

## EAST AYRSHIRE COUNCIL

### HOUSING COMMITTEE – 21 MAY 2003

#### HOUSING CAPITAL ALLOCATION AND CAPITAL PROGRAMME 2003/2004

##### Report by the Director of Homes and Technical Services

### 1. PURPOSE OF REPORT

- 1.1 To advise Members of the anticipated financial allocation and to set out proposals for the Housing Capital Programme 2003/2004.

### 2. BACKGROUND

- 2.1 At the meeting held on 21 March 2002, the Housing Committee approved the Capital Programme for 2002/2003 which was formulated on the basis of guidance from the 2000/01 House Attributes Survey, Current Health and Safety recommendations and the ongoing progress of the agreed core programmes.
- 2.2 Over the term of the 2002/03 Capital Programme the targets set were generally met and it is proposed to continue on the same basis within the 2003/04 Programme with only such adjustments and re-prioritising as required to better address the identified needs of the housing stock.

### 3. FINANCIAL ASSUMPTIONS

- 3.1 The Council has received its annual confirmation from the Scottish Executive on the level of borrowing consent and the level of anticipated Right to Buy sales receipts for 2003/04 has been calculated to provide the funding expectation as follows:

Borrowing consent	£	3.489M
Anticipation	£	0.167M
Useable capital receipts – house sales	£	2.031M
Useable capital receipts – other	£	0.060M
C.F.C.R.	£	3.561M
<u>Deduct</u>		
- Retentions generally	£	(0.207)M
- Schemes carried forward	£	(0.991)M
- Overspend 2002/03 (estimated)	£	<u>(0.064)M</u>
<b>Total</b>	<b>£</b>	<b><u>8.046M</u></b>

- 3.2 Details of the proposed capital programme for 2003/2004 are provided in section 4 of this report. It should be noted that the figures given at this time are provisional only, subject to Committee approval.

- 3.3 The works will be subject to tender in the normal manner and, having achieved and maintained both value for money and high tenant satisfaction levels in these contracts, it is proposed to award suitable numbers under each contract heading to our Direct Labour Organisation subject to benchmarking based on the competitive tenders received.

The proposed numbers per contract heading are as follows:

Doors and screens	1400
Central heating	230
Re-roofing (general)	160
Painterwork (timber)	65
(masonry)	250
Bathroom refurbishment	323
Kitchen replacement	300
Door entry systems	100
Tenement upgrades	120

#### **4. PROPOSED CAPITAL PROGRAMME 2003/2004**

##### **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 and it is proposed to continue this replacement but with an increase of 600 doors over last year's targets.

The works comprise renewal of front, side and rear doors with screens as required, and with priority being given to doors in common entries where replacement is recommended to address access/egress regulations and requirements.

The proposed level of commitment for this financial year is £0.775M.

###### **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 390 units at a cost of £1.18M is required in 2003/2004 to maintain this necessary commitment.

###### **iii) Central Heating – upgrading or first time provision of heating**

A number of requests are received annually from tenancies which exhibit medical needs, have refused all previous offers of heating or are subject to a new allocation involving such issues and it is proposed to utilise grants from the Scottish Executive to provide a budget of up to £0.5M to address these issues.

iv) External wall over-cladding and thermal improvement

Following a successful pilot project to over-clad 8 Swedish timber homes to both improve their visual aspect and reduce heat loss through the external envelope, it is proposed to direct funding of £0.12M to initiate a programme to address structural external envelope problems with British Iron and Steel Federation homes in Samson Avenue, Kilmarnock.

v) Wise Group ILM Project

This project is jointly funded by the Council and the Wise Group (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 and expansion to personal home security initiatives in the form of door overview cameras.

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.

The opportunity will be taken to review the Service Level Agreement with the Wise Group to achieve best value for the Council.

## 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 £0.751M, with £0.608M being directed towards general re-roofing and the remaining £0.143M set aside to initiate a pilot project to undertake redesign of felted flat roofs to sloping roofs and make use of modern technology to enhance performance.

ii) External Painter work and Roughcast

There are currently approximately 5890 houses with coloured or repainted external finishes and/or damaged roughcast throughout the Council area and it is proposed to increase funding to £0.4M to both increase the numbers undertaken and address the greater level of roughcast repairs currently being encountered.

iii) Structural repairs

Under this heading, a number of possible schemes are currently being appraised and costed and a budget of £0.05M is considered appropriate to address the outcome of these deliberations.

### 4.3 Improvement and Repairs

#### i) Electrical Rewiring

It is proposed to continue to combine new kitchens and full rewires to houses with wiring older than 25 years or below the current minimum Institute of Electrical Engineering standard and also to set aside part of the budget to address those houses with an entirely unsatisfactory kitchen but with recent wiring. The budget requirement to address some 359 properties is £0.488M for the rewiring costs.

#### ii) Bathroom Refurbishment

The refurbishment programme as introduced in 2000/2001 continues to prove extremely popular with tenants as it is seen as a logical improvement on bath renewal only.

The costs of full replacement of all sanitary fittings provides an immediate new and modern bathroom complete with close coupled wc, pedestal wash hand basin and complimenting tiling.

To take account of tenants' preferences and avoid renewal of recently replaced fittings, a reduced specification has been allowed in such cases and from this adjustment, cost savings will be derived without loss of tenant satisfaction.

To continue to address our tenants' aspirations and ensure value for money by volume of work, it is proposed to continue expenditure on this item of £0.308M thereby providing renewals in some 400 properties.

#### iii) 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 2003/2004 with schemes being identified following area survey.

#### iv) 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 level of budget to £1.583M to address these tenant aspirations.

#### 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 an increase level of expenditure of £0.18M to address 200 properties and that replacement be carried out in co-operation with the Scottish Water Authority to ensure total eradication of lead from the supply.

##### 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 and to continue with the provision of metal security doors in vulnerable areas. This will provide £0.24M towards door entries and £0.06M in matched funding from Heatwise Limited directed towards other security entry measures as detailed previously.

##### 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 continuation of the annual budget of £0.41M is suggested to address this issue with further Committee consideration being sought prior to the release of each phase.

##### iv) Asbestos Removal

Asbestos removal is now substantially complete within the non-traditional housing stock still retained by the Council although isolated instances of suspected asbestos containing substances are still expected.

It is proposed to set aside £0.057M to address such instances where sampling and asbestos removal requirements are identified during the programmes.

##### v) Sheltered Housing safety and improvement initiative

Following the successful completion of works within Afton Court, New Cumnock, and commencement of works in Ross Court, Galston, it is proposed to continue and undertake similar improvements in Hamilton Gardens, Stewarton.

The works 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 access corridors. Within the individual homes, redecoration and renewal of kitchens and bathrooms is also undertaken.

A budget of £0.015M is proposed to initiate these improvements in Hamilton Gardens.

#### **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 considered necessary to support this.

#### **4.7 Estate Initiatives**

##### **i) Timber Clad Houses**

There are some 190 timber clad properties within the Council stock 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 to a further 65 homes at a value of £0.119M to address maintenance issues 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. This work enhances the access areas and external appearance of the properties and it is proposed to continue the programme to the value of £0.08M.

##### **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**

That the Committee:

- (i) Consider and approve the proposals for the 2003/2004 capital programme.

James Lavery  
**Director of Homes and Technical Services**  
JL/JC2 – May 2003

### **LIST OF BACKGROUND PAPERS**

1. Capital programme records and reports 1999 –2003
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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