



Agenda item:

Decision maker: CABINET MEMBER FOR HOUSING DECISION
Subject: MEETING 15th March 2011
Report by: COUNCIL HOUSING MAINTENANCE AND IMPROVEMENTS
AND HOUSING IT BUSINESS SOFTWARE 2011/2012
Wards affected: OWEN BUCKWELL HEAD OF LOCAL AUTHORITY
HOUSING MANAGEMENT
Key decision (over £250k): ALL
YES

1. Purpose of report

The Council Housing Repairs & Maintenance Budgets for 2010/11 and 2011/12 were approved at the Full Council meeting on 8th February 2011.

The revised 2010/11 and 2011/12 Housing Investment Programme budgets together with the proposed programmes for 2013/14 to 2016/17 were approved by the City Council on 8th February 2011.

The purpose of this report is to inform members of the spending proposed for the next financial year for revenue and capital funded maintenance and improvement programmes together with Housing IT Business Software and to seek approval to incur expenditure in respect of the capital schemes and rolling programmes and to show how the budgets have been allocated on an area office basis.

2. Recommendations

- I. That the area programmes and allocation of finance for the funding of the Revenue Budgets for repairs and maintenance of dwellings be noted.
- II. That the capital budgets listed in Appendix B, Appendix C, Appendix D and Appendix E commencing in 2011/ 2012 be approved and the Local Authority Housing Manager be authorised under Financial Rules, Section B14 to proceed with schemes within the sums approved.
- III. That the Strategic Director of Corporate Resources and Services financial appraisal be approved for the capital programme - global provision.

3. Background

Area office Budget Programmes have been prepared, which outline all programmed expenditure to the housing stock including the allocation for cleaning and grounds maintenance. (Attached to this report)



4. Revenue Budgets - Repair and Maintenance of Dwellings Budget

The main summary for all areas showing the headings for the allocation of the £20,359,000 budget is attached to this report as Appendix A along with the analyses of each individual Area Office Budget programme (detailed area office budget breakdown to follow

Capital Budgets - Various Schemes

A summary of this *£15,616,000 budget is shown in Appendix B. There are several areas within this programme for 2011 / 2012 where the budget shown represents a global provision from which a number of smaller schemes are financed.

(*total including professional fees)

5. Equality impact assessment (EIA)

Not relevant in this instant

6. Head of legal services' comments

The City Solicitor is satisfied that there are no immediate legal implications arising from this report.


7. Head of finance's comments

Financial Rules Section B14 states that expenditure cannot be incurred unless a full report and financial appraisal has been prepared and approved. The financial appraisal is included on Appendix B.

8. Access to Information

Background list of documents - Section 1000D of the Local Government Act 1972

The Information used in preparing this report has been made available from within the Repairs and Maintenance team (Chaucer House) of the Local Authority Housing Management Service.


.....
Signed by:

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

.....
Signed by:

COUNCIL HOUSE MAINTENANCE & IMPROVEMENTS

APPENDIX ' A'

REVENUE BUDGET TOTAL - 2011 / 2012

REPAIRS AND MAINTENANCE		*Notes	SUMMARY
COST CODE	HEADING		2011 / 2012
	Response Repairs		£
HR3221	General (Day to Day) Response (Including: Leaking Water Services Renewal of DPC'S, Water Penetration Repairs)	Held by AO	£8,400,000
HR3226	Out of Hours Repairs Service	Held by RM	£350,000
HR3225	Community Centres: Response Repairs	Held by RM	£50,000
			£8,800,000
HR3231	Void Cost	Held by AO	£1,740,000
			£10,540,000
	TOTAL FOR RESPONSE REPAIRS		
	Planned & Cyclical Work		
HR3211	Contingency Sum	Held by RM	Inc
HR3222	Contractors Fee	Held by AO	£4,690,000
HR3271	Decoration Allowance to Tenants	Held by AO	Inc
HR3281	Redec for Elderly / Disabled	Held by AO	Inc
HR3311	Fittings Sheltered Accommodation	Held by RM	£30,000
HR3321	Asbestos Surveys	Held by RM	£200,000
HR3331	Repair to fire damaged properties	Held by RM	£50,000
HR3341	Structural Repairs	Held by RM	£50,000
HR2062	Pest Control	Held by AO	£90,000
HR3421	External Painting & Repairs Including Fencing Renewal	Held by RM	£1,295,000
HR3431	Annual Gas Servicing/Repair	Held by RM	£2,400,000
HR3471	Replacement of Refuse Bins	Held by RM	£10,000
HR3481	Central Communication System	Held by RM	£60,000
HR3491	Mechanical Plant & Lifts	Held by RM	£600,000
HR3501	Maintenance of Fire Alarms	Held by RM	£60,000
HR3511	Residents Initiative Bids	Held by RM	£60,000
HR3521	Improvements to office access	Held by RM	
HR3541	Maintenance of CCTV equipment/	Held by RM	£180,000
HR3551	Replacement of CCTV equipment	Held by RM	£80,000
	TOTAL FOR PLANNED & CYCLICAL		£9,855,000
TOTAL REPAIRS & MAINTENANCE			£20,395,000

* RM = Repairs Manager
 AO = Area Office
 PM = Property Manager

APPENDIX B

COUNCIL HOUSING MAINTENANCE AND IMPROVEMENTS - 2010/11

CAPITAL BUDGETS - VARIOUS

ITEM NO	COSTS CENTRE	DESCRIPTION	NO OF UNITS	TOTAL SCHEME COST IN 2009/10	ADDITIONAL ANNUAL COST OF MAINT'CE	ANNUAL INCOME IN FULL YEAR HRA.	NET ANNUAL REVENUE EFFECT ON COUNCIL HOUSING A/C
				£	£	£	£
71	ZH2003	Improvements to Energy Efficiency	120	£170,000			
49	ZH3208	Disabled Facilities Grants	1,100	£1,300,000	£20,000		£20,000
55	ZH400G	Capital Planned Works AMS Fees	400	£450,000 £35,000			
74	ZH400L	Heating Partnership	860	£2,200,000	£20,000		£20,000
54	ZH400N	Lifts AMS Fees	545	£550,000 £100,000			
76	ZH4036	Asbestos Removal	1,110	£600,000			
70	ZH4018	Garage Demolitions & Improvements	65	£50,000			
71	ZH4033	Renovation of Community Centres	5	£150,000			
74	ZH4049	HHSR Surveys	50	£25,000			
73	ZH4034	Energy Surveys		£20,000			
9	ZH100E	Commercial Properties Upgrade	50	£50,000			
18	ZH5009	John Pound Centre Improvements	1	£50,000			
48	ZH4024	Area Office Improvments	7	£25,000			
51	ZH4045	Wilmcote House Security		£250,000			
46	ZH4PRM	CAPITAL PLANNED WORKS Ams Fees Professional charges relating to the above schemes - Asset Management Service - Housing Service fee	5,000	£5,150,000 £30,000 £205,000 £1,400,000	£120,000		£20,000
				£1,605,000			
40	ZH2006 & ZHC101	IT CAPITAL SCHEMES 2011/12 (see Appendix C)		£800,146	£167,300		£167,300
4	ZH1004	REPURCHASE OF FLATS ON HARDSHIP GROUNDS (see Appendix E)	6	£500,000	£3,000		£3,000
5		Under Occupation Scheme (see Appendix F)		£50,000			
				£13,945,146	£330,300	£0	£230,300

A number of the above schemes such as the replacement of heating systems are likely to achieve savings through reduced maintenance costs, although these savings cannot be quantified

Professional fees in the order of £1,605,000 will be incurred on the schemes detailed above. Of these £1,400,000 are Housing Service fees and £205,000 are Engineering & Design Service fees. If approval is given for the individual schemes, approval will also be deemed to have been given to the incurring of fees on those schemes.

Capital expenditure can be financed from capital receipts and any borrowing allowed for the financial year. For the purposes of this financial appraisal it is assumed that these sources of funding will be used for schemes in progress and that new schemes will be financed by Revenue Contributions. The revenue effects on the HRA which will result from implementation of the above schemes are detailed below:

	2011-12	FULL YEAR
	£	£
Revenue contributions	13,945,146	-
Maintenance		330,300
	<u>13,945,146</u>	<u>330,300</u>

COUNCIL HOUSE MAINTENANCE & IMPROVEMENTS CAPITAL PROGRAMME - 2011/2012

ITEM No	COST CODE NGFS	HEADING	NOTES	2011/2012 £
Planned & Cyclical Work				
9	ZH100E	Upgrade to commercial properties	Held By RM	50,000
18	ZH5009	John Pounds Centre Improvements	Held by RM	50,000
22	ZH5025	Watts Road Development	Held by RM	875,000
25	ZH5029	Eastern Road New Properties	Held by RM	345,000
45	ZH4PRM	Capital Planned Works *(see below for breakdown)	Held by RM	5,151,000
		AMS Fees		30,000
47	ZH4024	Improvements to Area Offices	Held by RM	25,000
48	ZH3208	Disabled Facilities Grants	Held by RM	1,300,000
50	ZH4021	Wilmcote House Security	Held by RM	250,000
51	ZH3213	Chaucer House Office Re-modeling	Held by RM	50,000
53	ZH4011	New Lift - Grosvenor House Southsea	Held by RM	200,000
		AMS Fees		5,000
54	ZH400N	Lifts	Held by RM	550,000
		AMS Fees		100,000
55	ZH400G	Multi storey blocks capital planned works (see below for breakdown)	Held by RM	450,000
		AMS Fees		35,000
56	ZH4044	Grenville House Balconies	Held by RM	200,000
57	ZH4045	Wilmcote House cladding	Held by RM	250,000
58	ZH4046	Maxstoke and Rednal cladding	Held by RM	350,000
59	ZH4047	Heating for Wilmcote, Tipton and Edgbaston Houses	Held by RM	500,000
60	ZH4048	Electrical Improvements	Held by RM	500,000
62	ZH4037	Estella Road /Grafton Street	Held by RM	500,000
		AMS Fees		25,000
68	ZH4039	Eastern Road Improvements	Held by RM	Nil
		AMS Fees		10,000
69	ZH4018	Garage Improvement or Demolition	Held by RM	50,000
Total carried over to next page				11,851,000

		Total carried over from previous page		11,851,000
70	ZH4033	Renovation of Community Centres	Held by RM	150,000
71	ZH2003	Improvements to Energy Efficiency/Sustainability	Held by RM	170,000
72	ZH4034	EPC Energy Surveys	Held by RM	20,000
73	ZH4049	HHSRS Surveys	Held by RM	25,000
74	ZH400L	Heating Partnership	Held by RM	2,200,000
76	ZH4036	Asbestos Removal	Held by AO	600,000
		Total Capital		15,016,000

***Capital Planned Works**

45	Mangement & Security of Housing Estates
45	TV Aerials/estate communications
45	Electrical Rewiring
45	Video Security & Door Entry
45	Improvements/major repairs-single units
45	Underpinning - Foundation Improvements
45	Roof Renewlas
45	Window Replacements
45	Internal Refurbishments
45	Replacement of Water Services/ Drainage Modernisation

Multi Storey Blocks Capital Planned Works

55	Multi storey clocks survey/repairs - 5yr cycle
55	Multi storey fire upgrade
55	Multi Storey mechanical plant upgrade
55	Multi Storey block refurbishment

Information Service

Date: 21/10/10

Subject: IT Capital Schemes – 2011/12 HIP Expenditure Plan

1. Infrastructure (£150,000)

These funds are to provide resources to support evolving service led improvements to LA Housing services. The key business objective is to provide the hardware, software and network technologies to replace equipment where business demand is clearly identified and to support new and innovative ways of working.

2. Disaster Recovery (£5,000)

£5,000 is allocated each year for improvements to the disaster recovery facilities.

3. Flexible and mobile working (£50,000)

£50,000 has been allocated to contribute towards flexible and mobile initiatives to improve service delivery.

4. Small enhancements (£50,000)

This allocation is used to enhance and develop systems to support new and changed business processes, such as:

- Cash management services and web payments
- Out of hours services
- Business Objects (management) reporting
- System interfaces

5. Development Projects (£350,000)

This allocation is used to support development work within the Housing Service and associated Information Service strategies. The forward work plan this year includes:

- Rental Intervention system (RAMS)
- Repairs and Maintenance system
- Stock management database
- Wireless network pilots

6. Electronic document management (£100,000)

These funds are allocated initially to implement an electronic document management system (if a suitable business case is found) to hold leases and related leaseholder correspondence. Other areas of Housing Management would be looked at if a pilot was successful.

**IT Capital Schemes – 2011/12 HIP Expenditure Plan for
Community Housing and CHR Service**

1) Infrastructure (£15k)

£15,000 rolling replacement of ICT equipment and tools to improve business processes, service performance and customer experience

These infrastructure funds are to provide resources to support evolving service led improvements to Community Housing Services and CHR. The key business objective is to provide the hardware, Software and network technologies to replace equipment where business demand is clearly identified and to support new and innovative methods of working and skills, learning opportunities.

2) Disaster Recovery (£5k)

£5,000 is allocated each year for improvements to the disaster recovery facilities and Business continuity.

3) Supporting People (£15,164)

£15,164 is allocated to provide the appropriate funding for the Supporting people replacement system project costs. This is an ongoing commitment till 2012/2013.

4) Flexible and Mobile Working (£30k)

£30,000 has been allocated to contribute towards flexible and mobile initiatives. The priority will be to investigate and implement improved resource working arrangements and for flexible working and mobile delivery of services by remote workers within the Private Housing Standards team and across CHR where identified.

5) Small Enhancements (£10k)

This allocation is used to enhance and develop systems to support new and changed business processes. Private housing standards and renewals teams use the APP system. This £10,000 allocation is to enable regular reviews and improve the system functionality and business process, and to deliver service efficiencies across CHR.

7) Development Projects (£20k)

This allocation is managed by Jeff Crockford and used to support new medium sized projects within the Community Housing Service and associated Information Service strategies. The forward work plan anticipated this year includes investigation of “e-commerce solutions” which is compliment the investment already made in the city council web technologies and maximise using the Internet to do business more efficiently, effectively and increase the revenue opportunities to support service delivery.

IT CAPITAL SCHEMES 2010/11 - 2016/17

IT CAPITAL SCHEMES 2010/2017 FOR COMMUNITY HOUSING SERVICES (CHO)

Scheme description	Jul-10 2010/11	Feb-11 2010/11	Jul-10 2011/12	Feb-11 2011/12	Jul-10 2012/13	Feb-11 2012/13	Jul-10 2013/14	Feb-11 2013/14	Jul-10 2014/15	Feb-11 2014/15	Jul-10 2015/16	Feb-11 2015/16	Jul-10 2016/17	Feb-11 2016/17	Jul-10 TOTAL	Feb-11 TOTAL
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Infrastructure (HW/SW/Network/Telephony (including Windows xp roll out in 2009/10)	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	105,000	105,000
IT Disaster Recovery	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	35,000	35,000
Supporting People	15,164	15,164	15,164	15,164	15,164	15,164	0	0	0	0	0	0	0	0	45,492	45,492
Mobile working	30,000	30,000	30,000	30,000	0	0	0	0	0	0	0	0	0	0	60,000	60,000
Small Enhancements	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	70,000	70,000
Development Projects (inc IT SLA)	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	140,000	140,000
	95,164	95,164	95,164	95,164	65,164	65,164	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	455,492	455,492

IT CAPITAL SCHEMES 2010/2017 FOR LOCAL AUTHORITY HOUSING (LAH)

Scheme description	Jul-10 2010/11	Feb-11 2010/11	Jul-10 2011/12	Feb-11 2011/12	Jul-10 2012/13	Feb-11 2012/13	Jul-10 2013/14	Feb-11 2013/14	Jul-10 2014/15	Feb-11 2014/15	Jul-10 2015/16	Feb-11 2015/16	Jul-10 2016/17	Feb-11 2016/17	Jul-10 TOTAL	Feb-11 TOTAL
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Infrastructure (HW/SW/Network/Telephony (including Windows xp roll out in 2009/10)	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	1,300,000	1,050,000
IT Disaster Recovery	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	50,000	40,000	80,000
SST Development Staff x 2	69,500	0	69,500	0	69,500	0	69,500	0	69,500	0	69,500	0	69,500	0	556,000	0
Mobile working	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	400,000	350,000
Small Enhancements	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	350,000	350,000
Development Projects (inc IT SLA)	500,000	500,000	500,000	350,000	500,000	200,000	350,000	200,000	350,000	200,000	350,000	200,000	350,000	200,000	2,900,000	1,850,000
Leases for Council Housing - Document Imaging				100,000		50,000		50,000		25,000		10,000		10,000	0	235,000
															0	0
TOTAL	824,500	755,000	824,500	705,000	824,500	505,000	674,500	505,000	674,500	480,000	674,500	465,000	674,500	510,000	5,546,000	4,364,000

IT CAPITAL SCHEMES 2010/2017 FOR REVENUES AND BENEFIT SERVICE

Scheme description	Jul-10 2010/11	Feb-11 2010/11	Jul-10 2011/12	Feb-11 2011/12	Jul-10 2012/13	Feb-11 2012/13	Jul-10 2013/14	Feb-11 2013/14	Jul-10 2014/15	Feb-11 2014/15	Jul-10 2015/16	Feb-11 2015/16	Jul-10 2016/17	Feb-11 2016/17	Jul-10 TOTAL	Feb-11 TOTAL
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
IT Disaster Recovery															0	0
SST Development Staff	69,500	69,500													69,500	69,500
															0	0
															0	0
															0	0
TOTAL	69,500	69,500	0	0	0	0	0	0	0	0	0	0	0	0	404,000	297,814

UNDER-OCCUPATION FINANCE SCHEME

This scheme is for social housing tenants who are under-occupying their homes, and living in high demand property types & areas.

Tenants are offered a financial incentive to encourage them to move & release family sized homes. This will enable families on the waiting list, who are living in overcrowded accommodation to be more appropriately housed.

The amount of financial incentive offered is decided on individual's circumstances, but the number of bedrooms released & the location of the property is taken into consideration.

The success of this scheme has declined & we are planning to adopt a more proactive approach in finding out what is preventing people under-occupying their homes from moving into smaller properties.

Once the barriers are fully understood this money will be used to fund a revised under-occupation scheme, with the financial incentive proportionate to meet the aim of the scheme.

The budget for 2011-12 £50,000

Repurchase of Leasehold Flats on Hardship Grounds

Under delegated power 41/Housing 2000 it was resolved that;

- (1) that the criteria outlined in the report be approved for the re-purchase of leasehold flats sold under the Right to Buy;
- (2) that the Head of Housing be given delegated authority to spend the allocated budget within the HIP item 5 for the re-purchase of leasehold flats sold under the Right to Buy in accordance with the approved criteria (Copy of the minutes attached)

The criteria set out in the report to committee states as follows;

- 4.1 In all cases where re-purchase of flats is to be considered SOCH staff will discuss the matter with the lessees and all alternatives will be looked at.
- 4.2 Re-purchase of any property will only be recommended where:
 - a refurbishment/improvement scheme could be stopped by the lessees
 - the financial circumstances of the lessees clearly shows that they cannot pay their service charges and meet their outgoings
 - the high cost of maintenance or improvements may lead to hardship for lessees over a protracted period
 - the lessees are under threat of possession because of financial hardship, and changes in their circumstances, such as poor health or inability to work, prevent them avoiding the possession
 - it is impossible to sell the flat on the open market because of mortgage restrictions or they are difficult to sell

Budget for 2011-12 £500,000.00

Jo Bennett – Leasehold and Commercial Services Manager 15.02.11