

CABINET – 3 APRIL 2002**PLANNED MAINTENANCE IMPROVEMENTS PROGRAMME AND ENVIRONMENTAL IMPROVEMENTS PROGRAMME 2002/2003****1 INTRODUCTION**

- 1.1 The Cabinet on 6 February 2002 approved a total of £5,116,810 for the Planned Maintenance Revenue Programme, £740,000 for Cyclical Maintenance and £500,000 for the Capitalised Programme for the Financial Year 2002/2003.
- 1.2 This report seeks approval of the programme of individual schemes, which comprise the Planned Maintenance Improvements Programme, and the Environmental Improvements Programme, under general headings of expenditure and broad locations where work is proposed.
- 1.3 The 2001/2002 programme of work was the second year of works that were based upon the second 10-year plan. In 1998/99 the Council's stock condition survey was updated and from the information gathered it has been identified that there is a need for expenditure of £39 million over the 10-year period from 2000/2001. This identified programme of work was prioritised to include some of the high priority identified backlog from the previous 10-year programme. However, on the then reasonable expectation that funding could be restricted it did not include funding many of the lower priority improvements that were nonetheless required.
- 1.4 A new element of subsidy known as the Major Repairs Allowance (MRA) was introduced on the 1st April 2001. This allowance represents the annual cost of maintaining and improving the Council's housing stock to a standard equivalent to a modern, newly designed property. This new annual allowance is designed to fund major repairs and improvements over the life of a property. The MRA for NFDC for 2002/2003 has been set by the DTLR at £582.33 per property, a total of £3,156,810. An additional contribution of £1,960,000 from the HRA has been made to the MRA to ensure that previously identified backlogs of work can also be tackled commencing in 2002/2003.
- 1.5 Before the introduction of the MRA repairs and maintenance has been funded from the Housing Revenue Account. Due to constraints on funding it has not always been possible to fund all works required and as Members will be aware there was a shortfall of £8.4 million in the 10-year planned maintenance programme from 1989 to 1999. As a result of this shortfall Officers have prioritised maintenance works to ensure that the external fabric and essential electrical, gas and water installations have been properly maintained. The shortfall in expenditure has, therefore, generally been in the area of

improvements (kitchen and bathroom modernisations) and low priority maintenance works (external sheds and stores, etc).

- 1.6 The 2000 HIP (Housing Investment Programme) Annual Plan required authorities to identify all the work required to their stock as at 1 April 2000. In New Forest this equated to a total value of £19 million. The £19 million was broken down as shown in the table below:-

| Type of Work | Nos of properties | Value |
|-----------------------|--------------------------|--------------|
| Replacement windows | 900 | 1,823,000 |
| New Central Heating | 270 | 530,000 |
| Improved insulation | 1170 | 334,000 |
| Kitchen Improvements | 3,500 | 8,750,000 |
| Bathroom Improvements | 3,500 | 5,250,000 |
| Environmental Imps | 1250 | 2,500,000 |

- 1.7 The new funding arrangements will allow work to continue on many of the works identified. All works identified within this report are based upon the full and detailed stock condition survey carried out in 1999.
- 1.8 With the introduction of the MRA the government established a new target to ensure the increased spending led to improved standards in housing. This target introduced the term “decent home” and determined that all social housing should meet set standards of decency by 2010. We have established through our stock condition data that 2435 council homes at present fall below this standard. The Business Plan sets out our 10-year plan of work to ensure that all our properties will meet this target. The programme for 2002/2003 has been set out in accordance with this 10-year plan.

2 PROGRESS REPORTING OF THE PROGRAMME

- 2.1 The progress of each scheme during the financial year will be reported to Members in the Information Bulletin, together with tender results and budget information. The Housing Management Contractor (Housing Landlord Services), who carries out this work, provides detailed monthly information on the progress of all contracts and expenditure to date.
- 2.2 In line with previous years, where tender results lead to savings being achieved, further priority projects will be identified and carried out to ensure that the maximum expenditure within the overall budget is achieved.

3 APPROVED BUDGET PROVISIONS

- 3.1 The approved budgets are £5,116,810 for the Housing Revenue Account planned maintenance improvement projects, £740,000 for cyclical maintenance and £500,000 for environmental improvements.
- 3.2 Following the approval of budgets it has been agreed that two new items of work should be included into the cyclical budget. These are the servicing of PVCu windows and doors and the servicing of smoke detectors (previously

itemised under electrical works). In addition it has been felt necessary to increase the external decorating budget to £350,000 to reflect the higher standards specified. This will have the affect of increasing the cyclical budget to £977,000 and reducing the Planned Maintenance Revenue Budget to £4,879,810.

- 3.3 This report was discussed with tenants at the Housing Services Working Group meeting on the 11th March and the tenants supported the detail of the report fully.
- 3.4 Appendix I is a summary of the various headings of expenditure comprising the total budget provision.
- 3.5 Appendix II identifies in more detail sites where each of the categories of work is to be carried out. Further detailed inspections are carried out at pre-contract stage to identify actual properties that will form the contracts.

4 PROPOSALS

- 4.1 Within the Planned Maintenance Improvement Programme, Members will note that the work proposed is broadly in line with that of previous years. The prime purpose of this expenditure is to maintain the fabric of Council homes and to ensure that services such as electrical and heating installations are maintained in a safe condition and replaced when necessary.
- 4.2 An important aspect of the planned maintenance improvement programme is that peaks of expenditure are avoided. Much of the Council's housing is now between 45 and 60 years old and many major elements of the structure will need to be replaced at the same time. The planned maintenance improvement programme aims to avoid this by identifying the need and ensuring that work is phased over a number of years. The roof renewal programme is a good example of this.
- 4.3 A further phase of improvements to the "hard to let" sheltered scheme for older people at Barfields Court is included in the programme. A report on this scheme was presented and agreed at Housing Committee on 15 September 1999 to convert the two phases (Barfields Court I and II) into one sheltered housing scheme for frail older people. This will include the ongoing conversion of all the bedsits with shared facilities into self-contained flats. Members will be aware that a number of sheltered schemes fall into the category of "hard to let" as a result of tenants currently having to share facilities like bathrooms and toilets. The work proposed for this year is the largest of all the phases and includes the construction of a "link-block" to join the two schemes together. The work will provide a new passenger lift, a reception area and office together with an enlarged communal lounge and kitchen.
- 4.4 In line with last year, a budget has been included within the programme for the internal redecoration of one room for elderly tenants. It is proposed to increase this budget from £25,000 to £30,000 to try and accommodate the increased number of applicants following the reduction in qualifying age from 80 to 75 last

year. It is proposed to continue with the eligibility of those who are over the age of 65 that are in receipt of a disability benefit.

- 4.5 Energy conservation is an essential part of all planned maintenance and improvements and, wherever possible, the opportunity is taken to increase the thermal efficiency of dwellings and ensure that energy efficiency savings are achieved. In addition, a sum of £10,000 has been allocated for specific energy surveys and low cost remedial measures to sheltered schemes and hostels following advice from the Council's Energy Resources Manger.
- 4.6 As a result of the additional funding provided by the MRA the budget for external door replacement has been increased to £550,000. This has been in response to tenants' requests and to deal with the large backlog that has accrued over the past 5 years.
- 4.7 Each year an amount is allowed for in the programme for the replacement of existing central heating systems. Following a review of our stock it has become apparent that we have to increase this budget to ensure that boilers are replaced at the end of their effective life. This ensures that the number of breakdowns are kept to a minimum, inconvenience to tenants reduced and costs controlled. Replacement heating may either mean the replacement of just the boiler or the replacement of the whole system dependent on the age and condition of the elements.
- 4.8 The Major Repairs Allowance means that it is now possible to include kitchen and bathroom improvements within the programme. The budget provision is £1,392,000 and the proposed projects identified have been selected based on the age of the property or the date of any previous modernisation. These works as a result of the design input and the necessary tenant consultation require a longer lead-in time than other planned maintenance works. However with additional resources in it is hoped that this year's programme will be substantially complete within the year.
- 4.9 A miscellaneous category is also included within the revenue allocation. This includes a number of projects that do not fall into any of the other major categories of work proposed. Further details of these projects are shown at Appendix II. However, Members' attention is specifically drawn to the following projects:
 - 4.9.1 It has been identified that garages owned by the Council are now in need of a planned programme of refurbishment to ensure that they will continue to be attractive to prospective tenants and residents for letting. The Council own over 2,000 garages, which create a total annual rental income of over £375,000 per year. Many garages are becoming increasingly difficult to let due to their condition and that of the surrounding garage areas. It is proposed to invest a total of £120,000 on this area of work in the coming year. To ensure that available finance is targeted to the right areas all garage sites will be surveyed to ensure that possible redevelopment opportunities are taken advantage of should that be a more appropriate use of the area.

- 4.9.2 A sum of £40,000 has been included for asbestos removal. A survey has been carried out to identify and note the condition of all asbestos in Council homes. As part of the management process for this asbestos it is necessary to remove or seal that asbestos which in view of its location, type and condition could pose a possible risk to the occupants. The work this year comprises of the removal of asbestos flues and the sealing of redundant cold-water storage tanks. This work is undertaken in accordance with Health and Safety legislation.
- 4.9.3 A sum of £100,000 has been included for the installation new communal television aerials to blocks of flats. The existing aerials and cables will not be able to handle the new digital signal and therefore it is necessary to replace them. We are also proposing to take this opportunity of upgrading the system so that residents will have the option of receiving a choice of digital programmes (subject to the occupier paying a subscription to the relevant company). This will avoid the proliferation of satellite dishes, which are starting to appear on some of our blocks. The proposal would be to upgrade all existing communal aerial systems during the next three years.
- 4.10 Appendix I also indicates where the Capital allocation is proposed to be spent.
- 4.11 Members will note from Appendix II that no addresses are indicated for new central heating. This is because the only properties now without central heating are those where the previous or existing tenants have declined to take advantage of the improvement. At the first change of tenancy, it is usual for the new tenants to immediately make a request for central heating to be installed. This budget will allow that request to be complied with as quickly as possible.
- 4.12 For the past four years, an allocation has been made from the Capital budget for estate improvements in the form of improvements to car parking. Similar to last year the whole of the capital budget has been identified for Estate Improvements. Priorities for these general improvements are normally discussed with the Tenants'/Residents' Joint Committee and agreement reached as to what schemes proceed. There is no doubt that demand in this area is increasing dramatically and even this budget will not be sufficient to meet the current demand. Officers already have a substantial list of requests both from individual tenants, tenant groups and Ward Members. In order to identify the current priorities, it is suggested that discussions take place between Officers and the Tenants'/Residents' Joint Committee and that high priority schemes are identified and carried out in 2002/2003.

5 TENANT INVOLVEMENT

- 5.1 With planned maintenance and improvement works it is intended to continue with the current practice of involving tenants and residents in aspects of the work that affects their homes. This will become increasingly important with the impact of the Tenants' Compact. Consultation will ensure that tenants are aware of the proposed works and ensure that any inconvenience and disruption is kept to a minimum. Where choice can be given without compromising the effectiveness or the necessity of the work, this will be given. Choice could mean the tenant electing not to have the work done, or in selecting finishes and colour schemes if and when improvements are carried out. Generally no choice would be given where works, such as re-roofing, involve essential maintenance work.
- 5.2 In the programme for 2002/2003 there are four areas where tenants will be asked for their views as to priorities and as to the work that will be carried out. These are the areas of security works, environmental works, kitchen and bathroom modernisations and hardstandings. It is suggested that Officers consult with tenants' representatives on these issues.

6 FINANCIAL IMPLICATIONS

- 6.1 Total planned expenditure in 2002/2003 is £6,356,810, comprising £4,879,810 for planned maintenance and improvements, £977,000 for cyclical maintenance and £500,000 for environmental improvements. This is within the approved budgets.

7 ENVIRONMENTAL IMPLICATIONS

- 7.1 All products used in the repair, maintenance and improvement of Council homes are selected to ensure the minimum impact on the environment and, wherever possible, to raise the energy efficiency of tenants' homes.
- 7.2 In particular we are proposing to carry out major refurbishment work to the Airey Type houses. This will include structural repairs to the external walls and the installation of external wall insulation. This type of property is well known for its poor thermal qualities but the proposed work will improve the thermal efficiency of the building up to the current Building Regulation standards.

8 CRIME AND DISORDER IMPLICATIONS

- 8.1 Many of the aspects of work identified in this report will improve the security of tenant's homes. In addition, there is a specific allocation of £20,000 for security works which will lead to improvements to identified areas.

9 TENANT'S COMMENTS

- 9.1 This report was discussed at the Housing Services Working Group on 11th March 2002 with tenant representatives and their comments and recommendations have been incorporated in the report.

10 PORTFOLIO HOLDER'S COMMENTS

- 10.1 The Portfolio Holder has seen the report and has expressed his pleasure that funding had been secured from the MRA and the Housing Revenue Account to allow the Council to carry out planned maintenance and improvement works to help us meet the Governments' Decent Homes Standards and to achieve the targets set out in our ten year planned maintenance programme.

11 RECOMMENDATIONS

- 11.1 That the schemes listed in Appendix I and II be approved as the planned maintenance and improvements programme and environmental improvement programme for 2002/2003.
- 11.2 That a virement of £227,000 be made from the Planned Maintenance Programme (decreasing it to £4,879,810) to the Cyclical budget (increasing that to £977,000); and
- 11.3 That the budget for elderly persons internal redecorations be increased by £5,000 from within the overall programme to £30,000.

For Further Information Contact:

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Background Papers:

Capital and Housing Revenue Account
Estimates 2002/2003 Cabinet - 6 February
2002
Stock Condition Survey Data

APPENDIX I

2003/2004 PLANNED MAINTENANCE BUDGET SUMMARY

1 PLANNED MAINTENANCE AND IMPROVEMENTS BUDGET

| | | |
|---|---------|------------------|
| Heating Replacements | 400,000 | |
| Electrical rewiring | 100,000 | |
| Roof renewal | 300,000 | |
| Replacement Doors | 300,000 | |
| Security Works | 20,000 | |
| Sheltered Housing Works | 400,000 | |
| To include refurbishment at Barfields (6th phase) | | |
| Replacement windows | 250,000 | |
| New central heating | 60,000 | |
| Kitchen and bathroom modernisations | 800,000 | |
| Refurbishments | 360,000 | |
| Provision of individual hardstandings | 50,000 | |
| Estate improvements | 50,000 | |
| Miscellaneous | 410,000 | |
| TOTAL PLANNED MAINTENANCE BUDGET | | 3,500,000 |

2 CYCLICAL MAINTENANCE

| | | | |
|--|----------------------------|---------|------------------|
| a) | Gas appliance servicing | 350,000 | |
| b) | Fire alarm servicing | 35,000 | |
| c) | Lift servicing | 37,000 | |
| d) | Solid fuel servicing | 10,000 | |
| e) | Portable Appliance Testing | 4,000 | |
| f) | Smoke detector servicing | 60,000 | |
| g) | PVCu window servicing | 80,000 | |
| | | | 576,000 |
| ii) | External decoration | | 380,000 |
| iii) | Internal decoration | | |
| a) | Sheltered housing | 60,000 | |
| b) | Flats, communal areas | 10,000 | |
| c) | OAP decorations | 30,000 | |
| d) | Hostels | 13,000 | |
| | | | 113,000 |
| TOTAL CYCLICAL MAINTENANCE BUDGET | | | 1,069,000 |
| TOTAL EXPENDITURE | | | 4,569,000 |