

## **EAST AYRSHIRE COUNCIL**

### **SPECIAL HOUSING COMMITTEE – 20 APRIL 2005**

#### **PROPOSED HOUSING INVESTMENT PROGRAMME 2005/2006**

##### **Report by the Executive Director of Neighbourhood Services**

## **1. PURPOSE OF REPORT**

- 1.1 To inform Members of the anticipated financial allocation for 2005/2006 and advise of the actions required to continue to direct the Investment Programme towards the objectives of the Scottish Housing Quality Standard (SHQS).

## **2. BACKGROUND**

- 2.1 On 4 February 2004 the Minister for Communities introduced the new Scottish Housing Quality Standard and set a target date of April 2015 by which date all local authorities and registered social landlords are required to achieve compliance
- 2.2 Consultants DTZ Pida were commissioned to assist in the provision of a full Options Appraisal to determine whether the Standard could be delivered whilst retaining the Council's full housing stock.
- 2.3 The results of the Options Appraisal indicate that the Standard can be delivered under full stock retention. On the assumption that this is the Council's preferred option, the Council is now required to provide Communities Scotland with a Standard Delivery Plan towards compliance.
- 2.4 The initial Standard Delivery Plan forms Appendix 1 of this report and details the targets and milestones towards delivery of the Standard by 2015.
- 2.5 To meet the Standard, houses must be:
- Compliant with the tolerable standard
  - Free from serious disrepair
  - Energy efficient
  - Provided with modern facilities and services
  - Healthy, safe and secure
- 2.6 The implications arising from the first two requirements are not expected to be significant as there are no B.T.S. houses within the Council housing stock and serious disrepair issues are largely resolved under the existing housing maintenance arrangements.

- 2.7 In terms of “Energy efficiency” the standard relates to the heating and thermal properties of the Council’s housing stock, and although the Council’s heating and insulation programmes have tackled these elements in the past, the new standard sets levels of efficiency, maximum age of system and insulation that will require the Council to continue programmes to address these issues at similar levels as at present.
- 2.8 “Provision of modern facilities” refers to modern kitchens and bathrooms with suitable ventilation and extraction systems. The Council’s existing programmes are working towards this standard and a linkage between kitchens, bathrooms and ventilation has been developed to meet the Prudential Borrowing Requirements. The number of houses requiring renewal each year needs to be increased to achieve and maintain the new Quality Standard by 2015.
- 2.9 The standard for accommodation to be “Healthy, safe and secure” includes current programme elements such as safety of wiring, security of doors and windows, door entry systems, door viewing systems, smoke/CO<sub>2</sub> monitors and lead pipe replacement. Noise insulation against sources such as traffic and factories was included under the new Standard and this was identified and addressed in year 2004/05.

### **3. FINANCIAL ASSUMPTIONS**

- 3.1 To inform the decision making process and support capital investment decisions the Prudential Code requires the Council to agree and monitor a number of mandatory prudential indicators; these are required to be separately calculated for the HRA and General Services capital investment strategies. The indicators cover affordability, prudence, capital expenditure, external debt and treasury management. The Council has considered the prudential indicators for the 3 year period commencing 1 April 2004 as presented to the Policy & Resources Committee of 12 February 2004. Updated figures indicate a gross Housing Investment Programme of £12.427M for year 2, the revenue implications of which are contained within the Housing Revenue Account estimates for 2005/06.
- 3.2 Details of the proposed investment programme for 2005/06 are provided in paragraph 4 of this report. It should be noted that the figures given at this time are based on known historic costs but should be regarded as provisional only at this time pending completion of the usual procurement and tendering exercises. Any necessary modifications to the housing investment programme will be reported for Members consideration in the usual way.

### **4. PROPOSED HOUSING INVESTMENT PROGRAMME 2005/06**

#### **4.1 Asbestos**

- i) Asbestos Removal

Significant progress has been made to identify and remove asbestos from the Council's housing stock. However, this is expected to remain a problem in future years, and it is proposed to set aside £0.113M during 2005/06 to deal with sampling and asbestos removal where identified as necessary during the various works programmes.

#### **4.2 Energy Efficiency**

##### **i) Replacement doors and screens**

The replacement of doors and screens with UPVC in recent years continues to prove very successful in terms of both reducing the need for "demand repairs" and addressing tenant's expectations. It is proposed to continue these works to approximately 1400 units per annum at a projected cost of £0.836M.

#### **4.3 Efficient Heating**

##### **i) Central Heating – provision of efficient systems**

Continued investment is required to address the problem of obsolete and inefficient systems generally installed 15+ years ago. This requirement is mirrored in the SHQS and it is estimated that replacement of 600 units per annum remains necessary to reach and maintain the standard by 2015.

The renewal of heating systems with grade "A" boilers allied to a full energy audit and provision of a thermal insulation package provided through the ILM project will require funding of £2.340M in 2005/06.

#### **4.4 External Envelope Enhancement**

##### **i) External Wall Over-Cladding and Thermal Improvement**

It is proposed to continue the ongoing programme of works to 10 non-traditional BISF houses to stabilise the external envelope and improve thermal efficiency at a cost of £0.082M in 2005/06.

##### **ii) Masonry Paint and Roughcast Repair**

There are approximately 5250 houses with coloured or repainted external finishes and/or damaged roughcast throughout the Council area and it is proposed to set aside funding of £0.169M to repair and repaint approximately 180 houses during 2005/06.

##### **iii) Improvement to Roof Structure, Design and Coverings**

In line with previous decisions it is proposed to continue with selection of roofs where work is required either to address structural design problems or to deal with problems related to the breakdown of existing roofing materials.

The proposed budget for 2005/06 is £0.924M to be directed towards general re-roofing and to redesign felted flat roofs to sloping roofs while making use of modern materials to enhance performance and thermal efficiency.

#### **4.6 Modern Facilities and Services**

##### **i) Upgrade of Internal Facilities and Services**

It is proposed to continue the multi-work contract to provide renewal of major internal facilities and services thereby reducing the number of contract visits required for significant internal refurbishment.

The works include full re-wiring, kitchen and bathroom renewal and redesign, internal plumber work renewal and replacement of lead piping feeds.

It is anticipated that some elements will not require replacement due to recent renewal within repair or replacement contracts and that complete take-up of all elements will not occur at every address.

Modern facilities and services are a principal requirement of the SHQS and it is proposed to carry out the necessary works to approximately 950 properties during 2005/2006 at an estimated cost of £3.769M.

#### **4.7 Neighbourhood Improvements**

##### **i) Tenement Upgrading**

A number of the tenement properties throughout the district have benefited from both common entry decoration and improvement works to the balconies and external features. These works enhance the access areas and external appearance of the properties and it is proposed to continue the programme to the value of £0.096M during 2005/2006.

##### **ii) Demolitions**

This element is now funded in the main through Private Sector Housing Grant and is targeted towards regeneration of selected areas in partnership with other housing providers. Completion of the previous programmes directed towards areas of low demand requires an input of £0.071M for 2005/06 to address remaining demolitions and retentions.

##### **iii) Timber Clad Houses**

There are some 65 timber clad properties within the area which still require external decoration and timber preservation works as part of the cyclic maintenance programme to maintain the exterior envelope in sound condition. It is proposed to continue the painting programme to some 50 of the remaining properties at an estimated cost of £0.067M during 2005/2006.

#### **4.8 Safe and Secure Neighbourhood**

##### **i) Door Entry Systems and Security**

It is proposed to install first time systems and continue replacement of existing systems that are nearing obsolescence including the provision of metal security doors where necessary at an estimated cost of £0.298M during 2005/2006.

##### **ii) ILM Project (Energy efficiency, safety and home security)**

This project is jointly funded by the Council and the Wise Group (through ESF funding). The project provides an Energy Auditing, Draught proofing and Insulation Service with the insulation now extending to cavity fill and expansion to personal homes security initiatives in the form of door overview cameras.

The costs of the energy efficiency package are incorporated within the Efficient Heating budgets. It is proposed to set aside a budget of £0.240M during 2005/2006 to meet the costs associated with the provision of safety and security initiatives.

This joint project continues to benefit many workers transferring from this intermediate labour market initiative to full time employment as a result of the training opportunity provided.

#### **4.9 Sheltered Housing Safety and Improvement Initiative**

##### **i) Sheltered Housing Modernisation**

Following the successful completion of works to Afton Court, New Cumnock, and Ross Court, Galston and the anticipated completion of 21 units in Hamilton Gardens, Stewarton, it is proposed to undertake these works in Rowantree Court, Drongan within 2005/2006 at an anticipated cost of £0.477M.

The works comprise the provision of; new gas central heating system, full re-wiring, an automatic fire fighting sprinkler system to domestic and communal areas, improved fire detection and warden call systems and redecoration and refurbishment of communal arrears and access corridors. Full redecoration and renewal of kitchens and bathrooms is also undertaken within the individual homes.

### **5. FINANCIAL/LEGAL IMPLICATIONS**

The financial implications are as detailed in paragraph 3 and 4 of this report. Apart from the requirement to complete the usual procurement and tendering

exercises as detailed in paragraph 3.2 of this report there are no legal implications arising directly from this report.

## **6. RECOMMENDATIONS**

It is recommended that the Committee:

- i) Approve the initial Standard Delivery Plan appended to this report;
- ii) Consider and approve the proposals for the 2005/2006 housing investment programme as set out in paragraph 4 above;
- iii) Note that details of properties to be included in the programme will be circulated to elected members in respect of their own ward interests;
- iv) Note that regular reports on progress in delivering the programme will be submitted to members during the 2005/2006 financial year.

**William Stafford**  
**Executive Director of Neighbourhood Services**  
**14 April 2005**

CMCA/LA

### **LIST OF BACKGROUND PAPERS**

1. Capital programme records and reports 1999-2005
2. House attributes survey 2000/2001
3. Housing Options Appraisal 2004/05

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