

Meeting:	Environment and Economy Scrutiny Sub-Committee
Date:	9 <sup>th</sup> March 2006
Subject:	Progress against Capital Programme and Harrow's Decent Homes Programme Initiative
Responsible Officer:	Andrew Trehern Executive Director Urban Living
Contact Officer:	James Carden Asset Manager (Housing)
Portfolio Holder:	Keith Burchell Planning, Development and Housing Portfolio Holder
Key Decision:	No
Status:	Part 1

### **Section 1: Summary**

#### **Decision Required**

That the report be noted

#### **Reason for report**

This report provides an update on progress against the Capital Programme and Harrow's Decent Homes Standard targets during 2005/06

#### **Benefits**

N/A

#### **Cost of Proposals**

N/A

## Risks

N/A
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## Implications if recommendations rejected

N/A
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## Section 2: Report

### 2.1 Brief History

2.1.1 Following the June 2005 Cabinet approval of the stock retention and prudential borrowing option to achieve Harrow's Decent Homes standard by 2010, a review of the Housing capital programme was undertaken. This was to ensure budgets were aligned in accordance with the stock retention business plan.

2.1.2 Work towards achieving Harrow's Decent Homes Standard has previously been carried out on an elemental basis. An element is defined as one of the main elements used to measure the decent home standard e.g. windows, external doors, heating or kitchens. This resulted in a number of visits having to be made over a period of time, by different contractors, to any single property. Tenants found this approach disruptive. It also created difficulties in reporting progress against Decent Homes targets, as whilst one element may have been brought up to the Decent Homes Standard, other elements may still fail. This meant the property overall still failed the Decent Homes Standard. A process known as 'enveloping' has now been developed and is currently providing good results with Miscellaneous properties. The enveloping strategy means that all work to meet the Decent Homes Standard in a particular property is completed by one contractor in the least time possible. This results in a shorter period of disruption for the tenant and a tangible movement on the Decent Homes figures year on year. This strategy has been adopted for all future Decent Homes projects.

### 2.2 Capital Programme Budget

2.2.1 Capital programme budget 2005/06	£7,014,000.
Carry forward from 2004/05	<u>£1,969,000</u>
Total capital budget available 2005/06	<b>£8,983,000</b>
Total spend as at February 2006	£4,926,749
Invoices awaiting processing	£1,100,000
Anticipated spend by year end	£8,375,685
Percentage spend	93.24%
Funds from 2005/06 programme carried forward to 2006/07	£607,315

2.2.2 Contractual commitments are in place to utilise all funds available with some contracts running into the early part of next year. In addition, elements of the 2006/07 programme have already been committed

## 2.3 Performance

### 2.3.1 Decent Homes Initiative progress 2005/06

Non-decent homes as a proportion of total stock:

At 01 April 2005 48%

At 31 March 2006 39%

Decent Homes			
	No. of property elements programmed 05/06	No. of property elements completed 05/06	No. of property elements programmed 06/07
Fitness	402	231	314
Disrepair	683	683	237
Modern facilities	74	74	17
Thermal Comfort	0	0	0

### 2.3.2 Decent Homes spend against budget 2005/06

Decent Homes Programme 2005/06		
Project	Budget (£)	Spend (£)
Retention and final accounts from previous years	15,000	9,300
Rewiring Programme 03/ 04 and 05/06	700,000	660,000
Kitchen/Bathroom Modernisation	620,000	602,000
Window Renewal	2,129,000	2,600,000
Roof Renewal feasibility	20,000	16,000
Central Heating	705,000	690,000
Miscellaneous Properties	2,800,000	1,988,000
Affordable Social Housing	300,000	300,000
Totals	7,289,000	6,865,300

- 2.3.3 Advantage has been taken of a competitive negotiated window replacement contract to bring forward properties programmed for 06/07 in order to maximise benefit from the terms offered and take up spend in this years budget. The Miscellaneous Properties Decent Homes enveloping project has been successful and is expected to complete some time in April 2006. It will therefore not achieve full spend against the budget in this financial year.
- 2.3.4 This projection is based upon works committed to contract and does not take into account properties to which access has not been possible or access refused. Further, the projected figures do not take into account any properties that will become non-decent at the year-end when the year-end procedures are carried out on the database managed by the Asset Management section. However the database is in the process of being upgraded to the current edition that will improve monitoring of stock condition.
- 2.3.5 Capital Programme (other schemes) spend against budget 2005/06

Capital Programme 2005/06		
Project	Budget (£)	Spend (£)
Retentions and final accounts from previous years	49,000	49,800
Adaptations: Homes For Disabled	699,500	639,000
Asbestos Management	155,000	140,000
Tenant Management Initiatives & Minor Estates Improvements	82,500	83,000
Conversions/Extensions	59,000	-33,997
Feasibility studies for future schemes	159,000	187,562
Mountside Resurfacing	40,000	0
Sheltered housing Boilers	55,000	50,000
Other costs, including, staff costs, IT systems etc.	365,000	365,000
Stock Condition Survey	30,000	30,000
<b>Total</b>	<b>1,694,000</b>	<b>1,510,385</b>

- 2.3.6 The resurfacing project at Mountside is being negotiated and will be carried out by the council's contractor appointed under agreement with the engineers department as soon as an overall cost has been agreed. This is expected to commence early in 2006/07.

### 2.3.7 2006/07 programme

The Decent Homes element of the 2006/07 programme is currently in the process of being procured. Plans are also in place through an ongoing contract for external enveloping (windows and doors) to ensure the programme runs continuously. For the internal envelope, it is likely that work will commence on site in September 2006. However, ways of reducing the lead-in time are currently being investigated by our professional advisors.

## 2.4 Consultation

2.4.1 Resident representatives of the Options Appraisal Working Group were involved in detailed discussions regarding stock condition and investment and residents were consulted with widely as part of the options appraisal process on the Harrow Decent Homes Standard.

2.4.2 Consultation takes place annually with Tenants and Leaseholders Consultative Forum (TLCF) on the detail of the capital programme for the forthcoming years. In addition, specific consultation takes place on a project basis with residents affected by the works to their homes. An example of recent effective consultation has been with Miscellaneous Properties, where positive feedback following works has been received from residents and the project has been deemed as a success.

## 2.5 Financial Implications

This report provides an update on the progress of the Capital Programme. The budgets and anticipated spend is included within the report. The report incorporates the latest forecast spend from the Asset Management Team.

## 2.6 Legal Implications

There are no specific legal implications arising out of this report.

## 2.7 Equalities Impact

Not relevant to this report

## 2.8 Section 17 Crime and Disorder Act 1998 Considerations

None relevant to this report

## **Section 3: Supporting Information/Background Documents**

Background Documents:

- Cabinet 23 June 2005, Minute 774
- Environment and Economy Scrutiny Sub-committee 29 November 2005, Information Circular