

## **CABINET - THURSDAY, 7 MARCH 2024**

### **Report of the Director Housing and Wellbeing Lead Member: Executive Member for Public and Private Sector Housing**

#### **Part A**

#### HOUSING CAPITAL PROGRAMME

##### Purpose of Report

To update the housing revenue and capital programme for 2024-25 following the identification of new amounts needed to dry, clean and repair properties following flooding in the borough in January 2024, and the mobilisation of a programme to increase the amount of work undertaken at major voids.

##### Recommendation

That the proposed housing capital programme budget for 2024-2025 amounting to £15,780,100 detailed at Appendix 1 be approved and the Capital Plan be amended to reflect this, and that the revenue budget also be increased by £1,500,000 to repair flood damaged properties.

##### Reasons

To undertake major works at both flood damaged and void properties, and improve the Council's housing stock, in line with the Charnwood and Decent Homes Standards.

##### Policy Justification and Previous Decisions

The programme will support compliance with the current Homes and Communities Agency Home Standard (2012), which, in summary, states that the Council must:

- ensure that tenants' homes meet the standard set out in the Government's Decent Homes Guidance and continue to maintain their homes to at least this standard.
- meet all applicable statutory requirements that provide for the health and safety of the occupants in their homes.
- ensure a prudent, planned approach to repairs and maintenance of homes and communal areas.

Government is likely to implement new regulatory standards before the end of this financial year. The updated housing capital programme will support compliance with these new standards.

On the 14<sup>th</sup> of March 2014 Cabinet approved the Charnwood Standard, to provide a higher standard of accommodation than the statutory Decent Homes Standard.

On the 9<sup>th</sup> March 2023 Cabinet approved the Charnwood Borough Council Asset Management Strategy 2023-2028.

On the 16<sup>th</sup> November 2023 Cabinet approved the HRA Business Plan and Capacity Update.

The housing capital programme will support delivery of the following Corporate Strategy 2024-2028 commitments:

- Invest in Council homes to raise standards and improve energy efficiency.
- Look for opportunities to build or acquire new homes and help tackle homelessness.
- Improve our sheltered accommodation.
- Help disabled people adapt their homes, to improve their quality of life.

Implementation Timetable including Future Decisions

The programme will be delivered during 2024/2025, commencing on 1st April 2024 and completing on 31st March 2025. Progress will be monitored by the Housing Management Advisory Board throughout the year. Work at flood damaged properties is expected to take around nine months to complete.

Report Implications

The following implications have been identified for this report.

**Risk Management**

The risks associated with the decision Cabinet is asked to make and proposed actions to mitigate those risks are set out in the table below.

Risk Identified	Likelihood	Impact	Overall Risk	Risk Management Actions Planned
The programme cannot be delivered due to contractor performance issues leading to tenants affected by flooding having to stay in properties longer than expected, increased voids, non-compliance with the Decent Homes Standard, disrepair claims, and reduced tenant satisfaction.	Likely (3)	Significant (2)	Moderate (6)	Contractor performance monitored at contract meetings.  External project management resource to be appointed to support delivery of flood remediation works.  Void repairs manager now in place.  Resident Liaison Officer capacity increased.  Components in poor

Risk Identified	Likelihood	Impact	Overall Risk	Risk Management Actions Planned
				<p>condition will be prioritised over planned replacements.</p> <p>Tenants on the programme will be informed of progress.</p> <p>Tenant refusals are taken in-to account when calculating the level of non-decency.</p> <p>Programme to be smoothed, limiting delivery volumes, to support effective control of works.</p> <p>A range of contracts are in place, providing, in some instances, a range of delivery options.</p>
The quality of work provided by Contactors is unacceptable.	Likely (3)	Significant (2)	Moderate (6)	<p>Contract management meetings in place.</p> <p>100% post inspections are undertaken.</p> <p>Payment is not made to the contractor unless the property is of an acceptable standard.</p>

**Equality and Diversity**

The programme will positively contribute towards the Council's equality and diversity responsibilities and commitments. The programme for 2024/25 includes a total of £560k for adaptations for tenants and their family members with a disability. This work can include level access showers, ramps, rails, stair lifts, and other modifications following a recommendation from an occupational therapist. A sum of £15k has also been included for mobility scooter storage.

## ***Crime and Disorder***

The programme will positively contribute towards the achievement of the Council's responsibilities under Section 17 of the Crime and Disorder Act (1998) to undertake reasonable action to improve community safety in the borough. The installation of new and upgraded communal entrance doors at blocks of accommodation will provide an enhanced level of security for tenants and their families.

## ***Climate Change and Carbon Impact***

Delivery of central heating upgrades and the installation of insulation form part of the Council's climate change strategy, contributing towards the Council's carbon reduction targets.

Generally, the following principles of sustainability will be supported:

- Avoid increase in energy intensity of Council owned buildings and maximise efficiency.
- Reduce poverty, crime, anti-social behaviour and increase community safety.
- Improve public health and wellbeing.
- Ensure that housing needs of all sections of the community are met.

## ***Financial Implications***

The combined 2024/2025 revenue and capital budget to deliver this work amounts to £17,280,100 and can be fully funded using HRA revenue contributions, the HRA Major Repairs Reserve, Capital Receipts, and HRA Financing Fund contributions. The Capital Plan will be amended to reflect the updated housing capital budget if it is approved.

The cost associated with remediation works to flood damaged properties is expected to be recovered through the council's insurers.

## ***Wards Affected***

All Wards.

## ***Publicity Arrangements***

Not applicable.

## ***Consultations***

The Housing Management Advisory Board was consulted generally on priorities for 2024/2025 at its meeting on 8<sup>th</sup> November 2023, and specifically on the housing capital programme at its meeting on Wednesday 10<sup>th</sup> January 2024. It was resolved that the reports be noted.

## Links to the Corporate Strategy

Caring for the Environment	Yes
Healthy Communities	Yes
A Thriving Economy	No
Your Council	No

Key Decision: Y

Date included on Forward Plan 07/02/2024

Background Papers: None

Officer(s) to contact: Peter Oliver  
Director Housing and Wellbeing  
01509 634666  
peter.oliver@charnwood.gov.uk

Janet Glass  
Head of Landlord Services  
01509 634666  
Janet.glass@charnwood.gov.uk

## **Part B**

### **1. Background**

- 1.1 At its meeting on 8<sup>th</sup> February 2024 (minute 72) Cabinet resolved that the new three-year Capital Plan 2024-25 to 2026-27 for Housing Revenue Account schemes be endorsed, for recommendation to Council on 26<sup>th</sup> February 2024.
- 1.2 Each year, a housing capital programme report is taken to Cabinet to refine, if needed, the housing revenue account capital budgets for the following year, to take in to account any development of capital programmes.
- 1.3 This year, given the new capital plan has just been produced, the extent of refinements is limited. Additional revenue and capital sums are required for flood damage remediation, and major void works as set out below.

### **2. Flood Damage Remediation**

- 2.1 In early January 2024, thirty-seven of the Council's properties were flooded. A meeting with loss adjusters took place in February 2024. The estimated value of the works to repair these properties is £1.5million. This amount is in addition to the amounts in the new capital plan and repairs budgets. The expenditure is expected to be covered by the Council's insurers.
- 2.2 Major works will need to be completed, including stripping of wallpaper, skirting, thermoplastic tiles that are lifting, and the removal of kitchen units etc. to relieve moisture. A hard strip will be needed in many instances to get back to brick or concrete floors to enable thorough drying, which will likely extend to the cavities between walls. Drying will then need to take place, and properties reinstated so they are ready for occupation, safely. Communal areas at blocks of flats are also likely to need similar works. This work is expected to take around nine months to complete.

### **3. Increase in Major Void Works**

- 3.1 Mobilisation with the Council's new major voids contractor Jeakins Weir has progressed positively. The Council's new void repairs manager has commenced in post just after Christmas, and a programme of major void works for 2024 is being developed. An additional capital sum of £1.6million is therefore required to increase the number of major voids repaired and made ready to let. Costs will be kept under review as the programme progresses.

## **Appendices**

### **Appendix 1 - Housing revenue Account Capital Programme**

Appendix 1 - Housing revenue Account Capital Programme

	<b>2024/25</b>	<b>2024/25</b>
<b>Housing &amp; Wellbeing - HRA</b>	<b>Capital Plan Amount</b>	<b>Revised Sum Where Additional Funds are Needed</b>
	<b>£</b>	<b>£</b>
Major Adaptations	450,000	
Minor Adaptations	50,000	
Stairlifts	60,000	
Major Voids	280,000	1,880,000
<b><u>Compliance</u></b>		
Asbestos Removal	200,000	
Communal Area Improvements	75,200	
Communal Area Electrical Upgrades	68,000	
Fire Safety Works	100,000	
<b><u>Stock Maximisation</u></b>		
Garages	100,000	
<b><u>Decent Homes</u></b>		
Kitchens	1,794,100	
Bathrooms	2,900,900	
Electrical Upgrades	100,000	
Window Replacement	345,000	
Heating	1,292,000	
Sheltered Housing Improvements	190,000	
Redevelopment Sheltered Accommodation - St Michael's Court, Thurmaston	1,600,000	
Door Replacement	700,000	
Roofing Works	600,000	
Insulation	250,000	
Major Structural Works	250,000	
<b><u>General Capital Works</u></b>		
Estate and External Works	215,000	
Housing Capital Technical Costs	438,100	
Door Entry Systems	73,000	
Acquisition of affordable housing to	1,123,800	

meet housing need		
Mobility Scooter Storage	15,000	
Create a Warm Homes Fund HRA tenants	100,000	
Replacement of the Lifeline Priority Notification Centre PNC	30,000	
Create Fund to purchase "Off development properties"	500,000	
<b>Housing &amp; Wellbeing - HRA - Total</b>	<b>13,900,100</b>	<b>15,780,100</b>