



NOTICE OF MEETING

CABINET MEMBER FOR HOUSING AND TACKLING HOMELESSNESS

THURSDAY, 26 OCTOBER 2023 AT 9.30 AM

COUNCIL CHAMBER - THE GUILDHALL, PORTSMOUTH

Telephone enquiries to Allison Harper, Local Democracy Officer - Tel: 023 9268 8014
Email: democratic@portsmouthcc.gov.uk

If any member of the public wishing to attend the meeting has access requirements, please notify the contact named above.

Membership

Councillor Darren Sanders (Cabinet Member)

Councillor Cal Corkery
Councillor Raymond Dent

Councillor Charlotte Gerada
Councillor Daniel Wemyss

(NB This agenda should be retained for future reference with the minutes of this meeting).

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Deputations by members of the public may be made on any item where a decision is going to be taken. The request should be made in writing to the contact officer (above) by 12 noon of the working day before the meeting and must include the purpose of the deputation (for example, for or against the recommendations). Email requests are accepted.

Public health guidance for staff and the public due to Winter coughs, colds and viruses, including Covid-19

- Following the government announcement 'Living with Covid-19' made on 21 February 2022 and the end of universal free testing from 1 April 2022, attendees are no longer required to undertake any asymptomatic/ lateral flow test within 48 hours of the meeting; however, we still encourage attendees to follow the public health precautions we have followed over the last two years to protect themselves and others including vaccination and taking a lateral flow test should they wish.
- We strongly recommend that attendees should be double vaccinated and have received any boosters they are eligible for.

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- If unwell we encourage you not to attend the meeting but to stay at home. Updated government guidance from 1 April 2022 advises people with a respiratory infection, a high temperature and who feel unwell, to stay at home and avoid contact with other people, until they feel well enough to resume normal activities and they no longer have a high temperature. From 1 April 2022, anyone with a positive Covid-19 test result is still being advised to follow this guidance for five days, which is the period when you are most infectious.
 - We encourage those attendees with an underlying health condition to wear a face covering while moving around crowded areas of the Guildhall.
 - Although not a legal requirement, attendees are strongly encouraged to keep a social distance and take opportunities to prevent the spread of infection by following the 'hands, face, space' and 'catch it, kill it, bin it' advice that protects us from coughs, colds and winter viruses, including Covid-19.
 - Hand sanitiser is provided at the entrance and throughout the Guildhall. All attendees are encouraged to make use of hand sanitiser on entry to the Guildhall.
 - Those not participating in the meeting and wish to view proceedings are encouraged to do so remotely via the livestream link.

AGENDA

1 Apologies for Absence

2 Declarations of Members' Interests

3 Interim Report on Progress of Council Housing Maintenance and Improvements Programme 2023/2024 (Pages 5 - 22)

Purpose of Report

1. The purpose of this report is to update the Cabinet Member on the delivery of the Council Housing Maintenance and Improvements Programme 2023/24, the spend against the approved budget and to highlight any future issues.
2. The report also provides an 'industry update' highlighting the wider financial and operational context impacting on repairs and maintenance.
3. To seek approval to reset and review the ongoing Capital Programme.

RECOMMENDATIONS

1. **That the Cabinet Member notes the progress of the budget plan and revenue and capital expenditure and the ongoing pressures on both the revenue and capital budgets.**
2. **That approval is given to amend the allocation of budgets within the capital programme to allow for it to be reviewed and reprogrammed, prioritising demand to meet the legislative requirements under the**

Building Safety Act 2022 within available budgets and the Director of Housing, Neighbourhood and Building Services to be authorised to proceed with schemes within the sums approved under Financial Rules, Section B11.

4 Development of Council Homes - Twyford Avenue, Stamshaw (Pages 23 - 38)

Purpose of Report

1. To seek approval from Cabinet Member for Housing and Tackling Homelessness to deliver a development of 6 council homes on the site of the current block 305, 305A, 307 and 307A Twyford Avenue, Stamshaw.
2. To seek approval of a capital spend of £1.49m delivering 6 new council housing dwellings to be held in the Housing Revenue Account.

RECOMMENDATIONS

1. **That the Cabinet Member for Housing and Tackling Homelessness approves the addition of the Twyford Avenue scheme to the Housing Revenue Account (HRA) Capital Programme, with estimated expenditure of £1.49m, to deliver 6 new council housing dwellings.**
2. **That the Cabinet Member for Housing and Tackling Homelessness delegates authority to the Director of Housing, Neighbourhood and Building Services, in consultation with the Director of Finance and Resources & S151 Officer, to amend the composition and spending profile of the proposed scheme in order to meet planning and design requirements and also to agree the use of unsupported borrowing, along with either grant funding or retained capital receipts, whilst ensuring that the schemes remain financially viable following any necessary changes.**
3. **That the Cabinet Member for Housing and Tackling Homelessness delegates the Director of Housing, Neighbourhood and Building Services to apply for any grant funding to support the scheme.**

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<https://livestream.com/accounts/14063785>

Agenda Item 3



Portsmouth
CITY COUNCIL

Title of meeting:	Cabinet Member for Housing and Tackling Homelessness
Date of meeting:	26 th October 2023
Subject:	Interim Report on Progress of Council Housing Maintenance and Improvements Programme 2023/2024
Report by:	James Hill - Director for Housing, Neighbourhood and Building Services
Authors:	Adam Hardwick - Assistant Director – Buildings Alan Denford – Finance Manager
Wards affected:	All
Key decision:	Yes
Full Council decision:	No

1. Purpose of Report

- 1.1 The purpose of this report is to update the cabinet member on the delivery of the Council Housing Maintenance and Improvements Programme 2023/24, the spend against the approved budget and to highlight any future issues.
- 1.2 The report also provides an 'industry update' highlighting the wider financial and operational context impacting on repairs and maintenance.
- 1.3 To seek approval to reset and review the ongoing Capital Programme.

2. Recommendations

- 2.1 That the Cabinet Member notes the progress of the budget plan and revenue and capital expenditure and the ongoing pressures on both the revenue and capital budgets.
- 2.2 That approval is given to amend the allocation of budgets within the capital programme to allow for it to be reviewed and reprogrammed, prioritising demand to meet the legislative requirements under the Building Safety Act 2022 within available budgets and the Director of Housing, Neighbourhood and Building Services be authorised to proceed with schemes within the sums approved under Financial Rules, Section B11.

3. Background

- 3.1 The Council Housing Maintenance and Improvements and Housing IT Business Software 2023/2024 budget report was presented to the Cabinet Member for Housing and Preventing Homelessness by Meredydd Hughes,

Assistant Director of Building Services on 23rd March 2023.

3.2 The Assistant Director of Building Services introduced the report and talked to the revenue and capital budgets, the allocation of monies to work type and area office location and highlighted some key work streams and budget pressures.

3.3 In response to questions around rising costs the cabinet member agreed that a report on the delivery of the capital programme against the budget approved was brought back to a housing portfolio cabinet during the financial year 2023/24. A similar report had been presented to the cabinet member in October 2022.

4. Industry Update

4.1 The Building Cost Information Service (BCIS) Quarterly Briefing for June 2023 indicates that the market is at a turning point as input cost inflation and demand pressures fall.

4.2 The growth in insolvencies is stated to be worrying and it is thought that new regulations may delay schemes due to additional design requirements borne from the regulations and the impact of resultant costs.

4.3 Tender prices in 2nd Quarter 2023 rose by 1% compared to the previous quarter and by 4.9% on the same time last year. Labour site rates continue to rise faster than wage awards and are expected to be the main driver of the growth in overall costs in the second half of 2023.

4.4 Materials inflation has been easing and supply chain issues are being mostly resolved. Annual growth in tender prices is expected to continue to ease, standing at 2.4% in 2nd Quarter 2024. It is not until the 2nd Quarter 2025 that tender prices are likely to rise faster than costs, with tender prices forecast to rise by 16% in the five years to 2nd Quarter 2028.

4.5 Materials prices rose by 3.1% in the 12 months to 2nd Quarter 2023. Although overall the availability of materials is at pre-Covid levels and energy prices are going down, costs for some materials, especially those requiring an energy intensive manufacturing process, are seeing high growth rates.

4.6 Wage awards over the next year are likely to be under pressure from high inflation, with the annual growth in BCIS Labour cost index forecast at 4.9% in 2nd Quarter 2023 and 8.3% in 2nd Quarter 2024.

4.7 BCIS General Building Cost Index has grown by 3.5% in the 12 months to 2nd Quarter 2023. Costs are predicted to rise by 16.3 % over the forecast period of 2nd Quarter 2023 and 2nd Quarter 2028.

4.8 Total new work output grew by 4.4% in 2022 compared to the previous year. New construction output is expected to reduce between 2023 and 2024, before rising 13% over the next five years.

5. Revenue Maintenance

5.1 Within the Council Housing Maintenance and Improvements budget for 2023/24, £28.6m was allocated to revenue expenditure to undertake maintenance works including;

- Day to day response repairs
- Servicing and compliance - including gas safety, electrical testing and fire risk assessments
- Planning revenue works - external repairs and decoration to properties

5.2 For the financial year 2023/24 from 1st April 2023, 24,013 response repairs have been completed as of 1st September 2023.

5.3 The number of new tenancies where void works have been completed from 1st April 2023 to 30th September 2023 is 528 against 397 properties that have become void in this period. This demonstrates that contractor capacity has increased to meet the demand being received and is an improved position.

5.4 Key compliance activities undertaken from 1st April 2023 to 20th September 2023 include;

- 8,071 Gas safety checks
- 1,008 Electrical installation condition reports
- 74 Fire Risk Assessments / Fire Risk Assessment reviews

5.5 Total revenue expenditure from 1st April 2023 to 31st August 2023 is c.£12.5m.

6. Capital Programme

6.1 Within the Council Housing Maintenance and Improvements budget for 2023/24, £30.39m (inclusive of fees) was allocated to capital expenditure.

6.2 This budget was allocated against the following areas;

- Response Capital £13.7m - for replacement of kitchens, bathrooms, heating, disabled adaptations
- Building Capital Projects - £13.19m - capital planned maintenance schemes to undertake major improvements to the building fabric, fire safety, legislative areas
- Engineering Capital Projects - £2m - capital planned maintenance schemes to undertake major improvements to engineering services including lighting improvements, electrical upgrades and lift replacement

- 6.3 As of 31st August 2023, expenditure against response capital works was c.£5.75m with works completed including the installation of;
- 111 Kitchens
 - 207 Baths
 - 269 Over bath showers
 - 212 Boilers
- 6.4 As of 20th September 2023, 17 Building HRA Capital Projects have been worked on, broken down as follows;
- 3 projects completed
 - 10 projects on site
 - 4 projects at the evaluation/tender stage
- 6.5 A full break down of these projects are included within Appendix A - Building Projects Tracker. Total expenditure for 2023/24 for these projects is anticipated to be within the £13.7m budget.
- 6.6 In addition 27 capital project voids have been worked on. These relate to large void refurbishments, where the pre-work estimates is in excess of £30k. They are broken down as follows;
- 16 project voids have been completed
 - 8 project voids are on site
 - 3 project voids are being evaluated/at tender
- 6.7 In year expenditure against capital projects that are complete/on site is £4.35m. Total expenditure for 2023/24 for these projects is anticipated to be within the £13.19m allocation.
- 6.8 In addition to Building Capital Projects, significant work has been undertaken to respond to the implementation of the Building Safety Act 2022. A Consultant Framework has been established and a lead Consultant has been appointed.
- 6.9 The HRA Building Safety Manager is overseeing work to undertake investigations and resident consultation in preparation of Building Safety Case Reports for the 22 blocks of flats in scope. It is anticipated that completion of this initial piece of work will generate recommendations that will lead to a number of Building Safety capital projects and inform the priorities for the capital programme.
- 6.10 All social housing landlords are required to register buildings that are 7 storeys or above with the Building Safety Regulator by 30th September 2023. All of the 22 housing owned buildings have been registered.

6.11 It is predicted that overall capital expenditure for 2023/24 will be in line with the approved budget of £30.39m.

7. Future Budget Pressures and Mitigation Measures

Revenue

- 7.1 There continues to be significant pressure on the revenue budget that is responsible for repairs and legislative servicing of HRA stock. Based upon current repair demand it is estimated that the revenue budget will overspend for 2023/24 by c. £1m.
- 7.2 Whilst the number of response repairs undertaken has remained consistent with that seen in previous years, due to the nature of Service Provider contracts being 'cost reimbursable' PCC are responsible for any additional costs or price increases borne by our Service Providers.
- 7.3 Key factors that have directly contributed to the increased expenditure include;
- A minimum 5% pay rise has been awarded to Service Provider staff. This has been necessary to implement to support recruitment and retention of staff to ensure service continuity.
 - Whilst inflation has fallen from 8.9% in March 2023 to a current rate of 6.3%, it continues to be high with falls slower than anticipated. As outlined in 7.2 any direct increase in cost is directly borne by PCC.
- 7.4 Whilst a significant increase of £4.1m was allocated to the HRA revenue budget for 2023/24, due to the pressures outlined the financial position remains pressured.
- 7.5 The current overspend is being managed with for example, an increased focus on ensuring the repairs purpose 'the right repair at the right time' through surveyor visits and discussions with Service Providers on efficiencies and cost control. The situation will be carefully monitored throughout the remainder of the year and the financial position reported through budget monitoring.
- 7.6 The presentation of next year's HRA revenue and capital budget (the Council Housing Maintenance and Improvements and Housing IT Business Software 2024/2025 report) in March 2024 will set out recommendations to further control the repairs and maintenance revenue and capital spend.

Capital

- 7.7 In line with Industry Update in section 4, tender prices being received appear to be stabilising, albeit to a revised base line that is c.25% higher than what may have been anticipated prior to the COVID-19 pandemic. Based upon the current Capital Budget amount, this equates to a real term reduction of c.£8m of available Capital funding.
- 7.8 Generally material supply pressures are easing however with ongoing high inflation

and subsequent industry wage rises, there is concern with regard to increasing costs.

- 7.9 In the financial years 2021/22 and 2022/23 there was significant increase in the scale of the Capital programme with the inclusion of a longer-term Capital Programme specifically relating to the installation of fire doors and sprinkler installations over multiple years. These projects were funded from the approved annual Major Repairs Allowance (MRA) with additional funding drawn from the accumulated Major Repairs Reserve (MRR).
- 7.10 In 2022/23 due to increased budget pressures primarily driven through high inflation in the latter half of 2023, as well as increasing legislative demand and increasing project costs, this required a significant draw from the MRR of £9.86m, reducing the MRR balance from £22.75m to a resultant reserve of £12.89m.
- 7.11 The current Capital Programme for 2023/24 includes a range of work programmes including longer-term fire door and sprinkler programmes. The commitment remains to deliver the programmes but it is essential that the Building Safety Cases are completed and the capital available is aligned to those cases so that expenditure on resultant Building Safety works can be prioritised based upon the most pressing demands. It should be noted that essential fire safety actions are still being undertaken as required. Despite the reduced scale of the Capital Programme for 2023/24, a further draw of £3.69m from the MRR is anticipated, leaving a resultant reserve of £9.2m.
- 7.12 It is not sustainable to continue to undertake a significant draw from the MRR, therefore it will be necessary for the 2024/25 capital programme to align with the available MRA that is anticipated to be £26.7m.
- 7.13 Given the resultant pressures on the MRA and MRR it is requested that the Cabinet Member allows for the previous longer-term Capital Programme related to fire doors and sprinklers to be set aside so that a new Capital Programme can be established upon completion of the Building Safety Cases, prioritising works and properties identified from the Safety Cases.
- 7.14 The Cabinet Member and residents should be assured that there remains a firm commitment to continue Building Safety works such as replacement of fire doors and installation of sprinkler systems however the key change is that the order of prioritisation of these works and other related Building Safety works will be informed from the output of the Building Safety Cases currently being produced, and that this may differ from that indicated in the previous Capital Programme.
- 7.15 Any changes to the Capital Programme and information around Building Safety cases will be communicated to residents through various channels including briefings to the resident's consortium, resident repairs focus groups and PCC Housetalk magazine. Where blocks are specifically subject to Building Safety Cases, consultation and drop-in sessions will be arranged for each block.

8. Integrated Impact Assessment (IIA)

8.1 See Appendix B – Integrated Impact Assessment.

9. Legal Implications

9.1 The council has a number of legal statutory obligations to maintain its properties to a safe standard of repair and undertakes maintenance of its property in accordance with various good practice guidance. The Building Safety Act 2022 brought into force additional requirements for the council in terms of the management of building safety risks which have necessitated a review of the capital programme as set out in this report in order to meet those requirements.

9.2 It is within the Cabinet Member's powers under the council constitution to approve the recommendations sought.

10. Director of Finance's Comments

10.1 The Housing Revenue Account budget for 2023/24, approved on the 2nd of February 2023, contained a revenue provision of £28.6m. The forecast expenditure is currently £29.6m, a predicted overspend of £1m due to inflationary pressures, as described in paragraphs 7.1 to 7.6 above. This position will be closely monitored for the rest of the financial year.

10.2 The approved Capital Programme for 2023/24 included an allocation of £750,000 for Building Safety Case Work. It is recommended that this allocation is increased within the overall budget for Building Capital Projects. As a result, some of the planned work on fire door and sprinkler installations will need to be funded from future year capital allocations, as described in paragraphs 7.7 to 7.15 above.

10.3 The cost of the approved Capital Programme will be met from the HRA ringfenced Major Repairs Reserve, supplemented with leaseholder contributions and grant funding, as appropriate. The draw on the major repairs reserve in 2023/24 (£30.25m) is anticipated to be higher than the annual major repairs allowance contained in the revenue budget (£26.56m), meaning that the accumulated balance will be reduced to circa £9.2m by the end of the financial year. As this balance represents a provision for emergency work, the initial budget in subsequent years will be limited to the annual allowance for that year.

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Signed by James Hill - Director of Housing, Neighbourhood and Building Services



Appendices:

Appendix A - Building Projects Tracker

Appendix B – Integrated Impact Assessment

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Council Housing Maintenance and Improvements and Housing IT Business Software 2022/2023 22 nd March 2022	Council Housing Maintenance Improvements IT Business Software 20222023.pdf (portsmouth.gov.uk)
Interim Report on Progress of Council Housing Maintenance and Improvements Programme 2022/23 27 th October 2022	Interim report on Progress of Council Housing Maintenance and Improvements Programme 20222023.pdf (portsmouth.gov.uk)
Council Housing Maintenance and Improvements and Housing IT Business Software 2023/2024	Report - Council Housing Maintenance and Improvement and Housing IT Software 2023-2024 02.03.23 002.pdf (portsmouth.gov.uk)

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

..... on

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Signed by:

Appendix A - Building Projects Tracker

Project	Status	2023/24 Current Budget	In year spend to date
Soberton Road - Fire Upgrade Works	Complete	£300,000	£196,000
External Repair - BSF Cladding Section 1	Complete	£200,000	£102,000
Decoration - London Road (521-543)	Complete	£30,000	£30,000
Fire Doors - Hale Court	On site	£150,000	£145,000
Decoration - Wimpey Courts Lift Towers 2019	On site	£1,500,000	£790,000
Decoration - The Quad - Petersfield, Denmead, Horndean, Bedhampton, Southwick & Clanfield House	On site	£1,300,000	£135,000
External Repair - Avocet House	On site	£70,000	£115,000
Decorations - Acquired Houses - Somerstown Area 1	On site	£400,000	£30,000
Decorations - Acquired Houses - Buckland Area 1	On site	£300,000	£235,000
Roofing - Hawthorn Crescent Ph1	On site	£600,000	£235,000
Refurbishment - Viking and Shootpool	On site	£475,000	£215,000
Warden Call / Lift Upgrades - Ladywood House	On site	£750,000	£115,000
External Refurbishment - West Leigh Site Ph2	On site	£1,500,000	£435,000
External Repair - BSF Cladding Section 2	Tender	£800,000	
Environmental - Portsea Bins	Tender	£550,000	
Environmental - Almondsbury Road Bins Phase 1	Evaluation	£70,000	
Fire Safety - Handsworth House	Evaluation	£1,600,000	
28 project voids		£1,800,000	£1,570,000
Total		£12,395,000	£4,348,000

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Form name	Integrated Impact Assessment
Reference	IA550201644
Date	28/09/2023



Policy details

Request date	28/09/2023 21:38
Directorate	PCC Housing, Neighbourhood and Building Services
Service	Building Services
Title of policy, service, function	Cabinet Member for Housing - Interim Report on Progress of Council Housing Maintenance and Improvements Programme 2023/2024
Type of policy, service, function	Changed
What is the aim of your policy, service, function, project or strategy?	Inform members and all council house residents of a half year update regarding the progress of the Housing Revenue Account (HRA) building maintenance programme. To seek approval to review, reset and review the ongoing Capital Programme
Has any consultation been undertaken for this proposal?	no

Equality & diversity - will it have any positive/negative impacts on the protected characteristics?

With the above in mind and following data analysis, who is the policy, service, function, project or strategy going to benefit or have a detrimental effect on and how?	The overarching Council Housing Maintenance programme will benefit all residents living in HRA dwellings through the undertaking of repairs and maintenance works.
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<p>Will any of those groups be affected in a different way to others because of your policy, project, service, function, or strategy?</p>	<p>N/A</p>
<p>If you are directly or indirectly discriminating, how are you going to mitigate the negative impact?</p>	<p>N/A</p>
<p>Who have you consulted with or are planning to consult with and what was/will be your consultation methodology?</p>	<p>Consultation of the overarching 2023/24 Council Housing Maintenance programme was undertaken through the Residents Consortium in December 2022 and January 2023.</p> <p>Further updates to the programme can again be consulted through the Residents Consortium with residents of dwellings where Capital works are due to take place being consulted on specific works to their properties.</p> <p>All residents of blocks of flats that are within scope of the Building Safety Act will be consulted through resident engagement events.</p>
<p>How are you going to review the policy, service, project or strategy, how often and who will be responsible?</p>	<p>Continual review of repairs and the capital programme are undertaken to monitor expenditure and demand for works.</p>

Crime - Will it make our city safer?

<p>Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?</p>	<p>All residents who live in Housing Revenue Account (HRA) properties will benefit from ongoing budget spending. Some revenue repair and capital expenditure will directly improve the safety and security of residents homes as well as providing an improved environment to live.</p>
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How are you going to measure/check the impact of your proposal?	Customer satisfaction feedback from residents. Direct interactions with resident's consortium and members. Analysis of repair data and review of ongoing measures.
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Housing - will it provide good quality homes?

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?	The wide-ranging revenue and capital expenditure for the HRA budget allocation is to maintain and repair our stock of social housing properties, based on the assessment and condition of the assets.
How are you going to measure/check the impact of your proposal?	Customer satisfaction feedback from residents. Direct interactions with resident's consortium and members. Analysis of repair data and review of ongoing measures.

Health - will this help promote healthy, safe and independent living?

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?	Ongoing investment in HRA stock will help to maintain and improve the living environment for residents that has potential to improve their quality of life. Capital expenditure around disabled adaptations has potential to improve residents use of their home and improve both physical and mental health.
How are you going to measure/check the impact of your proposal?	Customer satisfaction feedback from residents. Direct interactions with resident's consortium and members. Analysis of repair data and review of ongoing measures.

Income deprivation and poverty - will it consider income deprivation and reduce poverty?

<p>Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?</p>	<p>The ongoing investment in HRA properties will support low income households through the undertaking of works such as boiler replacements ensuring that residents can effectively and affordably heat their homes.</p>
<p>How are you going to measure/check the impact of your proposal?</p>	<p>Customer satisfaction feedback from residents. Direct interactions with resident's consortium and members. Analysis of repair data and review of ongoing measures.</p>

Carbon emissions - will it reduce carbon emissions?

<p>Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?</p>	<p>The ongoing investment includes for energy efficiency / decarbonisation work to HRA properties including building fabric improvements, heating and electrical improvements. Projects such as the environmental improvements to Portsea Area bins will encourage recycling.</p>
<p>How are you going to measure/check the impact of your proposal?</p>	<p>Analysis of utility bills and consumption. Analysis of waste and recycling levels.</p>

Energy use - will it reduce energy use?

<p>Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?</p>	<p>The ongoing investment includes for energy efficiency / decarbonisation work to HRA properties including building fabric improvements, heating and electrical improvements. Projects such as the environmental improvements to Portsea Area bins will encourage recycling.</p>
<p>How are you going to measure/check the impact of your proposal?</p>	<p>Analysis of utility bills and consumption.</p>

Climate change mitigation and flooding - will it proactively mitigate against a changing climate and flooding?

<p>Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?</p>	<p>The ongoing investment includes for energy efficiency / decarbonisation work to HRA properties including building fabric improvements, heating and electrical improvements. Projects such as the environmental improvements to Portsea Area bins will encourage recycling.</p>
<p>How are you going to measure/check the impact of your proposal?</p>	<p>Analysis of utility bills and consumption. Analysis of waste and recycling levels.</p>

Natural environment - will it ensure public spaces are greener, more sustainable and well-maintained?

<p>This section is not applicable to my policy</p>	<p><input checked="" type="checkbox"/></p>
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Air quality - will it improve air quality?

<p>This section is not applicable to my policy</p>	<p><input checked="" type="checkbox"/></p>
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Transport - will it make transport more sustainable and safer for the whole community?

<p>This section is not applicable to my policy</p>	<p><input checked="" type="checkbox"/></p>
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Waste management - will it increase recycling and reduce the production of waste?

<p>Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?</p>	<p>Projects such as the environmental improvements to Portsea Area bins will encourage recycling.</p>
<p>How are you going to measure/check the impact of your proposal?</p>	<p>Analysis of waste and recycling levels.</p>

Culture and heritage - will it promote, protect and enhance our culture and heritage?

<p>This section is not applicable to my policy</p>	<p><input checked="" type="checkbox"/></p>
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Employment and opportunities - will it promote the development of a skilled workforce?

<p>Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?</p>	<p>Our contractors employ staff who predominately live in the City of Portsmouth and the PO postcode, improving lifestyle and social responsibility amongst the community. Our own support, repair and maintenance staff are fully qualified, and we have implemented an ongoing apprentice and graduate system within PCC for Surveyors, Architects, Engineers and Energy officers.</p>
<p>How are you going to measure/check the impact of your proposal?</p>	<p>Measurement of social value delivered through repairs and maintenance contracts</p>

Economy - will it encourage businesses to invest in the city, support sustainable growth and regeneration?

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?	Our Core contractors create valuable employment opportunities for local Portsmouth people and this in turn promotes growth in the city. Our numerous construction and services frameworks also give opportunities to local contractors and sub-contractors to work for Portsmouth City Council.
How are you going to measure/check the impact of your proposal?	Measurement of social value delivered through repairs and maintenance contracts

Social value

Please explain how your policy, service, function, project or strategy delivers Social Value	All Service Providers and PCC Contractor Frameworks include a requirement to deliver social value, this can take the form of offering training and employment opportunities for local people, supporting local charities and initiatives as well as reducing carbon emissions.
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Involvement

Who was involved in the Integrated impact assessment?	Adam Hardwick - Assistant Director of Buildings
Name of the person completing this form	Adam Hardwick - Assistant Director of Buildings
Date of completion	2023-09-28

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Agenda Item 4



Portsmouth
CITY COUNCIL

Title of meeting:	Cabinet Member for Housing and Tackling Homelessness
Date of meeting:	26 th October 2023
Subject:	Development of Council Homes - Twyford Avenue, Stamshaw
Report by:	James Hill, Director of Housing, Neighbourhood and Building Services
Report Author:	Jo Bennett, Assistant Director - Housing Need and Supply Adam Hardwick. Assistant Director - Building Services
Wards affected:	Nelson
Key decision:	Yes
Full Council decision:	No

1. Purpose of report

- 1.1 To seek approval from Cabinet Member for Housing and Tackling Homelessness to deliver a development of 6 council homes on the site of the current block 305, 305A, 307 and 307A Twyford Avenue, Stamshaw.
- 1.2 To seek approval of a capital spend of £1.49m delivering 6 new council housing dwellings to be held in the Housing Revenue Account.

2. Recommendations

- 2.1 That the Cabinet Member for Housing and Tackling Homelessness approves the addition of the Twyford Avenue scheme to the Housing Revenue Account (HRA) Capital Programme, with estimated expenditure of £1.49m, to deliver 6 new council housing dwellings.
- 2.2 That the Cabinet Member for Housing and Tackling Homelessness delegates authority to the Director of Housing, Neighbourhood and Building Services, in consultation with the Director of Finance and Resources & S151 Officer, to amend the composition and spending profile of the proposed scheme in order to meet planning and design requirements and also to agree the use of unsupported borrowing, along with either grant funding or retained capital receipts, whilst ensuring that the schemes remain financially viable following any necessary changes.



- 2.3 That the Cabinet Member for Housing and Tackling Homelessness delegates the Director of Housing, Neighbourhood and Building to apply for any grant funding to support the scheme.

3. Background

- 3.1 The properties were built in 1890 and were originally two houses with 305 being a 3 bedroomed house, and 307 being a 4 bedroomed house.
- 3.2 In 1974 the property was converted into four flats with 305 being a ground floor one bedroom flat, 305A being a first floor one bedroom flat, 307 being a ground floor two-bedroom flat and 307A being a ground floor two-bedroom flat. At this time both the rear and party wall were rebuilt due to subsidence.
- 3.3 305a remains tenanted with the tenant on the housing register waiting to be moved. The tenant from 305 moved in May 2023, 307 has been void since February 2015 with 307A void since December 2016.
- 3.4 In 2015 with 307 becoming vacant PCC undertook a structural inspection and invasive investigations were required. The property was then monitored for further movement and in 2016 when 307A became void it was decided not to relet the property.
- 3.5 In 2017 the HRA property team attempted to dispose of 307 and 307A and legal issues relating to the boundary and neighbouring property prevented sale. The decision to sell, options to repair and development potential were reconsidered.
- 3.6 In October 2020 PCC undertook further structural inspection and invasive investigations to understand the extent of the movement.
- 3.7 In December 2020 Archibald Shaw were engaged to carry out a structural inspection.
- 3.8 The bay windows were found to have corrosion of reinforcement and spalling of stonework. At this time repair or retention of the bays were both considered not to be financially viable options. Replacement of the bays would require the temporary propping of the floors and roof adjacent to the bays, the removal of the bays from 305, 305A, 307 and 307A, and the bricking up of openings and the installation of new windows.
- 3.9 The north west corner of the property was found to have stepped cracking both externally and internally to the kitchen of 307. Vertical cracking was evident externally to the kitchen wall. Repairs would be required using a heli-bar system to the brickwork externally and internally with any cracked bricks needing to be replaced completely. Wall ties would also require replacement together with expansion joint installation at the junction of the garden wall and main building with the garden wall. The garden wall will also require reinforcement with the



installation of brick piers. Replacement of the defective rainwater goods would also be necessary. Underpinning of the north west corner of the property is also likely to be required.

- 3.10 The external wall to the north elevation is leaning approximately 70mm out of vertical. To facilitate an effective repair would require the installation of lateral restraint strapping at first floor and eaves level together with additional support to the roof structure. In addition, there is an inherent risk that the foundations under the north wall would require underpinning due to the additional loadings.
- 3.11 The north east corner of the building was found to have an insufficient lintel to an opening and building settlement. The repairs to this defect would require the rebuild of the brickwork walls adjacent to the opening, replacement of the lintel ensuring adequate bearing and underpinning of foundations.
- 3.12 The hallway of 307A and the party wall were shown to have substantial cracking at the junction of the wall and ceiling. Joist hangers were detached from the party wall and therefore providing inadequate support. To repair these would require the removal of the ceilings and installation of a new wall plate, new joist hangers and the installation of new ceilings. The area would then need to be returned to good decoration.
- 3.13 Substantial internal cracking to the plaster is evident in both 307 and 307A this would require the removal of plaster to either side of crack, replacement of any cracked bricks or blockwork, installation of heli-bars and mesh lath and replastering and decoration. There is a risk that cracking could present in other areas once existing cracks are repaired.
- 3.14 In addition to the structural issues above, all of the properties require substantial internal works before they could be relet. With all properties requiring new kitchens, cloakrooms, bathrooms, central heating systems, electrical upgrades and general decorations.
- 3.15 Consideration was given to the practicality of works being carried out with the resident in situ and it was felt that this was not possible. The predominant risk preventing the works being carried out in occupation was the requirement for major structural works to the property and the potential for injury to the resident and contractor from attempting to work in an occupied building.
- 3.16 The length of the work required were also a factor in evaluating if repairs could be carried out with the residents in situ. It was felt that works would likely take more than six months were the property decanted and with an occupied property requiring inefficient work practices and an extension of time to complete the works. It was considered that to have works ongoing in a property for this period would be impractical.
- 3.17 The living conditions of the occupants were also considered in understanding if the resident could remain in situ during repairs and it was felt that it would be



impractical for the occupant to remain. The type of works required would create disruption to all rooms for extended periods with rooms requiring propping and partial demolition in some cases. Living rooms would not be accessible during bay window replacement. The properties would also require all possessions to be removed to allow for full access for the works.

- 3.18 The projected costs for the repair of the building were considered in 2022 to be in excess of £500,000 but with residual risks remaining which may increase the cost of the works and also create a need for future works to the properties. It is also likely given cost inflation that this cost would have risen to a figure in excess of £550,000.
- 3.19 The residual risks were considered to be that the inherently poor construction may on further survey be found to be worse than expected and the structure could and likely would continue to be an issue. It was expected that the scope of the structural works could increase on further investigation, it was felt likely that other areas of the structure may require underpinning. There was concern that the structural works may not fully resolve issues or could move structural issues to other areas of the building.
- 3.20 Issues of thermal performance and future capital maintenance were also likely to require additional investment.
- 3.21 On review of the repair costs, residual risks and remaining investment requirements the property was deemed to be beyond economical repair.
- 3.22 Sale of the asset was considered at completion of the repair review. It was considered that, given the poor quality of the property, sale of the asset may lead to the property being repaired to a low standard and subsequently substandard accommodation could be provided in the private sector. Whilst the sale of the property to the private sector would have limited the council liability it was felt that the risk was not appropriate.
- 3.23 In June 2022 officers met with Ward Councillors and the residents to explain the situation in relation to the building and the decision that the property was beyond economic repair. Building issues and the financial position were presented to the ward councillors and residents and all were able to discuss options and to raise questions.
- 3.24 The residents from this point were assigned an estate manager from their area housing office as their single point of contact and they have since been supported to be registered for new housing.
- 3.25 One resident has since moved to a new home and one tenant is awaiting an offer of accommodation.

4. Indicative timetable



- 4.1 To expediate the proposal planning permission has been submitted to demolish the existing building and develop the land to provide new accommodation of 6 new 1 bed 2 person flats and associated landscaping. See appendix 1 for high level outline.
- 4.2 Outline timetable
- Planning submitted 2nd October 2023
 - Engagement with local residents in vicinity ongoing from September
 - Planning decision notice period to January 2024 (including public consultation period)
 - Tender process January to Feb 2024
 - Start on site end March 2024
 - Occupation September 2025

5. Reasons for Recommendations

- 5.1 The building is deemed to be beyond economical repair.
- 5.2 The site can be redeveloped to accommodate more homes than currently sit on the site.
- 5.3 The new homes will be of a high standard and will be energy efficient.
- 5.4 The new homes will provide much needed homes for residents.
- 5.5 The new homes will work within Portsmouth City Council mission - We will improve lives.
- 5.6 The development will increase the overall number of homes in the HRA and will improve the viability of the HRA supporting the continued maintenance and tenant services we provide to our residents.

6. Integrated Impact Assessment (IIA)

- 6.1 An IIA has been completed.

7. Legal Implications

- 7.1 The recommendations are within the power of the Cabinet Member for Housing and Tackling Homelessness to adopt, and for the City Council to approve, and raise no immediate notable legal implications. The delegations recommended in the report are supportable and focus upon the scheme delivery within the HRA.

8. Director of Finance's comments

8.1 A financial appraisal has been carried out that demonstrates that a development costing £1.49m, including fees and a contingency, is financially viable. The development would deliver 6 x 1 bed flats, which would be let at affordable rent levels. The appraisal assumes that 40% of the cost will be funded from capital receipts retained from the sale of dwellings under the 'Right to Buy', with the balance being from unsupported borrowing. An alternative option to use affordable homes grant, instead of capital receipts, has been discussed with Homes England.

.....
Signed by: James Hill, Director of Housing, Neighbourhood and Building Services

Appendices:

- Appendix 1 - Architect image
- Appendix 2 - IIA

Background list of documents: Section 100D of the Local Government Act 1972

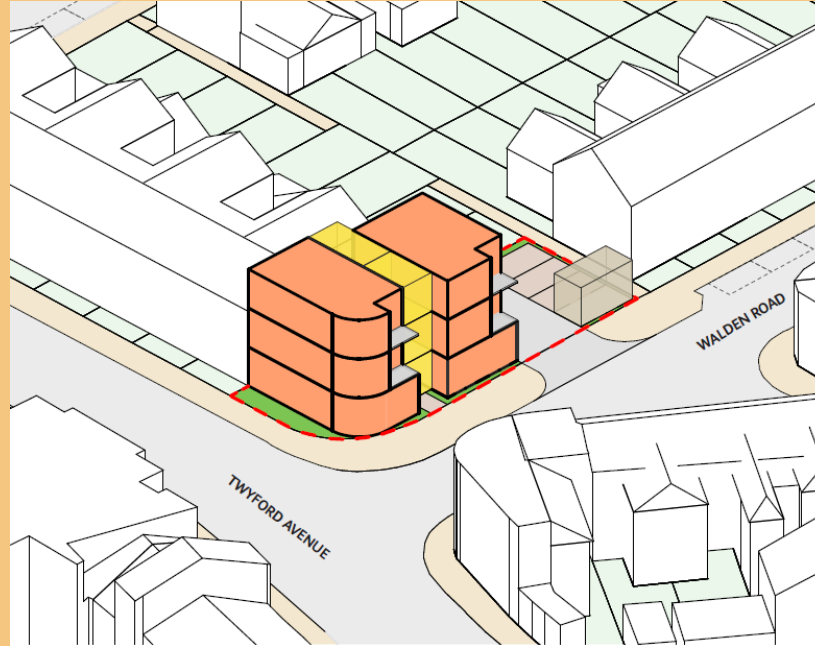
The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

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

.....
Signed by:

TWYFORD AVENUE



6 HOMES

6 x one-bedroom flats

Demolition of 4 existing flats due to structural issues

Budget - £1.46m

Low energy Passivhaus homes

One-bedroom properties in high demand for supported, general needs and temporary accommodation

TWYFORD AVENUE UPDATE

Page 30



Planning application to be submitted September 2023.
Aim to be on site by end March 2024.

RIBA Stage 4 Technical Design.
Planning pre-application received positive feedback from planners.



Form name	Integrated Impact Assessment
Reference	IA552455211
Date	11/10/2023



Policy details

Request date	11/10/2023 13:05
Directorate	PCC Housing, Neighbourhood and Building Services
Service	Housing Needs & Supply
Title of policy, service, function	Development of council Hoes - Twyford Avenue
Type of policy, service, function	New
What is the aim of your policy, service, function, project or strategy?	Provision of new affordable housing
Has any consultation been undertaken for this proposal?	yes
What were the outcomes of the consultations?	Housing have consulted with the remaining tenant in the existing block, the previous tenant and the ward Councillors
Has anything changed because of the consultation?	no
Did this inform your proposal?	no

Equality & diversity - will it have any positive/negative impacts on the protected characteristics?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Crime - Will it make our city safer?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Housing - will it provide good quality homes?

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?	The provision of new affordable housing looks to meet demand from the housing register.
How are you going to measure/check the impact of your proposal?	The new block will enable 6 families to be placed in accommodation which meets their need. The success of this will be measured by the area housing office in terms of contact from the tenants.

Health - will this help promote healthy, safe and independent living?

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?	Enabling families to move into properties which meet far better their accommodation needs, this in turn promotes better mental health, improves quality of life.
How are you going to measure/check the impact of your proposal?	The new tenancies are managed by the area housing office, they will provide support to the tenants should the need arise

Income deprivation and poverty - will it consider income deprivation and reduce poverty?

<p>Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?</p>	<p>Affordable housing looks to provide low cost housing for families, tenants have a financial assessment completed prior to moving into the properties, Housing also have a proven track record of providing support around finances, benefits, employment, tenants of these properties are able to access these services.</p>
<p>How are you going to measure/check the impact of your proposal?</p>	<p>The area housing team will support the new tenants and look to provide and offer support as and when necessary.</p>

Carbon emissions - will it reduce carbon emissions?

<p>Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?</p>	<p>- How will it reduce greenhouse gas emissions during its full design life?</p> <ul style="list-style-type: none"> o The new development will be electric only; no gas connections will be made to the new dwellings. All space heating, water heating and cooking appliances will be electric only, preventing the burning fossil fuels on site. The new development will have solar panels installed to generate electricity on site to generate some of the energy supply to the new dwellings. The energy consumer will also have access to green energy tariffs for the supply of electricity. The development is being built to Passivhaus standards, resulting in high energy efficiency and low heating demand. The result will be lower carbon emissions for space heating in the new development, when compared to the existing building. The development is also being supplied with new electric car charging outlets, to encourage the use of electric cars and further reduce carbon emissions. <p>- How will it reduce energy consumption?</p> <ul style="list-style-type: none"> o The development is being built to Passivhaus standards, resulting in high energy efficiency and low heating demand. This is achieved through high insulation levels, orientation, solar gains, efficient form factor, ventilation and heat recovery, airtight building envelope and high performing windows and doors. The energy demand for space heating will be significantly lower than that of the existing buildings. <p>- How will it substitute high carbon energy or fossil fuels with lower carbon energy?</p> <ul style="list-style-type: none"> o The new development will be electric only; no gas connections will be made to the new dwellings. All space heating, water heating and cooking appliances will be electric only, preventing the burning fossil fuels on site.
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electricity only, preventing the burning fossil fuels on site.

The new development will have solar panels installed to generate electricity on site to generate some of the energy supply to the new dwellings. The energy consumer will also have access to green energy tariffs for the supply of electricity.

- How will it reduce emissions from any goods, materials and services the project requires?

o The demolition of the existing building will be undertaken in a manner which enables the separation of waste to maximise the reuse of materials and recycling - reducing the waste designated for landfill. The specification for the new development includes the reuse of existing materials on site, for example the reuse of bricks for new boundary walls and the reuse of masonry as hardcore. This in turn reduces carbon emissions required for their transportation and disposal away from site.

o The goods and materials for construction have been assessed to reduce the use of materials with high embodied energy. Materials will be sourced from the local supply chain where possible, to reduce the emissions caused by the transporting of materials. The use of sustainable materials has been specified where possible.

o The appointment of a contractor to construct the new development, will be undertaken via Portsmouth City Council's Primary Contractor Framework. The framework has contractors local to Portsmouth, which reduces emissions from travel, whilst supporting the local economy. The contractors on the Primary Contractor Framework have made social value commitments, including the reduction of carbon emissions through a variety of means.

- How will it reduce wastage and maximise re-use and recycling?

o The demolition of the existing building will be undertaken in a manner which enables the separation of waste to maximise the reuse of materials and recycling - reducing the waste designated for landfill. The specification for the new development includes the reuse of existing materials on site, for example the reuse of bricks for new boundary walls and the reuse of masonry as hardcore. This in turn reduces carbon emissions required for their transportation and disposal away from site.

o The new dwellings will have new bin storage facilities that are future proofed in order to facilitate twinsteam bin storage requirements. This will dedicated space to encourage the new occupiers to recycle.

	<p>- How will it encourage and support residents to reduce carbon emissions?</p> <p>o The new development will be electric only; no gas connections will be made to the new dwellings. All space heating, water heating and cooking appliances will be electric only, preventing the burning fossil fuels on site. The new development will have solar panels installed to generate electricity on site to generate some of the energy supply to the new dwellings. The energy consumer will also have access to green energy tariffs for the supply of electricity. The development is being built to Passivhaus standards, resulting in high energy efficiency and low heating demand. The result will be lower carbon emissions for space heating in the new development, when compared to the existing building. The development is also being supplied with new electric car charging outlets, to encourage the use of electric cars and further reduce carbon emissions.</p>
<p>How are you going to measure/check the impact of your proposal?</p>	<p>Once the properties are completed Housing will make home visits to ensure tenants know how to use the equipment within the property, we will also revisit the properties a number of times to ensure any additional questions are answered, during the first year we look to understand utility bills and the effect of PV's on these. This information feeds into further new developments.</p>

Energy use - will it reduce energy use?

<p>Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?</p>	<p>Any new development completed by Housing looks to reduce energy consumption for the tenants, we are as a directorate, conscious of the current impact of costs for utilities and provide help, support and advice to enable our tenants to maximise their income and to have a good standard of living.</p>
<p>How are you going to measure/check the impact of your proposal?</p>	<p>As per the carbon emission section, Housing visit the properties during the 12 months to understand the cost of bills and the impact of any new innovation at the property</p>

Climate change mitigation and flooding - will it proactively mitigate against a changing climate and flooding?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Natural environment - will it ensure public spaces are greener, more sustainable and well-maintained?

<p>Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?</p>	<p>How will it encourage biodiversity and protect habitats? - The new development will provide a biodiversity net gain of a minimum of 10% over 30 years as part of the planning condition process and the 2021 Environment Act. This will be achieved by the planting of new trees, shrubs and plants as part of the landscaping design. The new landscaping will encourage habitats for species of animals and insects.</p> <p>How will it preserve natural sites? - The development will provide a biodiversity net gain as part of the landscaping plans. The development will help reduce eutrophication of the Solent by offsetting the nitrates generated by the development.</p> <p>How will it conserve and enhance natural species? - This will be achieved by the planting of new trees, shrubs and plants as part of the landscaping design. The new landscaping will encourage habitats for species of animals and insects.</p>
<p>How are you going to measure/check the impact of your proposal?</p>	<p>please see the statement above</p>

Air quality - will it improve air quality?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Transport - will it make transport more sustainable and safer for the whole community?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Waste management - will it increase recycling and reduce the production of waste?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Culture and heritage - will it promote, protect and enhance our culture and heritage?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Employment and opportunities - will it promote the development of a skilled workforce?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Economy - will it encourage businesses to invest in the city, support sustainable growth and regeneration?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Social value

<p>Please explain how your policy, service, function, project or strategy delivers Social Value</p>	<p>Procurement of the build contract will be via Portsmouth City Council Primary Contractor Framework. This framework has social value built into it, but we will also ask the contractor to propose specific social value improvements as part of the procurement.</p>
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Involvement

<p>Who was involved in the Integrated impact assessment?</p>	<p>Alison Smart Patrick Leggatt</p>
<p>Name of the person completing this form</p>	<p>Alison Smart</p>
<p>Date of completion</p>	<p>2023-10-11</p>