

WAVERLEY BOROUGH COUNCIL

EXECUTIVE - 4 DECEMBER 2012

Title:

ROLSTON HOUSE RECONFIGURATION

[Portfolio Holder: Cllr Keith Webster]

[Wards Affected: Haslemere Wards]

Summary and purpose:

This report seeks approval for the remodelling of Rolston House sheltered accommodation for bedsits with shared bathroom facilities and the onsite staff flats into self contained one bedroom accommodation and there by increase the available accommodation by 2 units.

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

The report relates to three of the council's 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:

The improvements to the Sheltered scheme enables the tenants to live more independently.

Environment and Climate Change Implications:

The investment in Decent Homes will improve the thermal efficiency of the properties reducing the resources required to heat the property and water and consequently reducing the property's carbon footprint. This benefits the tenant, council and environment.

Resource/Value for Money Implications:

A fully functioning sheltered housing service would support independent living for older people in need of a more intensive housing management service, and in time act as a service hub for older residents living in general needs housing in the locality.

Legal Implications:

Section 105 of the Housing Act 1985 places an obligation on the council to inform secure tenants about housing management proposals which will affect them. This would include any proposals to remodel sheltered schemes.

1. Background

- 1.1 Rolston House is a sheltered scheme situated in the town of Haslemere. The scheme provides 35 single units, comprising off 29 bedsits with shared bathrooms, 2 staff flats that are in the process of being vacated, and 4 one bed self- contained flats. The scheme is serviced warden 37 hours a week.
- 1.2 Rolston House is situated 1 mile from Haslemere town centre. It is close to Weyhill shops including Tesco, a Post Office, Library, Day Centre, Churches of most denominations. It was built in 1976 in a good locality.
- 1.3 The proposal is to convert the bed sit properties and the staff quarters into self contained properties, supporting independent living.
- 1.4 The budget figure for all the work would be in the region of £1,000,000. This would come out of the Stock Improvement Fund.
- 1.5 The scheme does not currently meet the decent homes standard due to the shared bathrooms.
- 1.6 The accommodation comprises of 35 units; 29 bedsits, 2 staff flats that are in the process of being vacated, and 4 one bed self-contained. A lift services every floor level, adapted shower and bathroom suite, laundry, guest rooms and very large tenant lounge.
- 1.7 The voids are losing rental income of £70,070 per year. One bed-sit has been empty since 2007 with a total loss of £38,640. This is due to the difficulty of letting with the shared facilities.
- 1.8 Also in the scheme are one 3 bedroom and one 2 bedroom staff flats, these are being vacated at the moment. The proposal is to convert them in to three one bedroom and two one bedroom self- contained flats respectively. These would then be rentable to our residents.
- 1.9 The bed sits share a bathroom that is neither appropriate nor convenient for the client group. Rolston House is currently operating with eleven voids. Discussions with residents, scheme staff and allocations staff suggest the reason for the high void rates is the shared bathrooms. In some cases residents have to go on other floors to use a bathroom.
- 1.10 Staff at the scheme have been asked about vacancies, and potential residents are enthusiastic about the scheme until they are shown the shared bathrooms.
- 1.11 Currently the waiting list for sheltered accommodation in this area is 23 applicants ranging from 64 to 99 years of age. There are only two other sheltered accommodation schemes in this area. The provision of good quality accommodation with modern facilities will enable older people to give up larger, family sized properties. Currently people are reluctant to do this to move to somewhere with shared facilities.

2. Consultancy / Staffing Requirements

- 2.1 The proposal is to employ a structural engineer consultancy to write the calculations and specification and tender the works at an estimated cost of £20,000.
- 2.2 An In-house Project Surveyor will manage the works while in progress, estimated cost £50,000.

3. Scheme Proposal

- 3.1 The bathrooms are each shared by two flats, the proposal is to build a wall in the centre of the bathroom, then demolish the walls each side into the individual wc's, then block up the entrance door.
- 3.2 This will give enough room for a walk in shower, wc and wash hand basin. To enlarge the flats it is also proposed to take out the walk- in robes and milk mans cupboard. This will give more living space.
- 3.3 Two of the bed sits can not be reconfigured, due to the lay out and extra thought is needed on the layout.
- 3.4 The advantages of this option is
 - Planning permission would not be required to carry out the work.
 - The costs are likely to be less than keeping all the voids.
 - Most tenants would benefit from independent living.
 - The reconfiguration will increase the rentable flats available.
 - The number of units will make it more financially viable.
 - Provides a better financial return than losing rental income and paying council tax on an empty flat.
- 3.5 The disadvantages for this proposal:
 - Tenants will have to vacate bedsits or flats and move to alternate accommodation within the scheme (although we can remodel the empty units first and use these either as decants or permanent moves).
 - Two bedsits that are not viable to change, it is being considered that they be converted to guest bedsits and the existing guest rooms converted into a flat.
- 3.6 If these works are given the go ahead, it would be an opportunity for the Structural Engineer to review the heating and power supply within the scheme.
- 3.7 The proposal will be to keep the existing tenants in house for the minimal disruption. Some may have to be moved from existing bed sits to the newly converted flats.

3.8 If the tenants are decanted this may be too much of an upheaval, so the proposal would be if an unconverted flat or bedsit becomes available Waverley do not fill it and keep it as a void and out of management.

3.9 The works will have to be phased with health and safety a key priority. Parts of the building will be cordoned off and will be made safe so tenants can not gain access,

4. Financial implications

4.1 Remodelling costs £1,000,000 which will have an expected useful life of 30-40 years. The external shell will have a longer expected life if maintained.

4.2 Rebuild costs £6,000,000 (estimate based on open market value of the units) which will have an expected useful life of perhaps 50-60 years, with the external shell having an estimated life of 100 years. This estimate excludes compensation and decant costs.

4.3 This alternative has not been considered given the current demand in the area and the logistical problems of relocation given the shortage of suitable alternative accommodation.

4.4 Current the costs to the Council are:

Annual loss of income (inc service charge) due to voids	£70,070
Council tax (empty property - HRA paying)	<u>£8,700</u>
Total Cost to Council per year	£78,770

4.5 Due to the limited Sheltered facilities available and a waiting list for acceptable properties it is anticipated that once the conversion is finished it will be fully subscribed. The average cost in this proposal to convert to a flat is £30,000, and this gives a rental pay back of between 7 and 14 years (100% to 50%).

4.5 To date the empty (void) properties at Rolston House have lost £71,000 in rent (exc Service charges of £40 per bedsit per week).

5. Risks

5.1 There is a risk of disruption to tenants. Void bedsit properties continue to increase which may make the scheme unviable and reduce the available sheltered provision still further. The remodelling still does not attract clients – and tenants are involved in the design.

6. Next Steps if Council agrees to the Proposal

1. A Working group needs to be set up with the involvement of residents from the scheme.
2. A meeting is required to be organised with all the tenants and family members from Rolston House to discuss and review proposals.

Recommendation

The Executive is asked to recommend the Council to

1. agree in principle to remodel Rolston House in Haslemere;
2. agree a capital provision of up to £1,000,000 from the Stock Improvement Reserve.
3. approve the hire of a Structural Engineer to prepare a scheme for tender (to be funded from budget provision in 2) at an estimated cost of £20,000;
4. approve the appointment of a Project Manager on a temporary contract to manage the Rolson House remodelling project and the brought forward decent homes work programme at an estimated cost of £50,000 to be funded from the Stock Improvement Reserve; and
5. agree to put the scheme out to tender.

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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