



ADUR & WORTHING
COUNCILS

Joint Strategic Committee
12 September 2017
Agenda Item 10

Key Decision Yes

Ward(s) Affected: All Adur Wards except
Marine and Buckingham

HRA Capital Programme 2017-2019

Report by the Director for Communities

Executive Summary

1. Purpose

- 1.1. This report informs members of the capital investment programme for two years combined - 2017/18 and 2018/19. It contains information about the planned investment in the housing stock which is owned by Adur District Council and managed under the name of Adur Homes. Approval is sought for the release of the budget in compliance with Financial Regulations.
- 1.2. The investment allocated in the Housing Revenue Account for 2017/18 is £4,700,000 and for 2018/19 is £5,200,000

2. Recommendations

- 2.1. The Joint Strategic Committee is recommended to approve the revised Housing Capital Investment Programme for 2017/18 and 2018/19 and to release the budgets..

3. Context

- 3.1. The residential portfolio consists of 2,575 tenanted and 510 leasehold dwellings. The investment in this stock is funded through the Housing revenue account (HRA). This report describes the short to medium term plans and priorities for the repair and improvement of the stock.

3.2. Stock condition surveys of the portfolio were carried out as part of the 2016/17 investment programme based on 30% internal inspections and 100% inspections of external blocks and communal areas. The stock condition survey work to date has been considered when drafting the planned programmes for 2017 to 2019. The surveys indicated an investment of at least £33m to 2021/22. To assist officers with the future forecasting of expenditure consultants have also carried out pilot more detailed assessments on 13 representative blocks across the portfolio which has enabled officers to have a prioritised approach to work packages.

3.3. An informed investment programme will enable officers to consider the most appropriate methodology for procurement and work packages. This would for certain types of work group elements of repairs and improvements together to minimise disruption to residents and reduce costs.

3.4. Consolidation and Reprofiled items from the 2016/17 programme:

It has been necessary due to the inherited backlog of work to carry forward several budgets from 2016/17. These have been consolidated within the 2017/18 budgets.

4. Issues for consideration - The 2017/18 Housing Capital Investment Programme breakdown

4.1. Adaptations for tenants with disabilities:

This is where we carry out an adaptation to a property where the existing tenant (or member of the tenant's household) has a disability and requires works to the property in order for them to remain in the home. This will be through a recommendation made by West Sussex County Council through the Occupational Therapy service.

As part of any assessment, consideration is given as to whether it would be more appropriate to offer alternative accommodation rather than adapting the current home. For example, it may be inappropriate to install a stairlift into a third floor flat that has no lift access. Additionally, when an adapted property becomes void, the shortlisting process will identify households from the Housing Register who may require that particular adaptation. There is further work to do to consider managing demand, revising and updating policies and approval routes and considering a means test equal to that used for disabled facility grants.

2017/18 budget:	£280,000
2018/19 allocation:	£280,000

4.2. External and Communal works:

a) External Works - General:

This work includes elements such as fascias and soffits replacement, flat roofs, brickwork repairs, repointing, concrete repairs, door entry system repairs.

Priority areas are:

Beachcroft and Bushby - doors and screens

Rock Close - external works

Locks Court - external works

Millfield Court - external works

Warren Court - external works

Homes with non traditional construction - investigative work

2017/18 budget: £1,400,000

2018/19 allocation: £1,200,000

b) Communal area works

This will include elements such as wall surface and flooring repairs, flooring, replacement lighting:

2017/18 budget: £500,000

2018/19 allocation: £200,000

4.3. Kitchens and Bathrooms

This will conclude years two (17/18) and three (18/19) of the previously published programme.

2017/18 Budget: £1,358,020

2018/19 Allocation: £ 850,000

4.4. Environmental Improvements

Projects that will enhance or improve the estate, immediate surroundings and/or facilities. The projects that have been identified for 2017/18 include:

- The new bin stores at Fishersgate.
- The proposed refurbishment of the Meet-In place Fishersgate to create a better resident resource area.
- Works to Commerce way to provide a base for Adur Homes staff.

This budget can also fund pocket parks and landscaping improvements.

2017/18 Budget: £78,240

2018/19 allocation £60,000

4.5. Responsive Capital repairs

This budget is to be used to undertake individual works which are not in a current programme.

2017/18 Budget £150,000

2018/19 Budget £140,000

4.6. Fire Safety Works

During 2016/17 and 2017/18 Adur Homes is undertaking a programme of review and updating of the Fire Risk Assessments (FRA) to the communal areas in blocks and schemes and the delivery of an action plan to reduce and mitigate risk.

The work has been prioritised in accordance with the risks identified and the programme will run over a number of years.

2017/18 Budget: £1,200,550

2018/19 Allocation: £1,000,000

4.7. Capital Void Works:

Over the course of a year, a number of homes become vacant and require works before they can be re-let. In some of these cases the condition of the property is so poor that it requires additional investment over and above routine repairs including kitchens and bathrooms.

2017/18 Budget: £200,000

2018/19 Allocation: £150,000

4.8. Central Heating Installations:

2017/18 Budget: £ 70,000

2018/19 Allocation: £ 50,000

4.9. Central Heating Boiler Replacements:

There is an an annual need to replace boilers identified as part of the gas safety inspection and testing contract or where boilers fail during the year.

2017/18 Budget: £130,000

2018/19 Allocation: £130,000

4.10. Community Alarm Systems (sheltered schemes):

A tender for the provision of the works (a Grade D LD2 system) had been procured on the basis of advice appropriate at the time however further discussions and assessment have lead to a revision in advice as to the type of installation needed and further work is now required to assess equipment on the market which is compliant to this latest advice (LD1 system). The system will link the community alarm system and smoke/heat detectors to the Chichester Control centre which is monitored 24/7.

2017/18 Budget: £100,000
2018/19 allocation: £99,800

4.11. Development and Acquisition Programme:

This includes, for example, costs relating to the redevelopment of the Cecil Norris House, to the new development on the the Albion Street site and purchase of ex RTB properties.

2017/18 Budget: £1,795,610
2018/19 allocation: £ 436,200 (funded from HRA Development and Refurbishment of Housing Reserve and RTB receipts)

4.12. Asbestos Surveys and removal:

2017/18 Budget: £62,700
2018/19 allocation: £40,000

4.13. Stock Condition and Feasibility Surveys:

These are essential to enable informed planning for future investment.

2017/18 Budget: £40,000
2018/19 allocation: £40,000

4.14. Orchard ICT items

The current reporting software used in conjunction with orchard Housing management System is called Business Objects. The current datasets are no longer supported therefore £15k has been committed to purchase identified to purchase and implement the supplementary reporting tool 'Data Marts'

£20k had previously been identified in the budget for a significant upgrade to Orchard Housing Management System however this has now been delayed for a further 12 months.

2017/18 Budget: £15,000
2018/19 allocation: £20,000

4.15 Professional and consultancy fees (works)

2017/18 budget	£630,000
2018/19 allocation	£504,000

5. Engagement and Communication

A meeting of the Adur Homes Management Board has been arranged for 11 September 2017 in order to consult with key stakeholders including representatives from the Adur Homes Consultative forum and residents associations. Detailed briefings have been undertaken with both of the Executive Members for Housing/Customer Services.

6. Financial Implications

- 6.1. The Council approved a budget of £4.7m for 2017/18 in December 2016. The current budget available for capital investment in 2017/18 is £8.m and can be broken down as follows:

Original Budget: 2017/18	£5,100,000
Plus: New Affordable Housing reprofiled to 2017/18 during 2016/17	£1,395,610
Plus: Reprofiled from 2016/17 at year end	£1,514,510
2017/18 Current Budget:	£8,010,120
2018/19 Budget allocation	£5,200,000

Of which for 2017/18:

£5,234,510 is for a planned programme of capital investment in existing stock
£350,000 is for urgent capital investment in advance of programmed works
£630,000 is for professional fees
£1,795,610 is for development and acquisition of housing stock.

- 6.2 Under financial regulations, no expenditure shall be incurred on capital projects of £150,000 or over included in the Capital Investment Programme without the acceptance by the Joint Strategic Committee or Cabinet or appropriate Cabinet Member of a detailed report setting out capital costs and revenue consequences, how successful investment will be measured and the anticipated completion date. This report meets the requirements of financial regulations.

7. Legal Implications

7.1. Section 9(1) Housing Act 1985 provides that the Local Authority may provide housing accommodation by erecting houses, or converting buildings into houses, on land acquired by them, or by acquiring house. Section 9(2) provides that the Council may alter, enlarge, repair or improve such a house. This would give the Council the power to maintain and repair Adur Homes properties.

7.2. Section 111 Local Government Act 1972 provides that the Council shall have the power to do anything (whether or not involving expenditure, borrowing, or lending of money or the acquisition or disposal of any property or right) which is calculated to facilitate, or is conducive or incidental to the discharge of any of their functions.

Background Papers

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Sustainability & Risk Assessment

1. Economic

These programmes and projects demonstrate economic investment into

assets owned by Adur District Council

2. Social

2.1 Social Value

The work to the housing stock outlined in the report will have a beneficial impact on the health and wellbeing of the residents many of whom are more disadvantaged in terms of health and income than other residents.

2.2 Equality Issues

2.2.1 The programme contains an element for adapting properties for tenants with a disability.

2.2.2 Consultation with residents as part of all other programmes will identify where any reasonable adjustments need to be made.

2.3 Community Safety Issues (Section 17)

2.3.1 Aspects of several programme described in the report will have a positive impact on community safety for example the repair and replacement of door entry systems to blocks of flats.

2.4 Human Rights Issues

2.4.1 Matter considered and no specific issues identified.

3. Environmental

There are aspects of the programmes described in the report which will improve thermal efficiency and reduce fuel poverty for example replacement windows and replacement flat roofs.

4. Governance

The progress is regularly monitored via the Capital Working Group. Progress is reported to members 4 times a year.

The procurement of works will comply with the procurement regulations and contract standing orders.