

Waverley Borough Council

Report to: Executive

Date: 9 January 2024

Ward(s) affected: Farnham Firgrove

Report of Director: Community Wellbeing

Author: Louisa Blundell

Tel: 01483 523205

Email: louisa.blundell@waverley.gov.uk

Executive Portfolio Holder: Councillor Paul Rivers

Email: paul.rivers@waverley.gov.uk

Report Status: Open

Housing Latent Defect Remediation - Farnham

1. Executive Summary

- 1.1 The purpose of this report is to seek Executive approval to formally allocate the current Latent Defects budget to complete the phased remedial works to existing first floor level and associated repairs in three homes at Cedar Close, Farnham.

2. Recommendation to Executive

It is recommended that the Executive approves:

- i. Use of the current Latent Defects budget to procure a Contractor to carry out the required remedial works.
- ii. The allocation of an £114,225 budget from Latent Defects budget that exists within the Housing Revenue Account Delivery Budget.
- iii. Delegate authority to the Executive Head of Legal and Democratic Services to approve the final form of any legal agreement including JCT Contract.
- iv. Delegated authority to the Strategic Director (Wellbeing) to enter into any related contract documentation or ancillary agreements required to the remedying of these latent defects.

3. Reason for Recommendations:

- 3.1 The defects in these properties are long standing and will only be permanently resolved by the proposed type of intervention.
- 3.2 The Waverley Corporate Strategy 2020-2025 sets out the Vision and Strategic Priorities for the Council. One of the strategic priorities is to 'provide good quality housing for all income levels.'

4. Exemption from publication

- 4.1 Open Report

5. Purpose of Report

- 5.1 To obtain approval for the Latent Defects budget to be spent on these phased remedial works to existing floor level and associated repairs within the occupied properties of 1,2 and 3 Cedar Close, Farnham.

6. Strategic Priorities

- 6.1 Affordable housing is central to community well-being. It is consistent with the Council's [Corporate Strategy 2020 – 2025](#), strategic priority to deliver 'good quality housing for all income levels and age groups' and 'effective strategic planning and development management to meet the needs of our communities.'

7. Background

- 7.1 Properties at 1,2, 3 and 4 Cedar Close were delivered as part of the new build housing delivery programme and completed in 2017. These homes have developed latent building defects which have resulted in noisy floor joists and uneven first floor levels.
- 7.2 The original contractor went into administration after the initial 12-month defect period and officers have pursued the invocation of Local Authority Building Control Warranty (LABC), was refused by LABC.
- 7.3 The defects were present in No 4 Cedar Close but were successfully resolved in July 2019. The remaining three properties were due to be completed earlier but the impact of COVID meant that access became impossible.
- 7.4 Officers have procured and appointed a Contract Administrator and Principal Designer to prepare revised cost estimates and the documentation for tender to procure a contractor to effectively deliver these remedial works over an expected programme of nine-weeks.
- 7.5 The works will include removal and reinstallation of sanitaryware, lifting and relaying floor boarding and installation of noggins to joists and making good.
- 7.6 Officers will continue to work with the Contract Administrator, Principal Designer and Housing Management Team to effectively

resolve these latent defects with the minimum disruption/ impact on our residents.

8. Procurement

- 8.1 Subject to the approval of recommendations made at 2 (i-iv) of the report, Officers will procure a Contractor to deliver these remedial works to permanently resolve the defects.

9. Key Risks

- 9.1 Delay in resolving these defects will mean the continued dissatisfaction of residents living in these properties and the potential of future repair costs rising.

10. Financial Implications

- 10.1 There is a previously approved Latent Defects budget with £189,446 available to fund this project. Cost estimates have been obtained for the proposed works and together with on-costs the total budget allocation requested from the latent defect budget is £114, 225.
- 10.2 The costs have risen since the defects were resolved at No 4 Cedar Close, and allowances have been made to take account of the expected build cost inflation.

11. Legal Implications

- 11.1 Waverley Legal Services team will review any key contract information prior to issue including JCT Minor Works Building Contract (2016), and the proposed JCT Amendments.
- 11.2 The delegations included in the report will enable the Housing Development Team to procure and appoint a Contractor to proceed with the works whilst being managed by our appointed Contract Administrator and Principal Designer.

12. Human Resource Implications

12.1 There are no human resource implications.

13. Equality and Diversity Implications

13.1 There are no direct equality, diversity, or inclusion implications in this report. Equality impact assessments are carried out, when necessary, across the council to ensure service delivery meets the requirements of the Public Service Equality Duty under the Equality Act 2010.

14. Climate Change/Sustainability Implications

14.1 The four homes completed in 2017 were of traditional construction, taking a fabric first approach with provision of photovoltaic cells on the roofs.

14.2 The tender for the minor works contract will include criteria to enable the Council to take account of the qualitative, technical and sustainability aspects of the tender as well as price when evaluating and reaching a contract award decision.

15. Summary of Options

15.1 Option 1 - Do nothing and leave the properties in their current condition with latent defects.

15.2 Option 2 (preferred option) - Approve the use of the latent defects budget available within the Housing Revenue Account to tender for a contractor to resolve the defects for the long-term benefit of the residents and Waverley Borough Council in maintenance of its assets.

16. Conclusion

16.1 The Executive are asked to consider report, and the recommendations made to facilitate the delivery of the work to address the latent defects in these properties. [OBJ]

Please ensure the following service areas have signed off your report.
Please complete this box, and do not delete.

Service	Sign off date
Finance / S.151 Officer	30/11/23
Legal / Governance	28/11/23
HR	N/A
Equalities	N/A
Lead Councillor	23/11/23
CMB (Corporate Management Board)	28/11/23
Executive Briefing/Liaison	05/12/23
Committee Services	6/12/23