

Agenda item:

Decision maker: Cabinet Member for Housing

Subject: WILMCOTE HOUSE CLADDING AND REFURBISHMENT

Date of decision: 6 November 2012

Report by: OWEN BUCKWELL – HEAD OF HOUSING MANAGEMENT

Wards affected: Charles Dickens

Key decision: Yes – Over £250,000

Budget & policy framework decision: No

1. Summary & Purpose of report

- 1.1 To seek permission to undertake the cladding and refurbishment works at Wilmcote House and to employ an external consultant to develop their feasibility design and manage the project.
- 1.2 The works will include insulation and cladding of the block, replacement of the roof covering, replacement triple glazed windows, extending the living areas, more efficient heating and hot water provision, improved restricted access to communal areas, external and communal decorations, structural repairs and the conversion of the area office to form two additional ground floor flats.
- 1.3 The residents will benefit from significantly reduced heating and hot water costs in a much improved living environment.
- 1.4 If approved, it is anticipated that the works could commence by September 2013.

2. Background

- 2.1 The existing block consists of 100 three bedroom maisonettes and 7 ground floor one bedroom flats. The floor area of each maisonette is 90m² and the floor area of each ground floor flat is 45 m².
- 2.2 The block was constructed in 1968 and is of a poorly constructed large Bison REEMA concrete panel construction.
- 2.3 The block would not last 30 years if no work is undertaken, the windows need replacing, the roof needs replacing, the block has electric heating that is expensive for residents to run and contributes to the condensation encountered, as a consequence the block is expensive to maintain.
- 2.4 The lift lobbies of both stair towers suffer from sporadic instances of water ingress that have caused damage to the decorations and plaster to these areas. Whilst aesthetically

poor the issues are purely cosmetic and not immediately detrimental to the building fabric. It is not considered that the decoration of the lift lobbies is a viable option until the source of the water penetration has been addressed as any decorations would likely fail soon after application; this has led to the block appearing run down in some areas.

- 2.5 Over the past 2 years the response repairs maintenance costs associated to the block have been significant, at least a third of residents have reported condensation issues.
- 2.6 The PVCu double glazed windows were installed in 1988 and are at the end of their serviceable life. Approximately 80% of the residents have reported window related repairs in the past two years.
- 2.7 The block was last decorated externally in 2004 and a structural survey undertaken in 2011 has identified a number of structural repairs that need to be undertaken to maintain the structural integrity of the block. If no structural works are undertaken it is likely that there is a risk that large areas of concrete may fall from the building within 5-15 years.
- 2.8 To ensure that the building doesn't have disproportionate collapse in the event of an explosion, it is not permitted for it to have a piped gas supply within it; therefore the properties have electric heating and hot water provision that is ineffective compared to modern systems and costly to operate. The running cost of the current heating and hot water system has been an issue for residents for a number of years.
- 2.9 A feasibility report for the cladding and refurbishment of Wilmcote House has been prepared by external consultants ECD Architects Ltd. The report proposes completely insulating the external envelope of the building with a combination of cladding or render finishes on the elevations and an inverted flat roof finish. The windows will be replaced with high performance triple glazed units and the strategy for the scheme is to dramatically reduce the energy demand for the dwellings and as a consequence significantly reduce the resident's energy costs. The proposed scheme also includes associated structural repairs, external and communal decorations as well as creating two additional 3 bedroom ground floor flats to replace the redundant housing office. It will incorporate improvements to fire safety, communal lighting, restricted access of communal areas, efficient electric heating and hot water supply as well as overbath showers being installed.
- 2.10 The estimated cost of the proposed works and estimated cost of consultancy fees to design and manage the project of £620,000 will be incurred over four financial years as follows;

Financial Year	HIP Item 39 Dwellings Estimate	HIP Item 44 Wilmcote Conversion Estimate	Estimated Project Costs
2012/2013	£16,058,907		£100,000
2013/2014	£18,727,327		£4,000,000
2014/2015	£19,825,713	£287,500	£7,000,000
2015/2016	£22,351,609		£1,000,000

It is anticipated that the work would commence on site by September 2013 and the contract period will be 18 months.

3. Recommendations

3.1 It is recommended that approval be given to proceed with the scheme within the estimated costs for the project including the fees associated.

4. Reasons for recommendations

- 4.1 The refurbishment work and improvements improve the aesthetic appearance of a prominent block within the area and contribute towards the regeneration of the Somerstown area.
- 4.2 The principle of the retrofit strategy is to wrap the block with external insulation such that it will greatly improve the thermal efficiency of the properties and provide a stable and comfortable internal environment that will reduce substantially the demand for heating within the dwellings by 90%.
- 4.3 The external insulation will provide excellent thermal performance and exceptional air tightness that will eliminate cold bridges which allow heat to escape through highly conductive or non-insulating material. This will diminish the likelihood of draughts, condensation and mould growth.
- 4.4 The improved insulation will improve the average SAP rating from 54 to 80 and will reduce carbon emissions associated with the current poor thermal performance of the building. More importantly it will improve occupant comfort standards in terms of thermal and air quality benchmarks as well as significantly reducing resident fuel costs by up to £750 per dwelling per annum in energy bills depending on residents' energy tariff and individual use of the systems. The reduced energy demand will ensure that residents are also better protected from future rises in fuel prices over the lifetime of the building.
- 4.5 The installation and positioning of high thermal performance triple glazed windows will contribute to the overall thermal efficiency of the dwellings as well as eliminate cold bridging. Specifying inward opening windows will contribute to easier cleaning and maintenance of the windows as well as being the preferred option of the residents. New windows will also reduce the instances and subsequent costs currently related to maintenance of the block.
- 4.6 The scheme will incorporate rectifying significant structural concrete defects identified from the structural survey Together with the additional protection to the structure that will be provided by encasing the building with the over cladding proposal, the structural integrity of the block should be maintained and will be more than capable of providing a further 30 year design life.
- 4.7 Improvements to fire safety will be incorporated into the scheme ensuring that the building and dwellings comply with latest fire safety guidance including means of

escape routes, emergency lighting, fire doors to property entrances and compartmentalisation of communal areas as appropriate.

- 4.8 The construction of an external frame to the balcony façade will enable the creation of a new highly insulated façade outside of the existing concrete structure. To the upper levels of the maisonettes this will facilitate an enlarged living space and the formation of a glazed sun space in lieu of a private balcony, which can be opened temporarily to the outside using bi-fold windows without excessive heat loss. The lower level communal walkway will also be enclosed insulating the balustrade panels and adding windows, maintaining the integrity of the insulation envelope.
- 4.9 The existing area housing office will be converted into ground floor dwellings, creating two new three bedroom flats that will meet the current demand from the housing waiting list for disabled family accommodation.
- 4.10 Within the communal access towers the scheme will include the provision of lockable cycle racks for tenant use within the existing storage areas on the intermediate landings. This would provide residents the option to store bicycles in a secure environment close to their property and avoid the problems associated with parking bicycles on the communal access walkways.
- 4.11 The scheme will improve the security to the block by introducing proximity access control (PAC) system at each walkway access limiting the number of dwellings accessed by one PAC to eight, which complies with police secure by design guidance principles.
- 4.12 The demand for heating will be dramatically reduced in each property; the scheme will provide modern electric storage heaters being installed to the dwellings. The residents will have a heating system that they can control themselves, there will be a reduced heating demand together with an improved living environment and they will still realise a substantial cost savings of up to £750 per dwelling per annum. LAHM will also have the benefit of not incurring additional indirect costs associated with collecting communal heating charges.
- 4.13 Improved hot water provision will be achieved by installing more efficient hot water cylinders and installing electric over bath showers. The electric showers will provide more convenient instant hot water that will be available to meet the demand of the household and will be more effective than bathing using hot water from the cylinder.
- 4.14 The roof covering will remain faithful to the original design whilst taking advantage of modern building practice. The falls will be inverted to the external elevations to discharge surface water externally as opposed to the existing drainage through the building that causes maintenance issues. The roof covering will be a sustainable product providing a far greater life expectancy of 100 years that greatly exceeds traditional roof coverings, reducing maintenance and life cycle costs.
- 4.15 Architecturally the retrofit is an opportunity to provide a fresh contemporary appearance to the block that radically transforms the image of a prominent block within the Somerstown regeneration area.

5. Options considered and rejected

- 5.1 The option to demolish the block was considered and rejected due to the immediate prohibitive costs and detrimental impact on the existing residents over a long period before they would have an improved living environment.
- 5.2 Based on previous experience of decanting blocks such as Horatia House and reviewing the number of three bedroom property let in the last two years, it is anticipated that it could take 18-24 months to decant the block before demolition could be carried out and at least a further year to demolish the block before the construction of new dwellings could commence on the site. The length of time to decant the block would have a detrimental impact on the local area as well as an impact on the housing options waiting list, where three bedroom properties are one of the highest demands for properties.
- 5.3 The option to not undertake the improvements to the block and only continue to maintain it was considered and rejected due to the prohibitive costs over the estimated life of the building and the detrimental impact on the standard of living for residents currently occupying the properties.
- 5.4 It is anticipated that the life of the building would be limited to 15-20 years if major refurbishment to protect the structure is not carried out. However we would still need to maintain the block to meet our obligations as a landlord and this would incur a disproportionate maintenance cost to a block that would still ultimately need to be demolished in the medium period. As well as on going day to day repairs, new windows and roof as well as external and communal decorations would be required to ensure that the properties meet the minimum standards for letting. It is likely that the cost of structural surveys and associated repairs would become costly as the building nears the end of its life.
- 5.5 The option to effectively do nothing to improve the living standard of the existing residents will have the consequence of not addressing the residents current issues regarding costs of heating and the maintenance issues that they have with regard to condensation and a high number of repairs.

6. Duty to involve

- 6.1 Residents of Wilmcote House have been comprehensively consulted on the refurbishment proposals. During the past 2 years we have worked extensively with the residents to understand their concerns and evaluate the issues to prepare a scope of works that provides a whole building solution that will improve the resident's standard of living and reduce their running costs.
- 6.2 With regard to the cladding and refurbishment proposals, a resident open day was facilitated on 28 March 2012 to gain resident feedback on the initial design proposals was attended by over half the residents. Resident feedback has been incorporated into the development of the design throughout the feasibility stage.

- 6.3 A further resident open day is being facilitated on 29 October 2012 at the Wilmcote House Community Room to update the residents and gain feedback on the design proposals.
- 6.4 Planning permission approval will be required for the cladding and refurbishment works and there will be a statutory obligation to consult residents within the local area regarding the proposed scheme.

7. Implications

- 7.1 It is considered that the works will have positive implications by helping to maintain the properties whilst improving the living conditions of the residents; reduce the residents running costs as well as improve the appearance of a prominent block in the local area.
- 7.2 The work will have positive implications by ensuring that PCC maintains good quality housing that meets the demands of our residents that can be let.
- 7.3 There is a potential for negative implications due to potential disruption to residents during the course of the works such as restricted access and noise, measures will be undertaken to minimise the impact.
- 7.4 Some of the work will occur on site during a similar period to other prominent projects in the area such as the Somerstown hub and at Charter Academy. There may be an impact in the area with regard to contractor's traffic to the site and car parking in the area, measures will be undertaken to minimise the impact.
- 7.5 There are no leaseholders within the block so there are no implications due to the cost of the project on any charges to residents.
- 7.6 The work is subject to the normal legal risks relating to building work, the financial and technical competence of the chosen contractor, the disruption that the work will cause to the occupiers generally. These should all be subject to existing risk control assessments and mechanisms for such work and as such minimised before work commences.

8. Corporate priorities

The report and the project to clad and refurbish Wilmcote House contribute to the following Corporate Priorities:

- Reduce crime and the fear of crime
- Increase availability, affordability and quality of housing
- Protect and support our most vulnerable residents
- Improve efficiency and encourage involvement
- Regenerate the city
- Cleaner and greener city

9. Equality impact assessment (EIA)

An EIA is not needed for this project. The project will not affect any equality group unequally and there is no adverse impact on the people who belong to any of the

equality groups. Residents who live in the block affected by the project will continue to be consulted on the work and specific needs will be addressed so that residents with protected characteristics can be fully involved in the consultation. The project is expected to have positive outcomes for all current and future residents.

10. Legal implications – City Solicitor’s comments

- 10.1 The legal risks identified in paragraph 7.6 above will be addressed through the detailed procurement process and managed under the terms of the resulting building contract.
- 10.2 Under Part 2, Section 3 of the City Council’s Constitution (responsibilities of the Cabinet) and further in accordance with the Scheme of Delegations at Appendix A to the Executive Procedure Rules in Part 3 of the Constitution, the Cabinet Member for Housing has the authority to approve the recommendations set out in this report.

11. Head of finance’s comments

- 11.1 Wilmcote House is over 40 years old and it is evident that without refurbishment the block would deteriorate, making it uninhabitable in the medium term and costly to manage and maintain in the short term. Whilst the cost of the proposed scheme is high, the financial appraisal of the scheme demonstrates that the high specification of work not only works out cheaper over the 30 year plan than demolition and replacement, but also due the energy saving measures which form an important part of the scheme, the ongoing running costs of the block will be reduced.
- 11.2 This work is welcomed by residents of the block and the refurbishment is seen as complimentary to the Somerstown Phase 1 scheme that is currently underway. There are no leaseholders in the block and as a result the full cost of Wilmcote House will be funded from existing HRA capital resources.
- 11.3 The cost of this scheme formed part of line 39 and all of line 44 of the Housing investment Programme (HRA), which was approved by Full Council on 14 February 2012.

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Signed by:
Owen Buckwell – Head of Housing Management

Appendices:

Appendix A Financial Appraisal

Background list of documents:

NIL

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by Cabinet Member for Housing on 6 November 2012.

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Signed by: **Councillor Steven Wylie**