

EAST AYRSHIRE COUNCIL

HOUSING COMMITTEE – 21 MARCH 2002

HOUSING CAPITAL ALLOCATION AND CAPITAL PROGRAMME 2002/2003

Report by the Director of Homes and Technical Service.

1. PURPOSE OF REPORT

- 1.1 To advise Members of the anticipated financial allocation and to set out proposals for the Housing capital programme 2002/2003.

2. BACKGROUND

- 2.1 At the meeting held on 4 June 1999, the Housing Capital Sub Committee approved a 3 year Capital Programme for the years 1999/2000 – 2001/2002.
- 2.2 Over the term of the proposed 3 year plan, House Warming 2000 was successfully completed and a number of the outline proposals were re-examined and re-prioritised to better reflect the identified needs of the housing stock.
- 2.3 The completion of the current 3 year plan now requires us to formulate a proposed Capital programme for 2002/2003 and proposals have been provided based on guidance from the 2000/2001 house attributes survey, current Health and Safety recommendations, and the ongoing progress of the core programmes.

3. FINANCIAL ASSUMPTIONS

- 3.1 The Council has yet to receive its annual confirmation from the Scottish Executive on the level of borrowing consent and the level of anticipated Right to Buy sales receipts for 2002/2003 although this is expected prior to the end of March.
- 3.2 However, in the knowledge of the Executive's commitment to retain funding levels at their 1999 level, and for the purposes of allocating resources at this time, the funding expectation for 2002/2003 is estimated as follows:

| | | |
|--|----------|----------------------|
| Borrowing consent | £ | 3.489M |
| Useable capital receipts – house sales | £ | 1.500M |
| Useable capital receipts – other | £ | 0.060M |
| C.F.C.R. | £ | 4.373M |
| <u>Deduct</u> | | |
| - Retentions Generally | £ | (0.166)M |
| - Repurchase R.T.B. | £ | (0.000)M |
| Total | £ | <u>9.256M</u> |

3.2 Details of the proposed capital programme for 2002/2003 are provided in section 4 of this report. It should be noted that the figures given at this time are provisional only pending Committee agreement and confirmation of the financial assumptions made by the Department.

4. PROPOSED CAPITAL PROGRAMME 2002/2003

4.1 Energy Efficiency

i) Doors and Screens

The replacement of doors and screens with uPVC as proposed and adopted for the 2000/2001 capital programme continues to prove very successful in terms of both reductions in repair requests and addressing tenants expectations. It is proposed to continue this replacement on the same basis by providing the same level of commitment for this financial year (£0.5M)

ii) Central Heating – replacement of obsolete systems

As previously reported, investment is required to address obsolescence of systems generally exceeding 15 years since installation. It is estimated that a replacement level of 650-700 units at a cost of £1.5M is required in 2002/2003 to maintain this necessary commitment.

iii) Central Heating – upgrading to gas

A small number of requests are received annually from tenancies which exhibit medical needs, have refused all previous offers or are subject to a new allocation involving such issues and it is proposed to continue to set aside a modest budget of £0.16M to address these requests.

iv) External wall insulation and thermal improvement

Following agreement to alter the emphasis of this element from cavity fill installation to external wall/cavity repair to a suitable level to receive insulation, it is proposed to continue this direction.

The cavity fill element would continue at the current level under the jointly funded ILM project and re-apportionment would allow a funding reduction under this heading to £0.1M whilst addressing insulation of previously unsuitable external walls.

v) Heatwise ILM Project

This project is jointly and equally funded by the Council and Heatwise Limited (through ESF funding) and has continued since 1997/98. The project provides an Energy Auditing, Draught proofing and Insulation Service with the insulation now extending to cavity fill as described previously.

The estimated cost to the Council for 2002/2003 is £0.49M as previously reported and favourable indications have been received regarding the large number of workers transferring from this intermediate labour market to full time employment as a result of the training opportunity provided.

4.2 Dampness and Condensation

i) Re-roofing

Following agreement of the Housing Committee of 6 March 2001, it is proposed to continue selection of roofs in two sections to address structural design problems and problems related to the breakdown of existing roofing materials.

The proposed total funding is £1.1M, with £0.4M being directed towards the ongoing replacement of roofs utilising internal parapet guttering and the remaining £0.6M being directed to the general replacement defective roofing due to material failure.

In addition to the current re-roofing programmes, it is proposed to initiate a pilot project to undertake redesign of felted flat roofs to sloping roofs and make use of modern technology to enhance performance. An initial proposed budget of £0.1M is anticipated to initiate this project.

ii) External Painterwork and Roughcast

There are currently approximately 6198 houses with coloured or repainted external finishes and/or damaged roughcast throughout the Council area and it is proposed to maintain funding of £0.25M to address the increased level of roughcast repairs currently being encountered.

iii) Structural repairs

The works to address wall fabric repairs at Fulton's Lane, Kilmarnock have now been completed and it is proposed to undertake structural repairs in blocks suffering from subsidence in the Doon Valley and Kilmarnock South areas at a budget of £0.05M.

4.3 Improvement and Repairs

i) Modernisation (Non-traditional)

The modernisation of all prefabs has now been completed and it is proposed to move forward initially to pilot improvement of the external envelope of other non-traditional houses by installing a low maintenance finish that also improve thermal values.

An initial budget of £0.2M is proposed for these projects with addresses to be provided following feasibility and costing processes.

ii) Electrical Rewiring

It is proposed to combine new kitchens and full rewires to houses with wiring older than 25 years or below the current minimum I.E.E. standard. The budget requirement would remain at £0.78M for the rewiring costs.

iii) Bathroom Refurbishment

The refurbishment programme as introduced in 2000/2001 continues to prove extremely popular with tenants as it seen as logical improvement on bath, wc or wash hand basin replacement only. The costs of full replacement of all sanitary fittings provides an immediate new and modern bathroom with a close coupled wc, wash hand basin pedestal, tiling etc. and provides value for money against single fitting renewal over a period of time.

To continue to address our tenant's aspirations and ensure value for money by volume of work, it is proposed to continue expenditure on this item of £0.375M thereby providing some 500 renewals

iv) Environmental Works

An allowance for environmental works was introduced in 2000/2001 to provide funding for previously unaddressed problems such as fencing renewal, path reinstatement, retaining walls, road adoption and other schemes.

It is proposed to continue with the same level of funding (£0.2M) for 2002/2003 with schemes being identified following area survey.

v) Kitchen Refurbishment

The popularity and satisfaction provided by kitchen contracts undertaken in past financial years has resulted in both praise by those in receipt and multiple enquires from tenants who await the work.

Accordingly it is proposed to increase the number of kitchens undertaken to a figure in excess of 920 at a projected cost of £1.8M.

4.4 **Safety and Crime Prevention**

i) Lead Pipe Removal

There are currently some 13700 council homes with lead piping which forms part of the external water feed piping. Although tests of supplies confirm that the water supply is potable and within tolerances, it is recommended that replacement continue at current level of expenditure (£0.125M) and in conjunction with the West of Scotland Water Authority.

ii) Door Entry Systems and Security

It is proposed to continue replacement of existing systems that are approaching obsolescence on the same basis and financial commitment as previously undertaken but with the addition of metal security doors in vulnerable areas. This will provide £0.1M towards door entries and £0.06M in matched funding from Heatwise Limited directed towards lock replacement and other security measures.

iii) Demolitions

Committee has agreed a programme of selective demolition of unoccupied properties in areas and communities where there is a lack of demand.

A proposed budget of £0.4M is suggested to continue to address this issue with further Committee consideration being sought prior to the release of each phase.

iv) Asbestos Removal

Asbestos tank removal is now substantially complete although survey has identified other areas of concern mostly within the non-traditional housing stock still retained by the Council.

It is proposed to continue the current level of expenditure (£0.17M) and direct removal towards non-trad properties where the asbestos affects the ability to carry out other contract works such as rewiring and kitchen/bathroom replacement.

v) Sheltered Housing safety and improvement initiative

It is proposed to introduce a programme to address safety issues and required upgrading of sheltered housing and other hostel accommodation on a rolling programme.

The suggested works would comprise the provision of an automatic fire fighting sprinkler system to domestic and communal areas, improved fire detection and warden call systems, and redecoration and refurbishment of communal areas and accesses.

An initial budget of £0.2M is proposed to address this issue and set at this level to provide sufficient funds to undertake a multiple of complete units in any financial year.

4.5 Office Accommodation (Disability Discrimination Act)

i) Housing Offices

This is a proposed contingency sum (£0.05M) to address the requirements of the Disability Discrimination Act and provide minor refurbishment to district offices

4.6 Operational Requirements

i) Information and Communication Technology

The implementation of the Integrated housing management system and associated service development is currently ongoing. The department continues to require meeting costs of software licences and to modernise communication hardware support and a proposed budget of £0.25M is necessary to support this.

4.7 Estate Initiatives

i) Timber Clad Houses

There are some 190 timber clad properties within the district which still require phased external decoration and timber preservation works to maintain the exterior envelope in sound condition. It is proposed to continue the painting programme at a value of £0.1M to address the maintenance and improve the visual aspect of these properties.

ii) 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. Work of this enhances the access areas and external appearance of the properties and it is proposed to continue the programme to the value of £0.1M.

iii) Area Initiatives

Area initiatives have been introduced and directed to areas and buildings where there is low demand. It is anticipated that a budget of £0.3M will continue to be set aside for this work with annual schemes being presented to Committee at a later date for consideration and approval.

5. FINANCIAL IMPLICATIONS

5.1 The financial implications are as detailed in para 3.1 of this paper

6. LEGAL IMPLICATIONS

6.1 Nil

7. RECOMMENDATIONS

It is recommended that Committee:

- (a) Note the contents of the report; and
- (b) Consider and approve the proposals for the 2002/2003 capital programme

James Lavery
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JL/JC

LIST OF BACKGROUND PAPERS

- 1. Capital programme records and reports 1999 –2001
- 2. House attributes survey 2000/2001

Any person wishing further information should contact Jim Clark, Senior Project Planning Officer, Homes and Technical Services on (01563-576658)

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AGENDA