2010/11

A monitoring statement of capital expenditure against the budget for 2010/11 and an analysis of the Decent Homes portion of the capital budget broken down by strategic partner was submitted.

The capital allocation for housing investment works in 2010/11 was £28.5m. 3088 tenants benefited from having the Decent Homes work to their homes in 2010/11. Tenant satisfaction with investment works is 98.56%.

RESOLVED – That the capital monitoring statement for 2010/11 be noted.

10 PLANNED INVESTMENT IN HOUSING GUIDE 2011/12

Historically, an annual guide was produced to summarise each years' housing investment programme, the last guide was produced in 2005/06.

After 2006 the widely publicised Decent Homes programme and the scale of the work being delivered meant that the guide was not practical to produce.

2011/12 is the final year of the Decent Homes programme that was agreed with customers and provides the ideal opportunity to reintroduce the guide. It will help ensure that stakeholders, who may receive enquiries regarding planned investment, have accurate summarised details about the planned work.

A copy of the proposed guide summarising the Decent Homes investment schemes planned for 2011/12, including addresses and details of previous investment work, was submitted. The guide also includes details of the external painting programme, sheltered housing bedsit conversions and fire safety works.

- RESOLVED – (i) That the Planned Investment in Housing Guide 2011/12 be noted.
- (ii) That a paragraph be included at the front of the guide about maintaining decency.

11 FORWARD PLAN

A forward plan of reports that will be presented to meetings of this committee during the next year was submitted.

RESOLVED – That the forward plan be noted.

12 DATE AND TIME OF NEXT MEETING

The next meeting of the committee will be held on Thursday 20 October 2011 at 9.30am in Board Room 2, Keelman House, Fifth Avenue Business Park, Fifth Avenue, Team Valley Trading Estate, Gateshead.



Report to the Asset Management Committee

20 October 2011

Title: Overview of SAP performance

Author Director of Corporate Services

Purpose of Report

1. To advise the committee on the current SAP rating for the stock and future improvements to the monitoring and recording of energy information.

Background

2. SAP is the acronym that is most commonly used for the Standard Assessment Procedure, the method for establishing a dwellings energy rating.
3. Introduced in 1995 as part of the Building Regulations it is now a compulsory part of "Part L" of the regulations dealing with the conservation of fuel and power. Whilst not forming a direct "risk" with in the HHSRS (Housing Health and Safety Rating System), HHSRS advised that a dwellings SAP rating should be considered when the ventilation, heating and insulation are assessed.
4. The SAP rating is expressed on a scale of 1 to 100 and is calculated by a procedure that is specified with in the building regulations.
5. New build properties are subject to a full SAP rating, taking in to account building methods, materials and design. The rating can be calculated before the physical property is even constructed.
6. Assessment of existing properties is slightly different. They can not go through the normal SAP assessment without a full destructive survey. Deconstructing the property on this sort of level would be neither cost effective nor something a customer could be expected to live through.
7. Instead existing properties are subject to an RdSAP assessment, 'Reduced data Standard Assessment Procedure'. The software packages that calculate SAP ratings incorporate assumed information about a property based upon its age, style and type of construction. Key elements can then be updated to produce accurate assumed ratings without the need for intrusive surveying.
8. Various systems are available to calculate SAP ratings. Our SAP data is held in UNO²⁰¹⁰ an energy software package that Gateshead Council maintains.

Current Performance

9. Significant energy measures have been introduced in to the stock over the life of the decent homes programme. As well improving the stocks average SAP rating customers have seen real benefits that have helped tackle fuel poverty and improve estate sustainability.
 - 14, 258 Insulation measures have been installed. Including Cavity Wall Insulation (CWI) to traditional style dwellings and loft insulation or top ups installed to accessible roof spaces.
 - Structural insulating foam has been used to stabilise and insulate 166 properties in Birtley that had cavities too narrow and unstable to fill conventionally.
 - Insulated panels have been fitted alongside window replacement works to flats and multi-storey blocks. Replacing single glazing or single skin mineral panels has significantly aided heat retention.
 - Over 850 non-traditional properties have received whole house or partial enveloping systems. Improving their aesthetics, thermal qualities and long term sustainability.
 - 12,358 condensing combi boilers have now been installed. At 90% efficiency these boilers alone can add up to 15 SAP points to a property,
 - Even simple door and window replacement works, whilst small, provide a significant benefit in preventing heat loss.
10. The details of completed works are passed to the Council on a quarterly basis to upload them into UNO.
11. Over the past 18 months it has proved difficult to get regular performance updates from the Council, with quarterly performance data regularly being unavailable. Data was available for the first quarter of this year and for the first time the rating was supplied with supporting documents. This appears to be linked to the function coming under the wider control of the Climate Change Team.
12. The Energy Saving Trust calculated the average SAP rating in the United Kingdom as just over 50. Since 2007 the average SAP rating of the Council stock has improved from below 60 to 67.82, the figure reported at the end of the first quarter of this year. Increases in a SAP rating of between 4 and 10 points can secure savings of up to £100 per annum for customers.

Improvements in SAP reporting

13. Whilst the increase in performance is significant there is still opportunity for further improvement. Validation of the existing information may be able to increase performance further with out physically delivering any further measures.
14. Scrutiny of the supporting data the Council has now supplied has highlighted a number of opportunities for improvement.
 - The report for the first quarter of this year is based on a stock of 21,797 properties in the UNO database. This conflicts with our stock figure for the end of the quarter which is 840 properties lower. Detailed analysis has not yet been carried out, but it is believed that demolished or sold properties have not been removed from UNO.

- The UNO reports that we have received state that the SAP rating is based on 21,613 properties as 184 dwellings have “not been processed” or “have errors”. The data extract that we have received indicates that all 184 of these properties have a SAP rating of -1, implying that no data has been inputted for them.
 - An overview of some streets has shown significant differences between neighbouring properties. This could be due to the refusal of works or non-traditional in fill sites, but equally there is the possibility of data errors.
 - Some estates that have received significant works, such as the Orlit flats in Birtley that were insulated and enveloped, have inconsistently low scores that do not reflect the work carried out to them.
15. To ensure the accuracy of the average SAP rating closer working arrangements will be established with the Council Climate Change Team. A data cleansing exercise will be carried out on the stock details and individual property ratings to ensure they mirror the information we hold.
 16. A process will be established between the Company and the Council to accurately record demolitions and property sales to ensure that they are removed from the UNO calculation.
 17. As part of the asset management planning process an appraisal will be carried out for all non traditional properties and homes with a SAP rating below 40; establishing any quick fixes or opportunities with in CESP or Green Deal funding to deliver larger energy schemes.

Links to Values

18. This report relates to the following company values:-
 - Being customer focused, innovative and professional.
 - Being a listening and learning organisation.
 - Being honest, accountable and transparent.

Impact on tenants

19. The insulation and improvement works that have contributed to the increased SAP rating have had a direct impact upon customer’s lives. On top of the benefits achieved by new windows and boilers the insulation measure have benefited customers comfort in there home and reduced their financial burdens.
20. Over 17,000 homes have been assessed by Gateshead Warmzone for energy advice and additional insulation measures. Over 14,000 insulation measures, such as draught proofing, cavity wall and loft insulation have been installed in 11,254 homes. This work alone has secured customers over £2.7 million in benefits.

Risk Management

21. There is a risk that a failure to manage the SAP rating of the stock and provide suitable insulation could impact upon sustainability. Properties with low SAP

rating will cost more to heat and may prove unpopular with customers. However, we will continue to invest and maintain the stock through the annual investment programme. Seeking partnering opportunities to secure additional funding to support further insulation and energy efficient improvements.

Health Implications

22. Improvements in the average SAP rating is a reflection of the better insulation and more modern facilities that customers homes now benefit from. These improvements have direct benefits on the warmth, health and well being of households across the borough.

Financial Implications

23. There are no financial implications arising from this report. Investment work that will impact positively on the rating will be identified and agreed as part of The Gateshead Housing Company – Annual Housing Investment Programme.

Equality and Diversity Implications

24. There are no equality and diversity implications associated with this report.

Value for Money Implications

25. There are no value for money implications arising from this report.

Environmental Implications

26. The investment works that have contributed to the improvements in SAP performance have resulted in an estimated annual reduction in CO² emissions of 7000 tonnes.

Consultation

27. No consultation has been carried out for the preparation of this report.

Recommendations

28. The committee is asked to note the contents of this report and request an annual update on SAP performance.

Report to Asset Management Committee

20 October 2011



Title: Gateshead Warm Zone
Author: Director of Corporate Services

Purpose of Report

1. To advise the committee about the activities of the Gateshead Warm Zone and the benefits it has delivered to Gateshead.

Background

2. Warm Zones were first established in 2000 as a new approach to tackling fuel poverty. Fuel poverty is defined as the inability of a household to afford sufficient warmth for health and comfort. A fuel-poor household is one that needs to spend more than 10% of household income on fuel for heating, hot water, cooking lighting and electrical appliances.
3. Much of Warm Zones work to deal with fuel poverty has involved installing measures such as cavity and loft insulation, draught proofing and the provision of low energy lighting to improve comfort in the home. They have also provided expert advice on energy efficiency and benefits entitlement to assist customers maximise their household income.
4. Through our partnership with Warm Zone we have been able to deliver thousands of insulation improvements that have contributed to achieving decency and increasing the average SAP energy rating of the stock. 70% of the costs of these works have been funded by Warm Zone.
5. 17,320 tenants have been assessed by Warm Zone and received advice and assistance in improving the efficiency and cost effectiveness of their home.
6. Through Warm Zone over 14,000 insulation measures have been installed in 11,254 homes. Helping customers to reduce their energy costs and improving the sustainability of the stock. Additional measures are still being identified and will be complete before the end of the financial year.
7. Over 57,000 long life energy efficient light bulbs have been issued to tenants across Gateshead. Helping customers reduce the cost to light their homes.

8. Since 2004 our partnership with Warm Zone has helped customer's secure confirmed savings and benefits of £2.7 million. These benefits mean that households have had to use less and spend less to stay warm.
9. The environmental impact of these improvements has been significant with an estimated 7,000 tonnes, per annum, reduction in the amount of CO² produced by the homes we manage.
10. Together with Warm Zone we have developed a joint training package to support customers and officers dealing with energy related issues. The training is aimed at achieving savings for customers and reducing carbon emissions in Gateshead. The training will cover fuel poverty, domestic energy efficiency, billing and switching energy suppliers.
11. The current funding mechanisms that Warm Zone operates under will come to an end during 2012. They will be replaced by the Green Deal and Energy Company Obligation. To ensure we are able to maximise our opportunities to access future funding it is important that the existing knowledge and partnerships are maintained and enhanced.

Links to Values

12. This report relates to the following company values:-
 - Being customer focused, innovative and professional.
 - Being a listening and learning organisation.
 - Being honest, accountable and transparent.

Impact on tenants

13. The implications on tenants are detailed in the report.

Risk Management

14. There are no risk management implications arising from this report.

Health Implications

15. The advice and improvement work delivered in partnership with Warm Zone reduces the risk of customers living in cold damp homes. Reducing the risk of heart, stroke, respiratory and cold-related illnesses.
16. We are working with Warm Zone to undertake a health impact assessment of the work delivered in Gateshead. Warm Zone intends to complete this assessment during 2011/12.

Financial Implications

17. The work delivered by Warm Zone was budgeted for in the Decent Homes Improvement Scheme. Any future work will need to be identified and agreed as part of The Gateshead Housing Company – Annual Housing Investment Programme.

Equality and Diversity Implications

18. There are no equality and diversity implications associated with this report.

Value for Money Implications

19. Since 2004 we have paid £1,108,850 towards the cost of delivering insulation improvements. By working in partnership with the Gateshead Warm Zone we have been able to deliver these works on average 70% less than the market cost.

Environmental Implications

20. The environmental implications are detailed in the report.

Consultation

21. No consultation has been carried out for the preparation of this report.

Recommendations

22. The views of the committee are sought on
- whether they are satisfied with the improvements delivered in partnership with the Gateshead Warm Zone;
 - whether they would like to invite Warm Zone to the next meeting to deliver a presentation on the implications of the Green Deal and Energy Company Obligation schemes.



Report to Asset Management Committee

20 October 2011

Title: Biomass District Heating Scheme

Report of: Director of Corporate Services

Purpose of Report

1. To update the committee on the procurement process being undertaken by Gateshead Council to procure a biomass district heating scheme.

Background

2. On 12 April 2011, the Council's Cabinet approved the start of a procurement process to find a private partner to finance, install and operate a biomass heating system for tower blocks managed by The Gateshead Housing Company, subject to soft-market testing being completed.
3. A report was presented to the Asset Committee on 30 June 2011 advising of the procurement process being undertaken by Gateshead Council and the next steps around consultation.

Summary of Consultation

4. The tower blocks of Redheugh and Eslington Court have been chosen for this scheme because:
 - The blocks are in an area that qualifies for grant funding.
 - They are among the largest tower blocks in Gateshead and hence most likely to attract private sector investment
 - Redheugh and Eslington Courts have had decent homes work completed, and are up to highest energy efficiency standards
5. The benefits of the scheme to the Council and tenants are as follows;
 - 334 homes will benefit from the scheme (Phase 1 334 at Redheugh and Eslington Courts, Phase 2 will look at the potential delivery to 127 homes at Bensham Court), if blocks are deliverable, residents will have far better control of heating, when they need it, rather than relying on night storage heating.

- Contracts would be drawn up to give guarantees that residents would pay at least 5% less than under their current system for any given level of energy usage
 - The scheme will reduce the carbon emission emissions of the flats by at least 80%.
 - All heating systems will be installed with gas-fired back up, to provide guaranteed all year round heat, should biomass supplies not be available.
6. Consultation has taken place with councillors and residents in the form of briefings and one to one meetings.
7. The following consultation has taken place:
- 13 June – Member Advisory Group (Presentation on Renewables & Biomass)
 - 20 June – Briefing to Economy, Housing & Transport and Safer Stronger Communities & Culture.
 - 21 – 24 June – Ward Councillor briefing (email and meeting)
 - 4 – 8 July – Redheugh and Eslington Resident Consultation letter, invitation to consultation day, request for support “ballot paper” and Frequently asked questions delivered
 - 13 & 14 July – Redheugh and Eslington Resident Consultation event held (1 full day and 1 evening, Climate Change staff in attendance for support)
 - 18 – 29 July – Redheugh and Eslington Resident follow up exercise (phone calls, home visits by TGHC officer)
8. Consultation with tenants at Redheugh & Eslington Court has shown support from responses to date. Residents have reported dissatisfaction with their current heating system reporting it is both unreliable and cannot be controlled sufficiently. However, this is currently deemed to be decent.
9. The results of the tenant consultation were that, from a total of 334 flats, 181 responses have been received, with 72% in favour, and 25% opposed (with 3% unsure).

Procurement process - Next Steps

10. The invitation to tender was published on 12 September with the deadline for the submission of tenders being the 24 October 2011.
11. Tender evaluation will take place between 24 October and 11 November 2011, and the housing company will be involved in evaluating the tender returns.
12. Tender presentations are likely to be undertaken in this period, with only those tenderers who progress to the award stage being invited to present.
13. Notification of the result of the evaluation will be carried out on 29 November 2011, with the contract being awarded in January 2012.
14. The works are expected to commence in January 2012 and be completed by October 2012.

15. The housing company will work with the Council to minimise disruption to tenants throughout the process and co-ordinate works with the fire safety works where possible.

Links to Values

16. This report relates to the following company values: -
 - Being customer focused, innovative and professional
 - Being honest, accountable and transparent

Impact on tenants

17. Residents will have far better control of heating times and temperatures, when they need it, increasing thermal comfort.

Risk Management Implications

18. The private energy supplier will bill customers directly and collect the heating charge. However, the Council will need to agree to underwrite heat sales should they fall below an agreed level due to reduced occupancy of the blocks due to void properties. This risk will need to be considered when the tender returns are reviewed to determine whether the scheme is fully cost-effective.
19. The risk of void properties in Redheugh and Eslington could be increased from April 2013 due to the proposed welfare reform around under-occupancy and working age tenants. There are currently 164 x 2 bed flats in Redheugh/ Eslington, out of a total 334 properties. As part of the review of the sustainability of the project the Council undertook a sensitivity analysis around the level of voids. The occupancy rate would need to fall to 78% before the scheme became unsustainable. This risk will need to be considered when the tender returns are reviewed to determine whether the scheme is fully cost-effective.

Health Implications

20. The biomass district heating will increase the thermal comfort of a property, directly benefiting the health of our residents.

Financial Implications

21. There are no direct financial implications which will impact upon the housing company.

Equality and Diversity Implications

22. There are no equality and diversity implications associated with this report.

Value for Money Implications

23. Using private sector energy suppliers will ensure that this scheme is fully funded without the need for any capital funding from Gateshead Council or the housing company.

Environmental Implications

24. This scheme will provide carbon reduction savings of approx. 2,000 tonnes per annum.

Consultation carried out

25. Consultation with tenants at Redheugh and Eslington has been carried out as detailed in the report.

Recommendation

26. The committee is asked to note the report.



Report to Asset Management Committee

20 October 2011

Title: Brandling - Demolition of Flowershow Field

Report of: Director of Customers and Communities

Purpose of Report

1. To inform the committee of the Council's decision to decommission 53 residential properties on the Flowershow Field estate and update on progress to rehouse residents.

Background

2. The Flowershow Field Estate falls within the Felling Ward in the East Area neighbourhood and is included within the Housing Joint Venture redevelopment area in Gateshead. The North Felling Neighbourhood Action Plan was approved by Cabinet 7 March 2006 and identified the need for demolition and redevelopment to enable regeneration of the area through the Housing Joint Venture programme.
3. Phase 1 which included the Brandling maisonettes was demolished in 2008. Phase 2 of the regeneration is the demolition of 53 properties in Flowershow Field estate which includes six owner occupied homes.
4. On 21 June 2011 Cabinet approved the recommendations to consult with residents on rehousing options and demolish the estate once empty. The report is attached at Appendix 1.
5. Galliford Try and Home Housing are currently building 25 new affordable homes at Carlisle Street, which will provide a rehousing option for residents on Flowershow Field, who have been given first preference. The new build scheme will comprise of: -
 - 11 x 2 bedroom sheltered apartments
 - 11 x 3 bedroom houses
 - 3 x 4 bed houses

The expected completion date for the new homes is March 2012.

Update

6. A public meeting was held with residents on 22 June 2011 to update them on the Cabinets decision, which was followed up by individual home visits to discuss their rehousing options. The results of the consultation are attached at Appendix 2.
7. Since July, four tenants have been rehoused, three of whom have remained within the Felling Ward. Three properties were already void when the scheme began, 40 tenants are currently waiting rehousing.
8. Home Housing is currently talking to nine tenants who have expressed an interest in the new build homes, to discuss their preferences and eligibility. Any new homes that remain unallocated following discussions with the Flowershow Field residents will be advertised through HomeChoice before the properties have been completed.
9. The Council have 100% nomination rights for the new build scheme (on first letting) and 50% of any subsequent lettings.
10. The Council have commenced negotiations with the owner occupiers to acquire their properties.

Link to values

11. This report relates to the following values of the company: -
 - Being honest, accountable and transparent
 - Being customer focused, innovative and professional
 - Being caring and respecting
 - Embracing equality

Impact on tenants

12. 53 homes are affected by this scheme and a dedicated Estate Officer is working with tenants to support them with rehousing options and any subsequent move.

Financial Implications

13. There are no financial implications arising from this report.

Risk Management Implications

14. The inevitable increase in empty properties is likely to be a concern to tenants of adjoining properties. As properties become empty we will secure and remove all pipework, boilers and cap off any utility supplies to minimise any risks of break-in's and damage to properties. The Estate Officer will be monitoring the area and addressing issues.
15. The Council are undertaking risk assessments to manage the site.

Equality and Diversity Implications

16. There are no Equality and Diversity implications associated with this report, however the Council have undertaken an Equality Impact and Needs Assessment.

Value for money implications

17. There is no direct value for money implications arising from this report.

Consultation carried out

18. Consultation has been carried out with residents in June 2011 followed by individual home visits. Ward Councillors and Cabinet Members have been consulted and involved in the development of the plans through regular briefings since 2005.

Recommendation

19. The committee is asked to note on the information in this report.

TITLE OF REPORT: Brandling – Demolition of Flowershow Field Estate

REPORT OF: Paul Dowling, Group Director, Development & Enterprise
 David Bunce, Group Director, Community Based Services

Purpose of the Report

1. Cabinet is asked to approve the decommissioning of residential properties on the Flowershow Field estate. This will require the acquisition of 6 properties in private ownership and the relocation of Council tenants in the other properties. The properties will be demolished at an appropriate time after they become empty, to allow redevelopment by the Housing Joint Venture partner.
2. Cabinet is asked to agree to consultation with owners and tenants on relocation options
3. Cabinet is asked to approve a relocation strategy to the new affordable housing scheme at Carlisle Street, Brandling.

Background

4. The Flowershow Field Estate falls within the Felling Ward in the East Area neighbourhood and is included within the Housing Market Renewal Pathfinder (HMRP) boundary in Gateshead.
5. The North Felling Neighbourhood Action Plan was approved by Cabinet 7th March 2006 (minute number 382). The plan identified the need for demolition and redevelopment on various pieces of land. The Brandling maisonettes were identified as phase 1 of redevelopment and these properties have now been demolished. See Appendix 1.
6. The Flowershow Field Estate at Brandling was identified for redevelopment as phase 2 with demolition commencing when the residents in that area had been decanted. Phase 2 of the regeneration is the demolition of 53 units in the Flowershow Field Estate in order to progress this major Housing Joint Venture site. No funding from BNG or Growth has been allocated for this and residents have been waiting since the approval of the Neighbourhood Plan in 2006 for relocations to commence.
7. On the 30th November 2010 Cabinet approved the disposal of land at Carlisle Street to Galliford Try at less than best consideration in order to secure an allocation of circa £1.3m from the Homes and Communities Agency (HCA) through the National Affordable Homes Programme (NAHP) for 25 well designed new affordable homes. The property mix consists of 11 x 2bed 3person elderly apartments, 11x 3bed 5person houses and 3 x 4bed 7person houses. These new properties are now

being built on the Carlisle Street site and will provide the opportunity to offer replacement housing into which the existing residents in the Flowershow Field Estate i.e. phase 2 can be rehoused. The Council identified the Carlisle Street site as being best placed to facilitate re-provision due to its proximity to the Flowershow Field Estate.

8. Although there are 2 empty properties, currently 45 Council tenants plus 5 owner occupiers and one private rented tenant will require rehousing from the Flowershow Field Estate, but the Carlisle Street development will only provide 25 new affordable units. A relocation strategy has therefore been prepared so that tenants can be given the option of being rehoused in the Carlisle Street scheme or elsewhere within Council housing stock.
9. The relocation costs of Council tenants would fall into the Housing Revenue Account and housing capital programme.
10. Capital resources would be required from the general fund capital programme to buy the 6 privately owned properties (which were acquired under the Right to Buy Provisions of the Housing Act) and to pay for demolition.
11. It should be noted that 5 of the 6 privately owned properties are owner occupied who could serve blight notices at any time, thereby legally requiring the Council to acquire them (the owner of the 6th Right to Buy does not occupy and has let his property).
12. The cost of decent homes work to the 47 Council owned properties on this estate is estimated to be **£600,000**. Alternatives such as improvements were considered as part of the Neighbourhood Planning process but were dismissed. Improvements would not however address the fundamental problems in the area which require site acquisition and subsequent regeneration as a part of a comprehensive approach to redevelopment via the Joint Venture. The Council therefore approved demolition as the preferred approach in 2006 following which demolition of Phase 1 commenced. It should be noted however that some improvement work to the properties such as new windows was implemented in order to reassure tenants and improve their living conditions whilst awaiting demolition.
13. Since 2006 both Officers and Councillors have clearly informed residents, through a series of public meetings, that their homes will be demolished as soon as possible. The reputation of the Council would therefore be affected by not delivering the vision for this area.
14. The Brandling Project Board and TGHC have recommended that this report be prepared and both have been consulted.

Proposal

15. It is proposed to demolish existing buildings on the Flowershow Field Estate following the relocation of existing tenants, and acquisition of 6 properties in private ownership.

16. The Housing Joint Venture partner will develop a master plan for the Brandling Neighbourhood including this site to allow for comprehensive redevelopment including a mixed tenure housing scheme.

Recommendations

17. Following the approval to demolish the Flowershow Field Estate at Cabinet 7th March 2006 (minute number 382), it is recommended that Cabinet approves:
- (i) consultation with owners and tenants of the Flowershow Field Estate on relocation options, including the opportunity to move to the new development at Carlisle Street.
 - (ii) the relocation strategy and eligibility criteria for the new affordable housing scheme by HOME Group at Carlisle Street (Appendix 4).
 - (iii) that all Council tenants living in the Flowershow Field Estate receive priority for re-housing from the date this report is approved; and that, where appropriate, Council homes managed by TGHC are advertised with preference to tenants from this scheme;
 - (iv) that eligible tenants displaced, are entitled to apply to the Council for statutory Home Loss and relocation payments from the date that this report is approved;
 - (v) that eligible owner occupiers displaced are entitled to apply to the Council for statutory Home Loss and disturbance costs from the date that this report is approved;
 - (vi) for empty Council properties to be taken out of debit, secured and demolished when appropriate;
 - (vii) authorising the Group Director, Development & Enterprise to enter into negotiations to acquire the freehold interests as listed in Appendix 1;
 - (viii) acquiring the property interests as listed in Appendix 1 by agreement using the provisions of Section 227 of the Town and Country Planning Act 1990 on the basis that the acquisition of the estates and interests and the compensation paid for them were as if there was a confirmed compulsory purchase order in place in order to ensure consistency with other acquisitions in these circumstances;
 - (ix) that relocation equity loans (should they be required) are made available to owner occupiers who wish to relocate within the Gateshead Borough in accordance with the Council's Private Sector Housing Renewal, Financial Assistance Policy and are administered through the arrangements set up for the Housing Market Renewal Programme, now superseded by the North East Home Loans Partnership Agreement;

For the following reasons:

- (i) To create a safer, stronger community;

- (ii) To improve health and reduce inequalities;
- (iii) To formally record that the Council is proceeding under Section 227 of the Town and Country Planning Act 1990 in its acquisition of properties;
- (iv) To ensure that the acquisition and compensation paid for the area is dealt with consistently.

Policy Context

1. The redevelopment of the site would support a range of the Big Ideas in Vision 2030.
 - City of Gateshead
 - Vibrant, diverse and growing population
 - Gateshead goes Global
 - A place that attracts international talent - a place where people want to live and do business with
 - Creative Gateshead
 - Population of high achievers, driven by aspiration and creativity
 - A well educated community which utilises lifelong learning for both work and leisure
 - Effective digital infrastructure reaching and used by all homes and businesses
 - Sustainable Gateshead
 - Improving and protecting our local environment so that Gateshead is the best place to live and work
 - A wide variety of attractive housing supporting sustainable and cohesive communities
 - Active and Healthy Gateshead
 - All residents having a positive attitude to physical activity and incorporating it into their daily lives
 - Gateshead residents have improved mental health and emotional wellbeing

2. The project will also support Priority 4 of the Corporate Plan “Improving Accessibility, Connectivity and Economic Prosperity”. It will help deliver the outcomes:
 - Attract more people to live, work, visit and study in Gateshead
 - Delivery of key regeneration projects

These outcomes will be achieved by providing high quality mixed tenure housing.

3. The proposals are also consistent with the Council’s Housing Strategy 2007-2012 and the TGHC Business Plan 2008-2013.
4. The Flowershow Field Estate is in the Felling Ward in the East area neighbourhood and is included within the Housing Market Renewal Pathfinder (HMRP) area of Gateshead. The aim of the HMRP initiative is to bring about the sustainable renewal of areas with weak housing markets and transform neighbourhoods into thriving, cohesive communities, where people will choose to live and stay.

Background

5. The North Felling Neighbourhood Planning Area has a number of isolated, predominantly social rented estates with owner occupation low at 18%. The housing stock itself is predominantly inter war terraces and semi detached housing set within what is felt to be a very poor environment adjacent to the Felling bypass and industrial uses. Demand for the stock is sustainable although acknowledged as relating to an identified local market. Deprivation is also seen in high concentrations within the particular estates with high rates of economic inactivity, ill health and low incomes.
6. On the north side of Church Place are short closes of small one bedroom bungalows and terraced houses, built in the inter-war style. These suffer from uneasy integration with the 'Flowershow Field' green space to the north, which does not enjoy good definition and enclosure and thus suffers security problems. The estate comprises of 29 two bed houses and 24 one bed bungalows. The estate borders the A184 Felling bypass.
7. Whilst the estate provides family and older person accommodation its construction and design do not meet residents' aspirations for a modern home.
8. In 2005 the Council undertook a consultation exercise with tenants and residents of Brandling on their views of their properties and neighbourhood. The responses showed that residents supported demolition and redevelopment of the area.
9. A phased approach to demolition was approved by Cabinet in 2006 to ensure that adequate reprovision of housing is in place to meet community aspirations to stay within the locality. The following properties are in Council ownership:
 - 1,4,5,6 & 7 Embleton Gardens
 - 1,4,5,6,7,8,9,10,11,12,13,16,17 & 18 Easten Gardens
 - 1-11 Hawthorn Gardens
 - 1-11 Laburnum Gardens
 - 17,18,19,20,21 & 22 Church Place
10. Although the majority of the properties are in Council ownership, the following properties are in private ownership:
 - 2 Embleton Gardens
 - 3 Embleton Gardens (privately rented)
 - 2 Easten Gardens
 - 3 Easten Gardens
 - 14 Easten Gardens
 - 15 Easten Gardens
11. To assist with the relocation of these owner occupiers equity loans will be made available to those unable to access commercial loans on reasonable terms. It is not expected that any of owner occupiers are likely to require the equity loans as all are on the housing waiting list; if they do the loans will be administered through the North East Homes Loans Partnership Agreement.

Consultation

12. Ward Councillors and Cabinet Members have been consulted and involved in the development of the plans through regular briefings since 2005.
13. The Neighbourhood Plan community engagement programme identified issues, tested and refined ideas and provided the opportunity for everyone in the area to contribute to the development of the plans. The Council received hundreds of individual contributions to the Neighbourhood Planning process in Felling, which includes questionnaires and comments from drop in events, outreach work with BME and faith communities, specific work in schools with young people and focused household surveys. A free-phone service, leaflet and letters as well as information on the Council web site has kept residents and stakeholders up to date with progress and provided additional information when required.
14. All tenants and residents have been regularly invited to public consultation events since 2005. Additionally, officers from the Council have attracted a number of Street representatives to come forwards as well as train approximately 30 residents from Brandling on the principles of good urban design to form a Community Design Reference Group. Residents have now:
 - Undertaken their own Neighbourhood Audit of Brandling to assist the Joint Venture
 - Helped Galliford Try and HOME masterplan the Carlisle Street development
 - Supported the Council in submitting a bid to become a Neighbourhood Vanguard
 - Prepared a Neighbourhood Agreement
15. The Cabinet Members for Housing and Sustainable Communities East Area have been consulted on this report. Their views have been included in the proposals. In particular, members' views on using the new Galliford Try / HOME development that enables tenants wishing to remain in the area to be able to do so.
16. Future consultation with residents will be around the following issues:
 - (1) the award of rehousing priority to residents
 - (2) the relocation strategy and eligibility criteria for HOME Housing scheme
 - (3) the other options available via Home choice scheme

Alternative Options

17. The Felling Neighbourhood Plan was developed through a rigorous option appraisal process informed by detailed urban design, housing market and socio-economic data analysis as well as extensive community consultation and includes the Housing Option Appraisal of Council owned stock in Brandling. The process outlined below considered three elements at every stage; **Strategic fit**, does it meet objectives of the neighbourhood, the Council and those of Bridging NewcastleGateshead; **value for money**, cost appraisal and effectiveness; and **deliverability**, community and political support, funding and resource implications.
18. An assessment of the Neighbourhood Plan area identified a number of focus areas such as Brandling where housing conditions, environment and social conditions were of concern. Three broad options were developed to assist residents and stakeholders for each of the focus areas and this was subject to public consultation in June 2005. These were;

- **Management-led** (intensive management- no physical intervention)
- **Design-led** (mainly renewal and refurbishment)
- **Development-led** (mainly clearance and redevelopment)

19. The measures within each option were not mutually exclusive and could be combined. Consultation therefore sought views on both the extent of the focus areas as well as the development of targeted proposals. Further consultation on the draft Neighbourhood Plan, identifying preferred options, was carried out in September 2005, prior to the Council adopting the plan in 2006.

Implications of Recommended Option

20. Resources -

a) Financial Implications -

The Strategic Director, Finance and ICT confirms that the capital costs can be accommodated from the 2011/12 to 2013/14 capital programme and any revenue costs associated with relocating council tenants will be met from the Housing Revenue Account.

b) Human Resources Implications -

Current staff levels would have to be retained to ensure the delivery of the Flowershow Field Estate relocations and demolition. However, there are no implications in terms of additional capacity. Staff resources will be needed from Property and Design for the acquisition of units in private ownership and for the planning and implementation of demolition. There are staff resource implications for the neighbourhood management team in terms of their assistance regarding the relocation of owner occupiers on the estate and community involvement activities.

c) Property Implications

- Acquisition of 6 Right to Buys (5 owner occupiers & 1 private rented)
- Relocation of 45 Council tenants
- Demolition of 53 units

21. Risk Management Implication -

Risks associated with all aspects of implementation have been identified and will be developed, using a project management approach, into a risk log that will be regularly monitored over the lifetime of the plans with appropriate action identified to ensure delivery.

22. Equality and Diversity Implications –

An initial screening for an Equality Impact and Needs Assessment has been undertaken. The relocation of tenants from the Flowershow Field Estate will give tenants the opportunity to move into better quality accommodation. The demolition and redevelopment of the Flowershow Field Estate will enable the development of new homes that provide an opportunity for a diverse population and improve access to goods and services for people with a range of disabilities.

Consultation with tenants and residents to date has shown that the majority of responses were in favour of demolition.

This demolition area will form part of a wider Brandling Housing Joint Venture site, which will include a mixed tenure development to ensure the provision of affordable housing. In particular the new development will meet lifetime homes standards.

23. Crime and Disorder Implications -

It is proposed to develop a masterplan for the area that includes the creation of a high quality development where design makes a major contribution towards the reduction of crime.

24. Health Implications -

The relocation will cause some temporary disruption to tenants and residents and this might impact on their health in the short term. The new housing will be high quality and is expected to improve health in the ward, and tenants that are relocated will be in better quality accommodation. In addition the new development will be energy efficient and meet lifetime homes standards.

25. Sustainability Implications -

Demolition and redevelopment will be carried out in a sustainable manner, with specific recommendations in accordance with local and national policies. The new residential development both by Galliford Try and the Housing Joint Venture partner will meet Code for Sustainable Homes levels.

26. Human Rights Implications -

The proposal affects Article 8, the right to respect for private and family life and Article 1 of the First Protocol, entitlement to peaceful enjoyment of one's possessions. However, if these proposals do contravene Human Rights the interference is justified in that, the proposals will result in long-term benefits to the wider community.

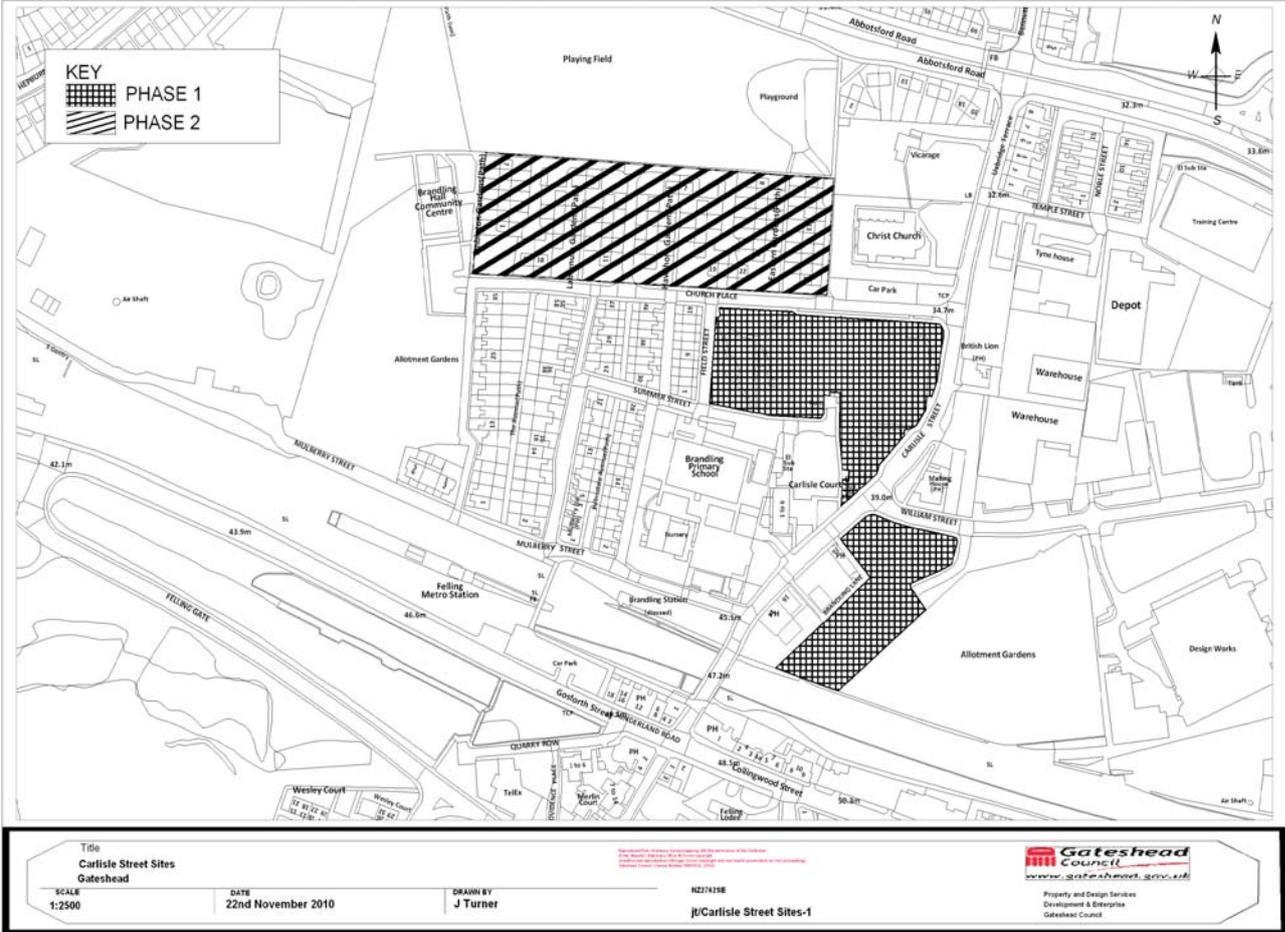
27. Area and Ward Implications -

Felling Ward in the East Neighbourhood Management Area.

28. Background information

- Cabinet Report – Approval of Neighbourhood Plan & Demolition (7 March 2006)
- Cabinet Report - Disposal of Carlisle Street land (30 November 2010)

Appendix 2:



Appendix 4:

Flowershow Field Relocation Strategy

The Flowershow Field Estate falls within the Felling Ward in the East Area neighbourhood and is included within the Housing Market Renewal Pathfinder (HMRP) boundary in Gateshead.

There are 45 Council tenants, 5 owner occupiers and 1 privately rented tenant to rehouse. The rehousing of residents in all tenures is covered by this relocation strategy.

Priority & Eligibility

The following will be used to decide urgent priority based on demolition :

- The date priority was awarded for rehousing – this will be the date Cabinet agreed to the award.
- The current tenancy or residency date – if more than two tenants or residents qualify for the same property.

Residents (which includes tenants, owner occupiers and private rented tenants), who wish to be considered for Council properties will bid through the choice based lettings scheme using the above award.

The first table attached below aims to show what type of property residents could normally qualify for in Gateshead. However households not included in the green category may still be able to access those property types. Where there has been no demand for a property from eligible applicants the lettings criteria can be relaxed; for example in terms of property size.

GREEN - You have an automatic right to apply for any of the properties marked green.

White - You can be considered eligible for these properties only if there is no demand from “green” applicants.

HOME Housing new build

25 new build properties will be let from 100% nomination rights to the Council on first let only. The Council will receive 50% nomination rights for subsequent vacancies.

On first let preference for lettings will be given to residents of the Flowershow Field Estate that meet the above criteria, along with the following.

Where more than one resident expresses interest in the same family property, the offer will be decided on

- The date priority was awarded for rehousing – this will be the date Cabinet agreed to the award.
- The size of the household, starting with the largest first.
- The current tenancy or residency date – if more than two tenants or residents qualify for the same property.

Eligibility for property size will initially be as per the Council's lettings policy. However the Council reserves the right to consider applications where the tenant or resident may be under occupying the property but by no more than one bedroom.

The second table below shows what type of property residents will normally qualify for.

Under the initial 100% nomination rights, residents 50 years and over will qualify for the sheltered two bedroomed apartments, but on any subsequent lettings this will rise to minimum age of 55 years old.

The Council will nominate eligible households for any vacancies to HOME Housing through a direct let, based on best use of stock. Preference will be given to those tenants whose property is required and can be used to facilitate rehousing for residents of Flowershow Field Estate.

Any outstanding debts owed by residents to the Council will be met out of the Home Loss payment. However HOME Housing reserve the right to make the final decision on any allocation, where there is a history of any serious breaches of tenancy.

Pets will be allowed in the two bed apartments in line with HOME Housing policy.

Future lettings

Any subsequent voids will be let in line with the Council's lettings policy, for the 50% nomination rights

Eligibility for Council properties	Studio Flat/Bedsit	1 Bed Flat	1 Bed Bung	1 Bed House	2 Bed Own entrance Flat	2 Bed Shared entrance Flat/maisonette	2 Bed Bung	2 Bed House	2 Bed Own Entrance Maisonette	3 Bed Own entrance Flat	3 Bed Shared Entrance Flat or Maisonette Flat	3 Bed House	3 Bed Own Entrance Lower Maisonette	3 Bed Own Entrance Upper Maisonette	4 Bed House/Flat or Maisonette	5 Bed House
	Single Person under 60															
Single Person over 60																
Single Person with overnight access to 1 or more Children																
Couple under 60																
Couple under 60 with overnight access to one or more children																
Couple where oldest applicant is over 60																
2 adults (non-couple) under 60																
2 adults (non-couple) where oldest applicant is over 60																
Household with 1 child* over 16 years of age																
Household with 2 children* over 16 years of age																
Household with 2 children*																
Household with 3 children*																
Household with 4 children*																
Household with 5 or more children*																

*** Children who are full time resident in the household rather than access arrangements.**

Please note that households that are not included in the green category are not necessarily excluded from accessing the property types, as the lettings policy does allow for exceptional circumstances.

Eligibility for New Build Properties Home Housing	2 Bed Own entrance Sheltered apartment	3 Bed House	4 Bed House/
Single Person under 50			
Single Person over 50 (note any subsequent lettings min age will be 55 years)			
Single Person with overnight access to 1 or more Children			
Couple under 50			
Couple over 50 (note any subsequent lettings min age will be 55 years)			
Couple under 60 with overnight access to one or more children			
Couple where oldest applicant is over 50 (note any subsequent lettings min age will be 55 years)			
2 adults (non-couple) under 50			
2 adults (non-couple) where oldest applicant is over 50			
Single parent with 1 child*			
Single parent with 2 children*			
Couple with 1 child			
Couple with 2 children*			
Household with 3 or more children*			
Household with more than 2 adults and 1 child			

Flowershow Field Consultation

At a cabinet meeting of Gateshead Council held on 21st June 2011 it was agreed that consultation with residents could take place in the Brandling area to gain information from residents as to specific re-housing requirements, preference in terms of future landlord and general information from within the household.

Included within future re-housing options was the new Home Group development being built on Carlisle Street consisting of 25 properties in total made up of:

- 11 two-bed apartments for older persons
- 11 three-bed houses
- 3 four bed house

As a result officers from The Gateshead Housing Company carried out consultation with a total of 44 tenants throughout June-July 2011 in order to gain a full picture of where individuals/families would like to be re-housed, with whom and if there are any specific requirements that need to be taken into account.

Below is a summary of the results from the consultation that took place with the 44 tenants of Flower show Field estate. The results are broken down into the relevant questions that were asked during the consultation process.

‘Which type of housing would you consider? If you choose more than one it would be helpful if you told us your order of preference’.

<u>Landlord</u>	<u>Preference</u> 1 st	2 nd	3 rd	4 th	Total number of customers who would consider each option
Home Group, Carlisle Street	9	11	1	0	21
Gateshead Council	34	9	0	0	43
Housing Association	1	10	9	0	20
Private Landlord	0	1	1	1	3
Other	0	0	0	0	0
TOTAL	44	31	11	1	87

In summary 34 tenants expressed a 1st preference for Gateshead Council to remain as their future housing provider, 9 tenants expressed a 1st preference to move into the new Home Group development on Carlisle Street and 1 tenant preferred to move into other Housing Association property.

11 tenants did suggest that they would consider Home Group property but this was as a 2nd preference.

' If you have told us you would like to be considered for a Home Group Property can you tell us which type of property you would be interested in?'

	<u>Preference</u>	<u>Number Eligible</u>		<u>Number Eligible</u>		<u>Number Eligible</u>		
<u>Property Type</u>	1 st		2 nd		3rd		Total	Total Eligible
2 bed apartment	3	2	4	4	0	0	7	6
3 bed house	6	6	7	5	1	0	14	11
4 bed house	0	0	0	0	0	0	0	0
TOTAL	9	8	11	9	1	0	21	17

In summary out of the 9 tenants who stated that Home Group was their 1st preference, 3 would like a 2 bed apartment and 6 would like a 3 bed house. Out of the 3 tenants who would like a 2 bed apartment 2 are eligible, out of the 6 tenants who like a 3 bed house all 6 are eligible.

' If you have told us you would like to be considered for a Gateshead Council Property can you tell us which type of property you would be interested in?'

	<u>Preference</u>		
<u>Property Type</u>	1 st	2 nd	Total
1 bed bungalow	6	1	7
2 bed bungalow	15	0	15
2 bed flat	2	0	2
2 bed house	6	3	9
3 bed house	5	4	9
4 bed house	0	1	1
TOTAL	34	9	43

In summary the most popular type of property with Gateshead Council in terms of tenant preference here is a 2 bed bungalow.

'Which area of Gateshead would you like to live?'

<u>Estate/Area/Specific Location</u>	<u>Number of tenants that expressed interest in Estate/Area/Specific Location</u>
Bog House	11
Leam Lane	9
Pelaw	7
Wardley	6
Felling	4
Heworth	3
Windy Nook	3
Low Fell	2
Central Gateshead	2
Millbrook	2
Ridley Terrace	1
Falla Park	1
Near Metro Station	1
Sunderland Road	1
Birtley	1
Mount Pleasant	1
Abbey Court	1
Old Fold	1
Nest Estate	1
Beacon Lough	1

The above table shows the various areas in Gateshead that were ventured by tenants as being areas/estates/locations they would be interested in living in. These figures show all areas ventured by those who expressed Gateshead Council as their **1st preference**.

It is clear that the East of Gateshead is by far the more popular location, making up approximately 80% of all responses.

'Do you have any current aids or adaptations in your current home?'

<u>Yes</u>	<u>No</u>
9	35

Numbers relate to number of households.

'Adaptation Type'

Shower	8
Ramp	1
Stairlift	1
Bath	1

It is worth noting that one property has multiple adaptations (Shower, Bath and Stairlift).

'Disability'

Yes	No
16	28

Numbers relate to the number of households that contain one or more person who has a disability.

'Disability Type'

Mobility	9
Mental Health	3
Other	3
Visual Impairment	2
Hearing Impairment	2

Multiple disabilities exist in some households.

'Do you have any pets in your household?'

Yes	No
14	30

'Pet Type'

Dog	10
Bird	2
Budgies	2
Rabbit	1
Cat	1
Fish	1

The above refers to the number of households that have each type of pet. Some households have multiple pets.

Summary of other findings

Out of the 44 households there were no households currently waiting on a Medical Assessment of any kind.

A total of 5 tenants stated that they had temporary people who would sometimes stay overnight at the property e.g. carers.

A total of 2 tenants stated that within the next 2 months their household circumstances may be changing. One tenant stated that his partner and children would be moving in, the other has stated that a relative will be staying over temporarily to provide care and assistance in the home.

Report to Asset Management Committee

20 October 2011



Title: Capital Monitoring 2011/12

Author: Director of Corporate Services

Purpose of Report

1. To note the monitoring statement of the capital expenditure budget for 2011/12 and the progress update on housing investment work.

Background

2. The capital allocation for housing investment works in 2011/12 is £28.5 Million.

Monitoring

3. A budget monitoring statement for the 2011/12 financial year is attached at the Appendix to this report. The overall capital budget is forecast to come in on budget this year, although we will be monitoring the budget very closely between now and March 2012 to ensure that the budget breaks even.
4. Over 19,000 homes now meet the Decent Homes standard. Other than the properties in Bleach Green which is currently under review, all properties are now decent.
5. 1,095 homes that would become non-decent this year, have not yet received improvement works. Works to prevent these properties becoming non-decent will be completed by 31 March 2012.
6. Work is also underway to convert 47 bedsit flats into properties that will better meet customer's needs and aspirations. The conversion work will create 6 two bed and 16 one bed flats. The work at McErlane Square will change 24 bedsits into 12 one bed flats. The work at Birtley Villas and Pleasant Place will change 23 bedsits to 6 two bed flats and 4 one bed flats. These works will be completed by 31 March 2012.
7. Currently 603 occupied homes will not receive any improvement works. These are in the areas of the Chandless Estate, Clasper Village, Kibblesworth, Flowershow Field, and the sheltered schemes Sunhill, Derwentside, Victoria House and West Park. Gateshead Council has approved the decommissioning of these properties and work is underway to re-house the customers affected in their preferred locations where possible.

Links to Values

8. This report relates to the values of: -
- Being honest, accountable and transparent
 - Being a listening and learning organisation

Impact on tenants

9. We have spent over £330million over the lifetime of the Decent Homes project which has enabled us to bring all properties up to the Decent Standard. The average spend per property is £12,731. This has been spent on improvements such as roof replacements, lintels and wall ties, floor replacements, insulation, remodelling/conversions, asbestos removal, as well as kitchen, bathroom and heating replacements.

Risk Management

10. There are no risk management implications of the report.

Health Implications

11. The improvement work delivered reduces the risk of customers living in cold, damp homes. Reducing the risk of heart, stroke, respiratory and cold-related illnesses.

Financial Implications

12. The financial implications are detailed in the attached appendix.

Equality and Diversity Implications

13. There are no Equality and Diversity implications associated with this report.

Value for Money Implications

14. A procurement exercise was carried out to appoint the three strategic partners and we have continued to work with the partners to deliver efficiency savings and have so far delivered over £15m savings which have been reinvested in capital works.

Environmental Implications

15. Improved insulation and energy efficiency measure will contribute to a reduction in carbon emissions of around 7,000 tonnes per annum.

Consultation

16. No consultation has been carried out for the preparation of this report.

Recommendation

17. The views of the committee are sought on the capital monitoring statement for 2011/12.

Sarah Thompson, Head of Finance
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Appendix

	Budget 2011/12	Total spend to date	Anticipated Spend from 01/04/11 to 31/03/12
Decent Homes (including sustainability) Total	11,886	5,483	10,230
Revenue Support Total	3,000	1,421	3,000
Borough wide insulation	0	-66	-66
Other Capital Spend	1,500	1,281	2,395
Officer Costs	2,800	1,400	2,800
TGHC CAPITAL PROGRAMME TOTAL	19,186	9,519	18,359
AVAILABLE FUNDING	18,359		



Report to Asset Management Committee

20 October 2011

Title: Forward Plan

Report of: Chief Executive

Purpose of report

1. To approve a forward plan of reports which will be presented to Asset Management Committee during the next year.

Background

2. It has also previously been agreed in the 2010 Governance Improvement Plan to have an annual plan of meetings with themed subject matters programmed in.
3. Attached as an Appendix to this report is a forward plan of reports that will be presented to meetings of this committee during the year. This will not be an exhaustive list of reports and there will clearly be a number of other items of business that the committee will be required to consider during the course of the next year. It will however give the committee an idea of forthcoming business. It will also assist officers when planning in business and meetings to avoid when there is a lot of business.
4. It is proposed that the forward plan becomes a standing item on every Asset Management Committee agenda.

Link to Values

5. This report relates to the following company value of being honest, accountable and transparent.

Risk Management Implications

6. The forward plan will mitigate the risk of reports not being planned into the committee cycle.

Value for Money Implications

7. There are no value for money implications directly arising from this report.

Equality and Diversity Implications

8. Equality and diversity implications will be addressed separately in future reports.

Financial Implications

9. There are no financial implications directly arising from this report.

Health Implications

10. There are no health implications directly arising from this report.

Environmental Implications

11. There are no environmental implications arising from this report.

Consultation carried out

12. Lead officers within the company have identified reports for future meetings of this committee.

Impact on Customers

13. There is no impact on customers as a result of compiling this report.

Recommendation

14. It is recommended that: -
 - the forward plan be noted;
 - the forward plan be a standing item on future Asset Management Committee agendas.

Asset Management Committee Forward Plan

Asset Management Committee	Issues to be discussed
February 2012	<ul style="list-style-type: none">• Capital Plan• Capital Budget 2012/13• Capital Monitoring Update• Asset Management Strategy• District Central Heating• Felling Closure Update
June 2012	<ul style="list-style-type: none">• Capital Monitoring Update
October 2012	<ul style="list-style-type: none">• Capital Monitoring Update