

Bolton Council

Report to: EXECUTIVE MEMBER FOR HOUSING,
NEIGHBOURHOODS AND
REGULATION

Date: 30th MARCH 2010

Report of: CHIEF EXECUTIVE OF BOLTON AT
HOME

**Report
No:**

Contact Officer: BARRY WILSON, ASSET MANAGER

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No:

Report Title: PLANNED CAPITAL PROGRAMME FOR 2010/2011

**Confidential /
Non Confidential:**

(Non-Confidential) This report does **not** contain information which warrants its consideration in the absence of the press or members of the public

Purpose:

The purpose of this report is to seek approval for the 2010/11 Planned Capital Programme budget distribution

Recommendations:

The Executive Member is requested to approve the Planned Capital Programme budget distribution and note the Decent Homes targets for 2010/11.

Decision:

Background Doc(s):

NONE

Signed:

Leader / Executive Member

Monitoring Officer

Date:

Summary:

The purpose of this report is to advise the Executive Member and request approval for the Proposed 2010/2011 Planned Capital Programme budget distribution as detailed in Section 6.

The budgets have been calculated taking into account forecasted end of year carry overs at month 10 in 2009/10 and as in previous years will be amended in the 2010/11 Quarter 1 report.

The available resources in 2010/2011 for Planned Capital programmes of work is £17,100k, consisting of £12,350k of normal resources (Major Repairs Allowance, Capital Receipts and Revenue Contribution) plus £4,750k Prudential borrowing, as detailed in the 2009/10 Rent Report approved by the Executive Member for Regeneration on 10/02/10.

The total value of schemes identified is £20,400k, including an over programming element of £3,300k from the available resources, allowing for a slippage in the programme or for any possible increase in resources as a result of a positive ballot result. In principle support has been confirmed to the review of options to increase the level of the 2010/11 capital programme once the ballot result is known.

No funding has been included for costs incurred by Bolton Council and Bolton at Home for work undertaken on the new transfer model. In the case of a negative ballot result these costs will need to be accounted for in option A (section 6).

The decent homes element of £14,011k identified with the available resources of £17,100k, is a shortfall of £8,199k from the total requirements of £22,210k to meet the need in 2010/2011 (detailed in section 6). This means a further 507 will become non decent by 31st March 2011 to add to the 533 carried over from 2009/10.

1. Purpose of the Report

- 1.1 The purpose of this report is to advise the Executive Member and request approval for the Proposed 2010/2011 Planned Capital Programme budget distribution as detailed in Section 6.

2. Introduction

- 2.1 The 2010/2011 Capital Programme is the third year after the 5 year programme to deliver Decent Homes supported by ALMO resources.
- 2.2 The programme continues to address the following:
- Minimising the number of homes becoming non decent.
 - Tackles the socio-economic factors of regeneration to achieve sustainability.
 - Demonstrates customer influence and meets their aspirations.
 - Sets targets that meet Local Area Agreements objectives.
 - Supports the Governments Warm Homes, Greener Homes Strategy.
 - Continues to deliver best value through a combination of tendering from the select list of contractors and partnering with the in-house and successful sole constructor.
- 2.3 The budget distribution in section 6, explained in Section 7, is designed to meet the above criteria.

3. Asset Management

- 3.1 With the Decent Homes and Energy Efficiency (SAP) targets successfully achieved 2 years ahead of Government targets, Bolton at Home has taken the opportunity to review and implement the change necessary to meet the different challenges that lie ahead, with the New Business Model, Transforming Estates and maintaining Decent Homes as the big issues for the organisation.
- 3.2 Bolton at Home (BH) have continued to develop their asset management strategy to develop services that meet the following customer and organisational priorities in terms of both physical and community investment:
- To ensure our homes continue to meet the Decent Homes Standard
 - To manage the Stock Condition and Energy Efficiency database.
 - To produce Capital and Revenue Investment Programmes that meet customer needs in a regeneration framework.
 - To ensure the Investment Strategy is inclusive of all stakeholders with an equal influence on existing and future programmes and also supports the wider regeneration of communities to reflect the aspirations of Bolton Council and the communities.
 - To introduce further cyclical maintenance programmes of repair to support decent homes planned works.
 - To produce accurate spend profile information to secure additional funding.
 - To ensure our homes are fit for the future and comply with the Governments Greener Homes Strategy.

- To support the Regeneration Directorate by sharing knowledge and information on all stakeholder and customer priorities to help inform decisions.
- To prepare medium and long term programmes to allow the Technical Services Directorate to adapt and change their workforce to match customer needs.
- To continue to work closely with Housing Services staff to establish customer priorities.
- To ensure that all customers have an opportunity to influence the programmes.
- To effectively communicate strategies, policy, procedures, and programmes of improvement and repair.

Resources

- 4.1 The available resources in 2010/2011 for Planned Capital programmes of work is £17,100k, consisting of £12,350k of normal resources (Major Repairs Allowance, Capital Receipts and Revenue Contribution) plus £4,750k Prudential borrowing, as detailed in the 2009/10 Rent Report approved by the Executive Member for Regeneration on 10/02/10.
- 4.2 The total value of schemes identified is £20,400k, including an over programming element of £3,300k from the available resources, allowing for a slippage in the programme or for any possible increase in resources as a result of a positive ballot result. In principle support has been confirmed to the review of options to increase the level of the 2010/11 capital programme once the ballot result is known.
- 4.3 Additional resources through current and future partnerships will continue to be sought to maximize investment, with funding from energy suppliers, corporate departments, e.g. road safety, Highways and Social Services.
- 4.4 It is proposed to carry out a twin track programme as detailed in section 6, with a £9,862k spend profile to the end of September, followed by options A or B from October onwards, dependant on additional resources becoming available as a result of a positive ballot. Option B reflects the spend profile should there be additional resources and option A if not.
- 4.5 No funding has been included for costs incurred by Bolton Council and Bolton at Home for work undertaken on the new transfer model. In the case of a negative ballot result these costs will need to be accounted for in option A.

5. Decent Homes

- 5.1 With additional ALMO resources we successfully made all our homes decent by 31st March 2008, 2 years ahead of the Government target of April 2010. At 31st March 2009 all homes still met the Decent Homes standard.
- 5.2 With reduced resources in 2009/10 our homes started to fall back into non decency with the number of non-decent homes to 31st March 2010 estimated at 533.
- 5.3 The number of additional homes falling into non decency in 2011/12 is estimated at 1368 from a projected stock of 18,123 at 1st April 2011, making a total of 1901 non decent.
- 5.4 The decent homes funding of £14,011k identified with the available resources of £17100k, is a shortfall of £8,199k from the total requirements of £22,210k to meet the need in 2010/2011 (detailed in section 6). This means a further 507 will become non decent by 31st March 2011 to add to the 533 carried over from 2009/10.
- 5.5 The total number of homes estimated to be non decent at 31st March 2011 is estimated at 1,040 (533 + 507).
- 5.6 The following table identifies the current 'Decent homes' position with available resources of £17,100k

Total homes non-decent at April 2001	12,684
Estimated No of homes non-decent at April 2009	0
Estimated No of homes non-decent at April 2010	533
Estimated No of additional homes becoming non-decent in 2010/11	1,368
Total estimated No of homes non decent at April 2010	1,901
Estimated No of homes to be made decent in 2010/11	861
Estimated No of homes remaining non-decent at April 2011	1,040

6. Public Sector Planned Programme budgets

Elements	Indicative Forecast 2010/2011 Budget	With 20.4m resource	Decency Cost	Twin Track				
				Apr-Sept	Oct-Mar Option A	Oct-Mar Option B	Total Option A	Total Option B
	£k	£k	£k	£k	£k	£k	£k	£k
Electrical Works	1,123	1150	1150	575	575	575	1,150	1,150
External Refurbishment	3,580	3,032	3,032	2,092	30	940	2,122	3,032
Windows and Doors	40	40	40	0	0	40	0	40
Structurals	150	150	150	25	75	125	100	150
Central Heating & Vent	2,128	1,250	1,250	625	625	625	1,250	1,250
Kitchens & Bathrooms	8,311	5,276	5,276	2,150	2150	3,126	4,300	5,276
Bathroom Adaptations	300	75	0	75	0	0	75	75
Capital Support for R&M	3,400	3,400	3,400	1,700	1250	1,700	2,950	3,400
Common Areas	99	40	40	10	30	30	40	40
Environment	600	420	0	110	140	310	250	420
Regeneration/NRF	1,500	1,000	0	350	400	650	750	1,000
Health & Safety	150	180	180	40	140	140	180	180
Lifts	30	30	30	10	15	20	25	30
Disabled Adaptations	1,000	1,000	0	450	450	550	900	1,000
% for Art/Employment	400	350	0	175	175	175	350	350
Elderly Services	50	20	0	0	20	20	20	20
Outhouses	50	25	0	10	15	15	25	25
Essential Renewals	350	350	350	175	175	175	350	350
Website Development	40	40	0	10	30	30	40	40
Digital TV	70	70	0	70	0	0	70	70
Demolition/Conver/Imps	250	40	40	40	0	0	40	40
Office Accommodation	150	50	0	40	10	10	50	50
Contingency	500	300	0	125	125	175	250	300
Housing Services Estate Priorities	150	100	0	30	30	70	60	100
Fire Protection	40	40	40	40	0	0	40	40
Whole House Improve	240	100	100	50	50	50	100	100
Sundry Properties	230	50	50	15	35	35	50	50
Anti- Social Behaviour	25	20	0	10	10	10	20	20
Research & Develop	50	20	0	10	10	10	20	20
Drainage	20	20	20	10	10	10	20	20
Insulation	50	20	20	10	10	10	20	20
ICT Refresh	900	100	0	50	50	50	100	100
ALMO Futures	2,500	0	0	0	0	0	0	0
Extra Care Facilities	150	100	0	40	60	60	100	100
Commissioning	2,116	1,542		740	544	803	1,283	1,542
Total Programme	30,742	20,400	15,168	9,862	7,239	10,539	17,100	20,400
Resources		17,100						
Over-programming		3,300						
Decent Homes requirements	22,210	16,685					14,011	

- 6.1 Column 1 identifies the budget heads needed to meet the criteria as detailed in section 2.
- 6.2 Column 2 details the budget distribution to deliver a £20,400k programme including an over programming element of £3,300k from the minimum available resources of £17,100k.
- 6.3 Column 3 identifies the decent homes requirement of £15,168k (£16,685k inc fees) with a programme of £20,400k including over programming.
- 6.4 Column 4 identifies the spend profile of £9,862k to the end of September 2010.
- 6.5 Columns 5, 6, 7 and 8 detail the options A & B for months 7-12 and their totals described in section 4.4. The decent homes element of £14,011k with resources of £17,100k is shown in column 7.

7. Public Sector Planned Profile

7.1 Electrical Work

- 7.1.1 The £1,150k budget will ensure that all the schemes identified as requiring rewiring, (from the extensive periodic testing programme carried out by both Partners and In-house staff in 2007/08 and 2008/09) will prevent homes becoming non decent. The budget also includes a sum determined by the Operational Manager to carry out omitted work from the previous programmes. Appendix A identifies both the carry over and new estates requiring rewiring.
- 7.1.2 In addition necessary rewiring work will be undertaken when kitchen and bathrooms are replaced. These will be funded from the kitchen and bathroom budget to minimise the disturbance to customers, in order to reduce operational costs and decoration contributions.

7.2 External Refurbishment

- 7.2.1 The £2,122k external refurbishment budget will be targeted to the dwellings identified as falling into non-decency in 2010/11 and will receive the necessary work to keep them decent. Appendix B details the schemes identified as requiring work in 2010/11 and an over programming element of estates potentially becoming non-decent in 2011/12.
- 7.2.2 In addition, a further £1,617k has been allocated to the Repair and Maintenance budget to carry out planned repair and maintenance, cyclical painting, cleaning and minor repair programmes, to support the Capital budget with preventative maintenance.

7.3 Windows and Doors/Security

- 7.3.1 In the event of additional resources becoming available, a budget of £40k will be allocated to carry out additional security work to the older PVCu frames, improve security lighting and to replace insecure entrance doors.

7.4 Structural

- 7.4.1 A £100k budget is included to fund the management fee and structural works identified by Corporate Property Services under the Service Level Agreement.

7.5 Central Heating and Ventilation

- 7.5.1 The budget allocated for 2010/11 for heating and ventilation schemes is £1,250k, and again includes a sum for the omitted schemes (either because of no access or refusal) from previous Decent Homes programmes.
- 7.5.2 The priority heating schemes are identified in Appendix C and include all those carried over from 2009/10.
- 7.5.4 Bolton at Home continues to strive for energy efficiency to tackle fuel poverty through our heating programme, working with our Affordable Warmth Action Group (AWAG).
- 7.5.5 New products will continue to be investigated, piloted and installed to add to the successes achieved in 2009/10, i.e. 12 estates provided with solar thermal heating; The installation of the first Eco boiler fuelled by biomass; An Energy Management System (Trend) allowing fault diagnosis, monitoring of fuel consumption, emissions, temperatures and flow and return pressures, all carried out electronically from a central base.
- 7.5.6 Fuel costs to customers will be reduced by raising awareness to customers in ways to reduce energy consumption and use of heating systems by production of leaflets circulated to all homes and follow up road shows.

7.6 Kitchens and Bathrooms

- 7.6.1 Appendix D identifies the priorities identified through the consultation process, the House Condition Survey and the need for lead pipe replacement.
- 7.6.2 The £4,300k resources will be directed towards our customers' most popular work elements.
- 7.6.3 Kitchens will continue to be designed to suit every customer, with bathroom fittings being renewed on a needs basis. Both kitchens and bathrooms will be provided with new floor coverings, with tiling and decoration to both: Although customers will have the option to accept a contribution towards

decoration if they prefer to carry out their own decoration.

7.7 Bathroom Adaptations

7.7.1 Customer influence has resulted in the continuation of the new budget introduced in 2006/7 to be directed towards bathroom improvements for customers whose bathrooms are unsuitable for their needs. The priority for kitchen and bathroom improvements is generally determined by the condition of the kitchen, with bathroom fittings replaced as necessary. This budget aims to target bathroom improvements for our customers with mobility problems and supports the disabled adaptations budget.

7.8 Capital Support for R & M

7.8.1 £2,950k has been allocated to fund repair and maintenance work of a capital nature carried out primarily to voids e.g. damp proof courses, kitchens and bathrooms, full rewires and plastering.

7.9 Common Areas

7.9.1 The budget of £40k has been identified to:

- Upgrade and replace obsolete or damaged CCTV equipment.
- Repair/replace communal security doors.
- Continue to replace defective door entry systems and those with obsolete Passive Access Control (PAC) systems
- Continue upgrading and decorating the communal entrance areas supported by the R&M cyclical painting programme.

7.10 Environment

7.10.1 The £250k allocated in 2009/10 includes £110k for retentions to the Great Estates Pilot project, £100k to complete the committed environmental projects at Greenroyd Avenue and £40k for new schemes.

7.11 Regeneration

7.11.1 A regeneration budget of £750k has been identified primarily to deliver socio-economic initiatives through a neighbourhood management approach, working peripatetically with links to UCANs, involving our customers and

elected members working in partnership across a whole spectrum of agencies.

- 7.11.2 The agencies include the health authority, police, children and youth services, adult education, various environmental services including the Lancashire Wildlife Trust, and voluntary groups.

7.12 Health and Safety

- 7.12.1 A budget of £180k has been included to upgrade fire alarm systems, responsive Health and Safety measures and essential works identified from fire risk assessments.

7.13 Lifts

- 7.13.1 A budget of £30k has been identified to carry out any Capital type works identified from the annual service inspections and any new Government legislation.

7.14 Disabled Adaptations

- 7.14.1 A budget of £1,000k will be used throughout the year to respond to and meet the needs of our customers requiring disabled adaptations to their homes both on the waiting list and new applicants. This budget has been determined by the Disability Facilities Team taking into account the availability of trained delivery resources.
- 7.14.2 The Disabled Facility Adaptation budget will continue to be supplemented by the Kitchen and Bathroom budgets described in sections 7.6 and 7.7.

7.15 % for Art/Employment

- 7.15.1 The % for Art /Employment budget of £350k is required to fund the apprentices employed by Technical Services as approved by Executive Member on 4th June 2007, in addition to supporting the % for Art schemes and the Intermediate Labour Market Team. Both teams will continue to work closely with the project team involved in the Transforming Estates planning and delivery process.

7.16 Elderly Services

- 7.16.1 The budget of £20k for Elderly Services schemes will continue to make improvements to the homes of our more vulnerable customers and will include security and environmental improvements developed by Community Care Staff in full consultation with customers and their representatives. This

budget will be subject to extensive review as we examine the implications for our elderly stock arising from the implementation of the Elderly Persons Strategy.

7.17 Outhouses

- 7.17.1 £25k has been identified to continue the inspection of both attached and detached outhouses falling into disrepair and carry out necessary works to ensure their safety.

7.18 Essential Heating Renewals

- 7.18.1 The annual budget of £350k is used to fund essential heating renewals and medical priorities. It is expected that the continued heating programme will have a reducing effect on this budget in future years.

7.19 Digital TV

- 7.19.1 A budget of £70k is included as retention for the successful installation of the Integrated Reception Service (IRS) to ensure all our customers receive the full range of terrestrial and satellite TV services.

7.20 Demolition / Conversion / Improvement

- 7.20.1 A budget of £40k has been allocated for the disposal, conversion, remodelling or refurbishment, dependant on the outcome of the Sheltered Housing Review; the Bedsit Strategy and any new option appraisals. This budget also includes any home loss payments.
- 7.20.2 The criteria to comply with lifetime homes has been written into the inspection brief for the properties being converted, and also those undergoing whole house improvements. Although dwellings can only be classified as a Lifetime Home if they meet **all** the criteria, wherever feasible works will be carried out to assist mobility. In addition elemental specifications automatically include works that meet the Lifetime Homes criteria e.g. higher sockets, lower switches, easily accessible controls to radiators, fires etc.

7.21 Office Accommodation

- 7.21.1 A budget of £50k has been allocated to carry out minimal works of repair and improvement to the office accommodation and to ensure continued compliance with the Disability Discrimination Act (DDA) legislation.

7.22 Contingencies

- 7.22.1 A budget of £250k is allocated as a contingency sum to assist in the overall management of the Housing Revenue Account.

7.23 Housing Services Priorities

- 7.23.1 A budget of £60k has been allocated to Housing Services Managers to support and empower operational managers to problem solve at a local level in their areas. The parameters for this type of work have been agreed between the Housing Services and Regeneration Directorates.

7.24 Fire Protection

- 7.24.1 A £40k annual budget is included to continue the partnership with the Greater Manchester Fire Authority to carry out fire risk assessments, giving advice on means of escape with the goal of saving lives and reducing damage to property.

7.25 Whole House Improvements

- 7.25.1 A budget of £100k is included to carry out whole house improvements to homes omitted from the Decent Homes programme (either because of no access or refusal), which fall into the non decent category when access is available.

7.26 Sundry Properties

- 7.26.1 In 2007/08 a detailed inspection and consultation exercise was carried out with customers living in the 42 sundry properties. A budget of £50k has been identified in 2010/2011 to carry out essential work to the Decent Homes Standard.

7.27 Anti-Social Behaviour

- 7.27.1 A further £20k of funding has been allocated to carry out security and surveillance work identified by the Anti Social Behaviour Team.

7.28 Research and Development

- 7.28.1 A budget of £20k has been allocated to carry out Research and Development in the following areas:

- Research / investigation of dampness solutions.
- Energy Efficiency – including new initiatives and renewable energy sources.
- Piloting new products through the Design and Specification Group
- Noise transference

7.29 Drainage

- 7.29.1 A budget of £20k has been identified to carry out a programme of inspection and planned improvements to our underground drainage system, and to investigate and provide solutions to ongoing drainage problems.

7.30 Thermal Insulation

- 7.32.1 Bolton at Home, as a partner within the Bolton Affordable Warmth Strategic Group are committed to reducing fuel poverty in Bolton. By succeeding we will also reduce health inequalities, increase life expectancy, improve housing conditions, reduce CO2 emissions and generally improve the quality of life for residents in our public sector dwellings.
- 7.32.2 A £20k budget has been included to provide loft and cavity wall insulation to dwellings omitted from the programme (either refusal or no access).
- 7.32.3 In addition funding is being sought from energy suppliers through Carbon Emissions Target, Community Energy Savings Programme , European Regional Development Fund and Paye as You Save.

7.31 ICT refresh

- 7.31.1 The warranty of the existing ICT equipment expired in July 2007 and so the replacement of ICT equipment and infrastructure used by the organisation was started in 2007/08 and continued in 2008/9 and 2009/10. A budget of £100k has been included in 2010/11 to lease essential equipment.

7.32 ALMO futures

- 7.32.1 No funding has been included for costs incurred by Bolton Council and Bolton at Home for work undertaken on the new transfer model. In the case of a negative ballot result these costs will need to be accounted for in option A.

7.33 Extra Care Facilities

- 7.33.1 A budget of £100k has been included to continue the improvements to the Extra Care and Sheltered Housing Communal Areas, to the standard achieved at Eldon Street, Merton and Hulton Lane schemes.
- 7.33.2 The priority for 2009/10 are to continue to upgrade Maxton House (including investigating the feasibility of a senses garden) and Campbell House and to provide stair lifts to the communal staircases to Hulton Lane to enable customers who develop mobility problems in older age to remain in their 1st floor homes.

7.34 Commissioning

- 7.35.1 This budget is allocated to cover the costs of commissioning works included in the overall Planned Programme and represents 10% of the works element of the programme both complete and part complete.

8. **Impact on Customers**

8.1 During the course of 2010 / 2011

- External Refurbishment including roof renewals/repair, pointing, flagging, prior-to-paint repairs and painting will be carried out to 934 homes.
- New central heating systems, including energy efficient condensing boilers, will be installed to 493 homes.
- Kitchen and bathroom improvements will be carried out in 674 homes.
- Electrical improvements will be carried out to 488 homes.

9. **Recommendations**

- 9.1 The Executive Member is requested to note the Decent Homes target for 2010/2011 as detailed in section 5.
- 9.2 The Executive Member is requested to approve the 2010/11 Proposed Planned Programme budget heads detailed in sections 6.