

COMMUNITIES & SOCIAL AFFAIRS COMMITTEE

17 JUNE 2015

REPORT OF HEAD OF COMMUNITIES & NEIGHBOURHOODS

THE HOUSING ASSET MANAGEMENT PLAN (HAMP) – UPDATE ON MAJOR PROJECTS

1.0 PURPOSE OF REPORT

- 1.1 For members to note and comment on the Major Projects update within the Housing Asset Management Plan (HAMP). Members to approve the potential of 'buying' affordable housing delivered as part of s106 agreements for new developments

2.0 RECOMMENDATIONS

- 2.1 **Members note the progress on Major projects within the Housing Asset Management Plan (HAMP).**

- 2.2 **Members approve to include within the HAMP the potential of buying' affordable homes delivered as part of a s106 agreement for new developments.**

- 2.3 **Members approve the HAMP key project plan attached as Appendix A**

3.0 KEY ISSUES

- 3.1 The Housing reform changes, introduced in April 2012 gave Councils full financial control over their housing stock enabling them to manage it, specifically from an asset management perspective, more strategically. To facilitate a more strategic approach, Members in September 2012 approved the development of a Housing Asset Management Plan.

- 3.2 A robust HAMP provides a complete and structured approach to the long-term management of land and property assets as tools for the efficient and valuable delivery of community benefits.

- 3.3 Members of this Committee approved the HAMP at their meeting of 20 March 2013 and a further refreshed HAMP in September 2013 and 12 November 2014. Members of this Committee approved a report in March 2015 that updated members on some of the key areas within the HAMP :-

- New Build of Affordable Housing
- Beckmill Regeneration
- Granby House Major Improvements

- 3.4 The main challenge of producing the HAMP was firstly to, considers protection of existing assets and then secondly, to deliver other aspirations such as building new Council houses and regenerating run down estates. Getting the balance right between these objectives is crucial to make best use of the financial resources that are available.

This report provides an overview on the major projects within the HAMP.

In regards to protecting existing assets, the comprehensive stock condition database provides officers with all elements that relate to decent homes. This information is then used to inform the longer term capital improvements programme, to ensure the Council keeps all their homes to at least a Decent Home Standard. Members will recall that previously they approved the procuring of longer term contracts to avoid the annual tendering exercise that caused delays in regards to improvements to tenant's homes but also did not represent value for money.

Members are asked to note the current status of these contracts below:

Ref. No.	Service or Product	Procurement Method	Start Date	Contract length	Total Value	Annual Value	Responsible Department
KB/MBC/14/18	Kitchen & Bathroom Replacement Contract	Restricted Tender	Monday 2nd March 2015	4 years	£500,000	£125,000	Repairs and Maintenance
RR/MBC/14/18	Roof Replacement Contract	Restricted Tender	Monday 2nd March 2015	4 years	£700,000	£175,000	Repairs and Maintenance
CC/MBC/14/19	Communal Cleaning Contract	Restricted Tender	Monday 13th April 2015	4 years	£150,000	£35,000	Repairs and Maintenance
ERESH/MBC/15/19	Electrical Rewire and Conversion of Electrical Storage Heaters Programme	OJEU Tender	Still in procurement	4 Years (option to extend two)	£1.3m	£325,000	Repairs and Maintenance
RWD/MBC/15/19	Replacement Window and Door Programme	OJEU Tender	Still in procurement	4 Years (option to extend two)	£295,000	£73,750	Repairs and Maintenance
	Central Heating New Boiler Installs	Still in procurement			£239,000		Repairs and Maintenance
	Aids and Adaptations	Still in procurement			TBC		Repairs and Maintenance

3.5 New Build

The 10 affordable housing project has been completed and the project has fulfilled the 2 key principles of project management:-

- Project being in time
- Project being in Budget

As members may be aware a formal celebratory event to mark the completion of this Council's first Council Housing Build programme for nearly 30 years took place on 20th March 2015

The New homes have been built to comply with level 3 of the Code for Sustainable Homes and have been secured by design.

All 10 properties have being let at Affordable Rent as per the Tenancy Policy approved by this committee, and the tenancies will be Flexible tenancies that require a 5 year review.

Building on former garage sites is difficult, the construction costs are higher due to abnormalities and the management of a number of small sites has its own operational issues.

Nevertheless they represent excellent Social Return on Investment and officers are now compiling the next programme of new build and early indications are that this will generate further 15-20 new Homes.

This new build project will consider other options of making these sites work, i.e. joint ventures with a registered provider/developer and members are asked to note that a programme will be presented to members later this year on a suggested way forward on a number of sites

3.6 Beckmill Regeneration

A feasibility report for Beckmill Court has been approved and the extensive External and Internal programme works include:

- **Installation of new gas fired heating systems.** Design philosophy – strip out existing electric heating system, install new gas fired boiler within flat store rooms and connect gas supply pipes from meters located at GF level, through electrical risers within the central core of the blocks and into existing meter cupboards off existing landings. New gas supply required and considered as part of this report.
- **New mechanical ventilation.** Existing flats have condensation issues caused partly by a lack of suitable ventilation and potential inadequate or irregular heating patterns (works above will assist with total mitigation). This report considers the installation of new mechanical extract ventilation within the kitchen and bathrooms of each flat to remove moisture at source.
- **External Building Enhancements.** The report assesses the feasibility of installing new insulated renders and cladding to the external facades of all flats from an aesthetic, structural, cost and programme perspective. The proposals include the replacement of the existing windows with aluminium or PVC windows and involve building out of central 'drying' areas to add architectural interest to the facades. Existing steel / wire mesh handrails / balustrades are to be replaced with stainless steel glazed replacements.
- **Improvements to Landscaping.** Existing landscaping is unattractive and worn with the site being used as a pedestrian walk through and town car park. The proposals consider the improvements of the perimeter fencing with defensive planting aimed at improving the security and enclosure of the site. Existing tarmaced areas are to be replaced with block pavers with an overhaul to the schemes parking philosophy. A seated area, children's play area and a new planting scheme aim to create a more pleasant place to live.
- **Condition Survey Related Work.** The buildings superstructure and individual flat issues are highlighted and addressed through the works proposed above with the exception of poor condition asphalt coverings and lack of lighting in the communal areas which require renewal.

Officers have analysed the report to ensure that it covers the main programme of works. These comprehensive works will significantly improve the lives of our tenants living in there and also considerably improve the physical environmental. Examples of which are provided below:-

Option A – Insulated renders / Corium Brick Cladding (Vantage Point 1)



Option A – Insulated renders / Corium Brick Cladding (Vantage Point 2)



Option B – Insulated Renders and Timber Cladding (Vantage Point 1)

Option B – Insulated Renders and Timber Cladding (Vantage Point 2)

Option A - Before and After (Vantage Point 1)



Option B – Before and After (Vantage Point 2)



Consultation with the residents of Beckmill Court have taken place and have proved to be very positive, with residents considering the works to be very beneficial to their lives and the sustainability of the estate.

The report provides an indicative project timeline which is shown below:

Key Milestone	Date
Board Approval to Works	Friday 20th March 2015
Gleeds Appointment	Monday 23rd March 2015
New Gas Supply Application	Friday 6th April 2015
Design Development	Friday 22nd May 2015
Board Approval to Proceed to Tender	Friday 5th June 2015
Contractor Appointment	Friday 26th June 2015
Gas Supply Install	Friday 21st August 2015
Contract Start Date	Monday 20th July 2015
Contract Completion Date	Friday 1st January 2016

The project is progressing well and officers have completed the design development and are seeking to secure a contract to install the gas supply to the estate now due to the lead in time of securing these type of contracts.

3.7 Granby House

A feasibility Report for Granby House has also been approved which covers major improvement works which can be summarised as below:

- **Installation of a new gas fired heating system.** Design philosophy – strip out existing electric heating system, install new central boiler and distribution pipework to heat stations located within store rooms in each flat, the heat station will meter the gas use by each tenant. New gas supply required and considered as part of this report.
- **New mechanical ventilation.** Existing flats have condensation issues caused partly by a lack of suitable ventilation, potential inadequate or irregular heating patterns (works above will assist with further mitigation). This report considers the installation of new mechanical extract ventilation within the kitchen and bathrooms of each flat to remove moisture at source.
- **Internal Circulation Enhancements.** Existing corridors have painted brick finishes, aged vinyl floor tiles and an unacceptable lighting lux level. In addition, existing fire doors appear non-compliant and a number of accessibility issues have been highlighted and considered. This report assess the works and costs involved with uplifting these spaces.
- **Communal Kitchen Upgrade.** In response to resident feedback regarding poor layout and condition of the existing kitchen Gleeds have assessed minor reconfiguration and refurbishment works.
- **Communal Bathroom Upgrades.** Existing communal bathrooms are inaccessible to residents and are in poor condition. Some bathrooms are used as storage spaces and the total disuse of sanitary ware in these areas present an increased risk of legionella. This report assess options involving refurbishment of existing shared bathrooms to provide new assisted level access shower and bathing facilities and new store rooms.

Officers have analysed the report to ensure that it covers the main programme of works. These comprehensive works will significantly improve the lives of our tenants living in there and also improve the physical environmental. An example of which is provided below:-



Officers have undertaken a number of consultation events with residents of Granby House and they have proved to be very positive and supportive.

The report provides an indicative project timeline which is shown below:

Key Milestone	Date
Board Approval to Works	Friday 20th March 2015
Gleeds Appointment	Monday 23rd March 2015
New Gas Supply Application	Friday 10th April 2015
Design Development	Friday 1st May 2015
Board Approval to Proceed to Tender	Friday 8th May 2015
Gas Supply Install	Friday 10th July 2015
Contractor Appointment	Friday 17th July 2015
Contract Start Date	Monday 10th August 2015
Contract Completion Date	Friday 6th November 2015

This programme is also progressing well with final design developments agreed and officers are securing contracts to install the gas supply into the blocks.

- 3.8 It is important that the Beckmill and Granby House programmes are not just seen as a physical asset improvement and to maximise its positive impact this programme will be complimented by working with the tenants living in these homes and officers from community safety, community consultation, early intervention and housing, and welfare are part of the Project Board.
- 3.9 In regards to procurement of works the officer Project Board with advice from the Welland procurement unit intends to proceed through the Scape Framework.

3.10 Re-Development of Non-Traditional Sites

The HAMP also included some options in regards to tackling Non-traditional (Airey, Swedish no-fines etc.). This involved the potential of demolishing some of the non-traditional stock and building a higher number of more sustainable housing on the site. Members will recall that this was planned

for 2015/16, this report advises members that this is an area of focus this year and a report back to this committee in December 2015 is planned due added discussions that will need to take place with some of the current tenants of the non-traditional housing. The report will seek members' approval on schemes that will generate additional housing and prove to be value for money.

3.11 S106 affordable housing allocations

Officers have been considering other options for delivering affordable housing, and an option that this report seeks member's approval on is to 'buy' some or all of the s106 affordable housing provision developers contribute as part of new developments, where appropriate.

Should members approve this option as part of the HAMP then officers will prepare a more detailed report for this committee at their meeting in September 2015 and also seek a budget allocation for this initiative as part of the HRA capital programme.

3.12 Gretton Court/Wilton Court

Both of the projects are on track in regards to works identified within the condition surveys have been scheduled to be completed in 2015/16.

The Gretton Court , however, have been paused as officers are currently exploring the potential of securing external monies from the HCA for this project, due to its link to deliver Extra care housing provision.

4.0 **POLICY AND CORPORATE IMPLICATIONS**

4.1 The HAMP overall and related projects contained in the document directly relate to the following corporate priorities:

- Improving the well-being of vulnerable people
- Improve quality of life for people living in the most disadvantaged neighbourhoods
- To provide high performing services that are efficient and meet customers' needs

The projects members are updated on in this report significantly support the priorities highlighted above.

5.0 **FINANCIAL AND OTHER RESOURCE IMPLICATIONS**

5.1 Members have previously been presented with the HRA business Plan which shows that a number of projects are being developed within the HAMP. Where possible officers are also pursuing external funding from the Homes & Community Agency (HCA) for applicable projects.

5.2 The Beckmill Regeneration and Granby House Improvement projects have been approved by members previously and are included in the HRA capital programme and have been budgeted for accordingly. A further report outlining the final costs will be presented to this committee when final costs are known.

6.0 **LEGAL IMPLICATIONS/POWERS**

6.1 There are no other legal implications directly arising from this report.

7.0 COMMUNITY SAFETY

7.1 There are no direct links to community safety arising from this report. However, some projects do promote independent living and impact on the quality of life, which relate to safer communities.

8.0 EQUALITIES

8.1 An Equalities Impact Assessment form for the HAMP has been completed by the Head of Communities & Neighbourhoods which confirms that there are no specifically adversely affected groups and therefore no action plan is necessary.

9.0 RISKS

9.1

Probability
↓

Very High A				
High B	2			
Significant C				
Low D				
Very Low E			1, 3	
Almost Impossible F				
	I Neg- ligible	II Marg- inal	III Critical	IV Catast- rophic

Impact →

Risk No.	Description
1	Projects costs become unaffordable
2	Impact of the inability to borrow beyond the self financing cap to fund capital projects
3	Impact of the programmes have little impact on the physical and social environment
4	
5	

10.0 CLIMATE CHANGE

10.1 There are no climate change issues directly arising from this report.

11.0 CONSULTATION

11.1 The tenant's forum were previously updated on the development of the HAMP and previously TFEC were consulted on the HRA Business Plan and Asset Management Strategy, to which the HAMP is based on.

12.0 WARDS AFFECTED

12.1 All wards

Contact Officer Harinder Rai-Head of Communities & Neighbourhoods
Date: 2 March 2015

Appendices : Appendix A – HAMP Project Plan

Background Papers: HRA Business Plan
HAMP

Reference : X : Committees/CSA/2015.16\170615\HR- HAMP