

APPENDIX O

WAVERLEY BOROUGH COUNCIL

EXECUTIVE - 4 DECEMBER 2012

Title:

CAPITAL WORKS REPROGRAMMING 2012-2013

[Portfolio Holder: Cllr Keith Webster]

[Wards Affected: All]

Note Pursuant to Section 100B(5) of the Local Government Act 1972

An annexe to this report contains exempt information by virtue of which the public is likely to be excluded during the item to which the report relates, as specified in paragraphs 1 and 3 of the revised part 1 of Schedule 12A to the Local Government Act 1972, namely:-

1. Information relating to any individual; and
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Summary and purpose:

The purpose of this report is to inform members of works required in the Borough. Works that is unforeseen when the budget was put together and the reprogramming of funds to essential needs. The Executive Committee is asked to approve these changes.

How this report relates to the Council's Corporate Priorities:

The report relates to three of the council's corporate priorities

- Value for Money, ensure our actions are customer focused and provide tenants with value for money.
- Affordable Housing, invest in our housing stock and achieve the Decent Homes standard.
- Understanding Residents Needs – ensure our services are designed to meet people's needs.

Equality and Diversity Implications:

All our contractors are required to operate in accordance with the council's corporate equality scheme.

The investment in decent homes will improve the thermal efficiency of the properties reducing the resources required to heat the property.

The works to the sheltered schemes enables the tenants to live more independently than they would otherwise be able to without these works.

Environment and Climate Change Implications:

The electrical works to the communal areas have a potential energy saving of 5,000kWh per annum per scheme. The carbon emissions reduction would be 2.6 Tonnes per annum per sheltered scheme.

The new pipe work to water supplies would save the loss of water in to the local water table.

Resource/Value for Money Implications:

All Decent Homes contracts were tendered through OJEU criteria, this ensured value for money. In order to ensure that resources are being spent in accordance with the councils CPRs.

Legal Implications:

The Council has statutory and contractual responsibilities to maintain and repair its property assets to defined standards. In contractual terms this includes responsibilities on frequency of maintenance work and it is essential that the recommended planned maintenance programmes are implemented.

Background

Sheltered Scheme Entrance Doors

1. Within the Waverley capital budget of 2012-2013 an allocation of £30,000 to supply two automatic entrance doors to sheltered schemes at Falkner Court and Moat Lodge was committed. The £30,000 was to cover both doors and make the property's DDA compliant. There is a year on year programme to supply and fit the sheltered schemes automatic doors in the borough.
2. Tenders were sent out and the successful contractor was Besam Doors Ltd, at a cost of £12,306 for both doors. Excellent product and value for money, with savings of £17,694.
3. The intention is to bring forward DDA compliant doors required at Rolston, Shepherd's and Riverside. This will benefit the tenants at the schemes and utilise the remainder of the budget for this year. The additional doors will be tendered again under the Council's CPRs to ensure value for money.

Financial Implications and Risks

4. Bringing forward the work into this financial year would allow the Council to take advantage of the competitive prices gained through tendering and avoid inflationary risks
5. The current doors are not disabled access compliant. The traditional solid timber doors are heavy and due to the weight difficult for the frail tenants to open.

Decent Homes Rewires

6. The Electrical Rewire budget has been awarded to T. Brown Ltd after going through the OJEU process. This contract started late and they were slow to mobilise. The original budget was £377,000, but due to the above issues £100,000 was reprogrammed and set aside, at the September Executive on the proviso that should it be possible to reschedule the works this year, the Executive would consider releasing the funds.
7. The contractor has now caught up, and the £100,000 is required to carry out the remainder of the programme, which will be 74 properties from the original number of 175.

Financial Implications and Risks

8. Saving of inflationary increases.
9. Increases Decent Homes compliance which helps to ensure the full HCA grant will be received.

Water Supplies

10. Separate the mains water to four properties at Ockford Ridge. This will greatly improve the situation for the tenants who have suffered several leaks.
11. Currently the original mains pipe system has come to the end of its useful life. The consequence is that a water leak anywhere on the system means that when repairs are carried out the water supply is terminated to all four properties until the leak is fixed. This has happened numerous times and been very disruptive.
12. Both the age of the system and the fact it is shared indicate that renewal is the cost effective solution. This will resolve the disruption issue and provide a long term cost saving for maintenance and repair. There is budget of £40,000 for these works to be carried out and a competitive quote for £12,460 was the lowest received.

Financial implications and Risks

13. The work has to be undertaken by the supplying utility company. The cost will increase if the pipework is allowed to deteriorate further, and there is a chance that the water may be contaminated via the leak.
14. The Council will incur unnecessary water costs if the leaks continue and the repairs not undertaken.

Communal Lighting to Sheltered Schemes

15. In 2010 Falkner Court had an assessment carried out on the communal lighting by an independent consultant. It was found the original lighting was

failing with age, and at floor level very poor for the client group, with maintenance calls increased and no replacement parts for the fittings.

16. The lighting to the corridors, stairwells and entrances are left on through out the day and night. There are no controls in the areas that receive natural light through windows.
17. The introduction of light level sensors in the lighting circuits or fittings that are close to windows in corridors, stairwells and lobbies. Also the fitting of more modern efficient light fittings will impact on the ongoing problems and improve on the lighting levels for residents. The inclusion of more energy efficient fittings will save on energy costs.
18. The cost of these works will be in the region £20,000 to £25,000 and can be carried out with the tenants in-house. Tenders need to be sent out and priced to get competitive prices.
19. The scheme at Shepherds Court is similar and needs £20,000 - £25,000 spent to bring up to the same standard.

Financial Implications and Risks

20. The light fittings are being mended or replaced with spares from other schemes often external to the Council, but the use of second hand spares decreases the maintenance and failure time. It is increasingly difficult to maintain the existing fittings since becoming obsolete.
21. The new lighting would be sensor controlled LED lighting, which will significantly reduce the maintenance required (LED lights are of low electricity consumption and may last up to 30 years). It is expected that the new system would achieve savings of at least 50% on the electricity currently used.
22. There is a risk of injury due to general poor lighting.
23. There is £50,000 available in the approved other programmed maintenance budget that will not be spent on unadopted roads and culverts this financial year. We propose a virement to fund the lighting improvements.

Bathroom and Kitchen Layout Alterations

24. Due to previous issues in the start up of the Decent Homes work, funding identified in the other programmed maintenance budget for spend on Kitchen and bathroom layout alterations and wash hand basins has been identified for reprogramming.
25. The aim is to now include this aspect of work into the fitting of the Decent Homes Kitchen and Bathroom work next year, ensuring those properties are also Decent Homes compliant. Request permission to carry the £550,000

funding into 2013/14 to be spent along with the brought forward HCA grant. Please refer to Decent Homes HCA Grant report.

Major Voids/Structural Works

26. These works are structural works, mostly ground floor slab failures, underpinning, major cracking, etc, Waverley have many of these structural works that must be carried out to make them habitable and to the decent homes standard.
27. The structural works are mainly due to "London Clay" and subsidence in the borough.
28. Please refer to (Exempt) Annexe 1.
29. Three of these works have been tendered and ready to start on site, the remaining properties are out to tender. The above amounts are covered by the Structural Works and Major Repairs budget.

Financial Implications and Risks

30. Continued rent loss currently £16,700 to date and £690 per week.
31. The tenders are valid for approximately 45 days and after this may require retendering and incur additional costs.
32. The properties are family homes in popular areas with substantial waiting lists 320 people waiting for a 3 bedroom dwelling in Dockenfield, and 3,758 in the Farnham vicinity.
33. The work should reduce maintenance costs for up to 10 years.
34. If the properties are sold on the open market, because of the work required they are likely to have to go to auction hereby reducing the likely selling price. Any selling price is likely to be reduced by more than the cost of the works required.
35. There is budget identified and available in the other programmed maintenance approved budget – Structural and major repairs element £935,000 of which £630,000 has been accounted for, the remaining £305,000 available to use for the estimated cost of £235,000 for repairs to these nine properties.

Conclusion

- The Decent Homes work programme is on target, the above helps us achieve these targets.
- The budgeted funds are available and are not additional funds it is from the reprogramming carried out earlier in this financial year.

Recommendation

It is recommended to the Council that

1. bringing forward the Sheltered Replacement doors plan into 2012/13 be approved to be financed by the budget provision in 2012/13;
2. £100,000 for continuing the rewiring work be approved to be met from the deferred budget provision 2012/13;
3. the water mains repair scheme at Ockford Ridge be approved from the existing budget provision 2012/13;
4. a £50,000 virement of budget funding be approved for lighting work at the Sheltered Schemes funded from the unadopted roads and culverts budget;
5. the transfer of £550,000 for Kitchen and bathroom layout alterations and wash basins be approved from financial year 2012/13 approved budget into financial year 2013/14; and
6. the major repair works be undertaken to the identified properties from the existing budget provision in 2012/13.

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