



Report to Board of Directors
19 September 2013

Title: Kibblesworth Regeneration Update

Report of: TGHC Managing Director

Purpose of Report

1. To provide the Board with an update regarding the progress on site and highlight any issues that have come to light since the previous update.

Background

2. The Airey properties are a system built property type with a reinforced concrete frame and concrete slab external cladding. Structural surveys at Kibblesworth highlighted defects in the reinforced concrete frame compromising the structural integrity of the properties.
3. Following an options appraisal of the houses and the area overall, along with consultation with the residents, it was decided that the best option was demolition and reprovion of new homes that were suitable for modern living.
4. Extensive consultation has been carried out with the tenants and the wider area throughout the process. Planning permission for the new properties was achieved on 15 January 2010 and the approved constructor ("Keepmoat") started on site on 29 March 2010.

Summary

5. The table below summarises the progress made to date on each of the phases for the social rented stock: -

Phase	Number	Date Completed	Progress
Phase 1	5	07/09/2010	Fully Occupied
Phase 2a	15	27/04/2011	Fully Occupied
Phase 2b	20	18/08/2011	Fully Occupied
Phase 3a	15	29/06/2012	Fully Occupied

Phase	Number	Date Completed	Progress
Phase 3b	9	12/06/2012	Fully Occupied
Phase 3c	8	06/09/2012	Fully Occupied
Phase 4	9	22/07/2013	Completed
	81		

6. In addition, there are 13 properties completed within Phase 4 which are being marketed as Shared Ownership properties. A separate report on this agenda provides the Board with the update on these properties.
7. In addition to this: -
- All 54 Keepmoat sales properties are now sold.
 - The Public Art is being led by Gateshead Council's Art Team. Artists have been appointed who have worked with the local community to develop 5 individual pieces of art work that will be sited within the new development and some parts of the existing village. The art work is progressing as follows:
 - An individual circular stone seat to wrap around the recently planted pear tree within the new play area – installed July 2013.
 - An ornate hand made wrought iron chair that includes local school children's ideas, to be placed on the off site existing play area - installed March 2013.
 - Two wooden carved seats by Exploding Arts, working with local primary school children to form designs and will be located near the proposed toddler play area – installed July 2013.
 - A carved sandstone art path highlighting the grid coordinates of the village pit head that crosses one of the estate open spaces - installed April 2013.
 - A forged steel life size pony to be sited on a landscaped open space. The artist has worked closely with the carving group from the Millennium Centre and is ready to install when the area is cleared and prepared. Proposed installation date September 2013.
 - 15 bronze circular design and heritage cast plaques to be set within the existing and new footpaths around the village and within the scheme. Installation dates are still to be confirmed.
 - The on-site fixed play area within Phase 4 and the off-site play equipment within Kibblesworth Park have both now been installed.
 - The Kibblesworth Celebration Event is proposed for the 28th September 2013

Impact on Tenants

8. All 60 tenants from the Airey homes who requested to continue to live in Kibblesworth have now been re-housed within the new development (within phases 1, 2 and 3).

Financial Implications

9. So far, 101 home loss payments have been made equating to £474,000 less any outstanding debt due to rent arrears, water rates, Council Tax arrears, or any other court costs or rechargeable repairs. Disturbance payments of £40,986 have also been made to pay for out of pocket moving expenses. These payments are made by the Council.
10. The cumulative value of works carried out by Keepmoat to date is £8,147,438 which is inclusive of the latest valuation. All valuations will be paid less 5% retention. It has been agreed to release half of the allocated retention at completion of each phase, with the balance being released after 12 months.
11. We had previously agreed a maximum contract value of £8,243,870 however the anticipated final account with Keepmoat is now forecast at £8,187,611 due to the final variations now being agreed. There has been no movement on this since the previous board report.

Risk Management Implications

12. Phase 4 properties were not completed in the timescales as specified by the original Homes and Communities Agency (HCA) grant conditions, however, the revised completion date of July 2013 has now been achieved. The HCA has agreed to release all grant funding.

Value for Money Implications

13. Regular meetings are held with Keepmoat to ensure value for money is achieved on all solutions.

Equality and Diversity Implications

14. There are no equality and diversity implications directly arising from this report.

Health implications

15. Keepmoat are aware that dust and noise have potential health implications. This is mitigated by the site being part of the 'Considerate Constructor Scheme' which monitors these and other matters.

Consultation Carried Out

16. Keepmoat and the TGHC Housing Management team are in regular contact with affected tenants on an individual basis regarding the current phases. Customer satisfaction information will be available once the scheme is completed.

Recommendation

17. The views of the Board are sought as to whether they are satisfied with the progress made to date.

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