



Report to Assets, Development and Investment Committee

4 November 2015

Title: Housing Capital Programme – Quarter 2 Update

Report of: Director of Customers and Communities

Purpose of Summary

1. To provide the committee with an update on the delivery of the 2015/16 Housing Capital programme at the end of quarter 2. This report provides the committee with progress on individual schemes and details on property numbers that will benefit from improvement works, in the current year.

Background

- .2. The Housing Revenue Account (HRA) capital programme is approved by Gateshead Council on an annual basis. On the 5 February 2015, a revised Housing Capital Programme was approved for the period 2015-2020. This approved the major budget headings and available funding to support investment over the next five years but is subject to annual review and will be informed in future years by the findings of the current stock condition exercise.
3. The capital programme is established and managed by the Investment and Development service. This involves identifying schemes and prioritising capital investment based on stock condition and repairs history and managing the performance of delivery partners to ensure that schemes are delivered on time, on budget and to the satisfaction of customers, with emphasis on achieving value for money. The main delivery partner on the capital programme is Gateshead Council's Construction Services (CS).

2015/16 Capital Programme – Summary

Health and Statutory Obligations

- 4 Having procured a lift consultant during 2014, a subsequent procurement exercise was undertaken earlier this year to retender the Lift maintenance and Refurbishment contract. Following on from the appointment of Kone, works have commenced to deliver H&S improvements across a number of Multi Storey blocks that will ensure lift maintenance engineers can undertake work in a safe environment. These works will commence in November and will run through until March 2016.

5. Additionally, full lift refurbishments within sheltered schemes, will be carried out on both lifts at Mulgrave Villas and the single lift at Harrison Court. Works will commence in January and are expected to complete in April 2016.
6. Electrical upgrades commenced at Warwick Court in September with the works programmed to complete April 2016. The electrical works consists of both communal and individual flat rewiring.
7. Equality Act Works to 7 communal lounges in sheltered schemes are currently being delivered with works to Kays Cottages and Emmaville completed to date and the remainder expected to conclude within this financial year. The five remaining schemes to receive works are listed below:
 - Cheshire Avenue
 - Easington Avenue
 - Bolton Bungalows
 - Harison Court
 - Milvain Close
8. Equality Act Works to multi storey flats – A continued rolling programme of works to multi storey blocks will see Redheugh and Eslington Court benefitting in this financial year.
9. Fire Safety Works – Residual signage has now completed at sheltered schemes following delivery of main fire safety measures during previous years. There will be further communal fire door refurbishment occurring at Redheugh and Eslington Court that will be delivered as part of the Equality Act Works programme.
10. We are currently delivering a works programme to all 25 multi storey blocks installing non-combustible cable clips to cable runs in communal areas. The clips being installed will prevent cable runs sagging in the event of a fire. Works have been completed at 11 blocks to date with the remainder programmed in for completion prior to the Christmas break. Future works will be identified by a rolling programme of Fire safety audits, which are currently being undertaken in multi-story blocks and sheltered schemes.

Maintaining Decency

11. The Maintaining Decency programme is comprised largely of internal upgrades to properties with individual elements such as re-wiring, boiler replacement, kitchen replacements and bathroom renewals. 6 estates will receive Maintaining Decency Works in 15/16 with 1 estate completed to date.
12. In addition to the 6 programmed estates, a number of other estates had works in progress having commenced in the previous financial year of which have been subsequently completed. 355 properties will receive improvements this year.

Energy works

13. A significant package of internal and external works was carried out to 147 properties at St James' Village. This scheme commenced September 2014 and is in the final stages of delivery. Properties on the scheme have received flat roof

renewal, window replacements and insulation measures to both communal areas and individual flats where condensation issues have been evident previously.

14. A scheme is in development to deliver boiler replacement at eight sheltered housing schemes. Two schemes have been designed and are anticipated to be delivered during the months of January through to April. The remaining six will form part of the Capital Housing Programme 2016/17.
15. Approximately 208 non-traditional properties will benefit from external wall insulation measures during 2015/16. The works improve thermal efficiency and help customers experiencing high fuel costs. This type of investment to hard to heat, non-traditional properties features in the current 2015-16 programme and is likely to continue in future years as a priority. The works this year will be delivered at High Lanes and Heworth Grange.
16. A contract at South Sherburn is currently being mobilised that will undertake works on a small number of non-traditional Airey house types. The works proposed will involve removing the existing uninsulated concrete panels and rebuilding in a traditional form of construction. Renewal of the roof coverings and windows will also be undertaken that will provide a thermally efficient home for the residents and bring the properties up to modern standards..
17. Similar to the South Sherburn contract, we are in the final design stages of a contract that will refurbish 9 non-traditional Tarran bungalow house types at Highfield. The works will consist of external wall insulation, window replacement and the installation of insulated ceilings that will provide a thermally efficient home.
18. Roofing insulation measures are being applied to a house type that has a particular roof style known as a 'T Fall'. Due to the nature of the design a section of roof cannot be traditionally insulated requiring internal insulation measures to be applied to the cold areas. This will eradicate the current cold bridge that is resulting in surface condensation with 279 homes benefitting this year. This work was identified to address recurring condensation issues that were being tackled through responsive repairs visits and is expected to see a reduction in repairs activity and cost.
19. The rolling Painting Programme is continuing with an increased budget allocation for this year. The programme is being delivered via two concurrent delivery streams with both Mears and Construction Services undertaking works, with an overall investment programme of £1.5M. As this activity is categorised as maintenance, this is being met from the Repairs Budget, however from an operational perspective it is managed and co-ordinated by the Investment Section and schemes aligned with other investment activity to minimise disruption for customers and achieve efficiencies where possible.

Other Priorities

20. Tunstall Carecall Scheme – 10 schemes will benefit from upgrades to the Carecall system during 2015/16 with all works completing in January 2016.
21. Window Replacement – There is continued planned investment in window refurbishment this year with a works programme consisting of 480 properties. A number of the properties will require structural opening support that will be

identified through bespoke surveys. Works are on-going and are expected to complete this financial year.

22. Mid Rise Flat Entrance Door and Door Entry Refurbishment – A contract that will focus on low to mid rise blocks is currently out to tender. The works designed and specified is to replace communal doors and install a modern door entry audio system. 23 blocks across the borough are set to benefit with works proposed to commence in January 16.

Links to Values

23. This report relates to the following company values of being: -

- Fair
- Customer Focused
- Accountable
- Innovative

Impact on tenants

24. Following on from the investment that was made during the Decent Homes programme, we continue to invest in maintaining decency of the housing stock for the benefit of the customers.
25. Satisfaction surveys are carried out with all tenants and leaseholders who receive investment works. Results up to the end of quarter 2 show that 96.08% of customers expressed satisfaction with maintaining decency works. Customers receiving windows were also surveyed with 100% of customers expressing satisfaction that demonstrates the quality of product and installations.
26. Customers will benefit from the Equality Act works improving entrance access, finishes, and toilet facilities to communal areas.
27. Customers will continue to benefit from increased fire safety measures that will provide a safer home environment.

Health Implications

28. The improvement works detailed in this report, in particular replacement windows and improvements to the thermal efficiency of homes, will reduce the risk of customers living in cold damp homes, reducing the risk of heart, stroke, respiratory and cold related illness.

Environmental Implications

29. Through the Maintaining Decency, Insulation and one off heating replacement schemes, properties that have the oldest most inefficient heating systems have received replacement boilers this year. The EWI schemes to harder to heat properties along with window replacement works will reduce substantial carbon emissions through reductions of heating usage.

Risk Management Implications

30. The failure to maintain decency has been identified as a strategic risk and controls and future actions have been agreed to mitigate the risk. The Strategic Risk Register is reviewed annually by the senior management team and monitored by the Board. Works being undertaken to provide a safer environment for lift engineers undertaken R&M will mitigate risks to our contractors. Equality Act works will mitigate against risks to customers.
31. The fire safety works that are being delivered in our Multi Storey stock will address the deficiencies that were identified by officers from TGHC and the Tyne and Wear Fire and Rescue Service and will mitigate risks in our properties..

Financial Implications

32. The capital programme is delivered within existing budget although, we are constantly looking at opportunities to maximise value for money and attract additional funding to supplement capital delivery.

Equality and Diversity Implications

33. The Equality Act works will deliver accessibility works to 7 sheltered blocks and 2 multi storey blocks
34. Measures include improved entranceways, communal finishes as well as fully accessible toilet facilities

Value for Money Implications

35. Value for money is a key driver in delivering an efficient and effective investment programme. Discussions have been held with suppliers around their costs to ensure that we are continuing to receive the best quality products at a reasonable price. We will continue to manage the investment works to ensure that the contractors provide value for money in their approach to the works.

Consultation carried out

36. Consultation has been carried out for:-
 - The lift refurbishment works at Mulgrave Villas and Harrison Court with customers being advised of the nature of the works whilst taking the opportunity to assess customer needs.
 - The internal Prior to Paint programme.
 - Ward Councillors have been updated and advised of the Capital scheme proposals in their wards.

Recommendations

37. The committee are asked to:

- comment on satisfaction with the position at the end of quarter 2 on the 2015/16 Capital Programme;
- receive further reports on progress and activity against the programme at the end of both quarter 3 and year end for 2015/16.

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