

Agenda item:

Title of meeting: CABINET MEMBER FOR HOUSING

Date of meeting: 16 MARCH 2015

Subject: COUNCIL HOUSING MAINTENANCE AND IMPROVEMENTS
AND HOUSING IT BUSINESS SOFTWARE 2015/2016

Report by: OWEN BUCKWELL - HEAD OF HOUSING & PROPERTY
SERVICES

Wards affected: ALL

Key decision: YES - Over £250,000

Full Council decision: No

1. Purpose of report

The revised 2014/15 and 2015/16 Housing Investment Programme budgets together with the proposed programmes for 2016/17 to 2020/21 were approved by the City Council on 10 February 2015.

The Council Housing Repairs & Maintenance Budgets for 2014/15 and 2015/16 were approved at the Housing Executive meeting on 27 January 2015.

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 and Appendix C commencing in 2015/2016 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 Head of Financial Services and Section 151 Officer financial appraisal be approved for the capital programme - global provision.

3. Background

Area office Budget Programmes have been prepared, which outline all programmed capital and revenue, maintenance and Improvement expenditure to the housing stock.

4. Revenue Budgets - Repair and Maintenance of Dwellings Budget

The main summary for all areas showing the headings for the allocation of the £24,107,000 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 *£25,157,500 budget is shown in Appendix B. There are several areas within this programme for 2015 / 2016 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. Legal Implications

There are no legal implications arising directly from the recommendations in 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 100D 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 Housing and Property Services.

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Signed by:

Owen Buckwell - Head of Housing & Property Services

The recommendation(s) set out above were approved/ approved as amended/ deferred/
rejected by the Cabinet Member for Housing on 16th March 2015

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Signed by:

Councillor Steve Weymss

COUNCIL HOUSE MAINTENANCE & IMPROVEMENTS

APPENDIX 'A'

REVENUE BUDGET TOTAL - 2015 / 2016

| REPAIRS AND MAINTENANCE | | HELD BY | SUMMARY | |
|-------------------------|--|---------|--------------------|-----|
| COST CODE | HEADING | | 2014/15 | |
| | Response Repairs | | £ | |
| HR322 | General (Day to Day) Response (Including: Leaking Water Services Renewal of DPC'S, Water Penetration Repairs) | AO | £12,000,000 | |
| HR325 | Out of Hours Repairs Service | AO | | Inc |
| HR324 | Community Centres: Response Repair | LC | £100,000 | |
| | | | £12,100,000 | |
| HR326 | Void Cost | AO | £2,850,000 | |
| | TOTAL FOR RESPONSE REPAIRS | | £14,950,000 | |
| | Planned & Cyclical Work | | | |
| HR321 | Contingency Sum | PSM | | Inc |
| HR323 | Contractors Fee | AO | | Inc |
| HR32C | Decoration Allowance to Tenants | AO | | Inc |
| | Redec for Elderly / Disabled | AO | | Inc |
| HR32H | Fittings Sheltered Accommodation | AO | £45,000 | |
| HR332 | Area Office re-configuration | LC | £75,000 | |
| HR32I | Asbestos Surveys | PSM | £100,000 | |
| HR32K | Structural Repairs | PSM | | Inc |
| HR263 | Pest Control | AO | £95,000 | |
| HR342 | External Painting & Repairs/ Including Fencing Renewal | PM | £4,500,000 | |
| HR344 | Annual Gas Servicing/Repair | PSM | £3,100,000 | |
| HR348 | Replacement of Refuse Bin | PSM | | Nil |
| HR349 | Central Communication System | PSM | £70,000 | |
| HR358 | Mechanical Plant & Lifts | PSM | £645,000 | |
| | Legionella Testing | PSM | £100,000 | |
| HR351 | Maintenance of Fire Alarms | PSM | £70,000 | |
| HR352 | Residents Initiative Bids | AO | £70,000 | |
| HR353 | Improvements to office access | PSM | £0 | |
| HR355 | Maintenance of CCTV equipment/ | PSM | £195,000 | |
| HR356 | Replacement of CCTV equipment | PSM | £92,000 | |
| | TOTAL FOR PLANNED & CYCLICAL | | £9,157,000 | |
| | TOTAL REPAIRS & MAINTENANCE | | £24,107,000 | |

PSM - Procurement & Services Manager

AO - Area Office

LC - Leasehold & Commercial

COUNCIL HOUSE MAINTENANCE & IMPROVEMENTS CAPITAL PROGRAMME - 2015/2016

| ITEM No | COST CODE EBS | HEADING | HELD BY | 2015/2016 £ |
|--|------------------|---|------------|--------------------|
| Planned & Cyclical Work | | | | |
| 61 | ZH4158 | Heat Meters Communal System | PSM | 150,000 |
| 63 | ZH4152 | Solar PV Installations | PSM | 335,000 |
| 64 | ZH4159 | Estella Rd/ Grafton Street new water supply | PSM | 50,000 |
| 65 | ZH4153 | High Rise Structural Inspections | PSM | 25,000 |
| 70 | ZH4056 | Hawthorn Crescent Roof and Concrete Repairs | PM | 870,000 |
| 71 | ZH4057 | Wimpey Blocks Lift Towers | PM | 45,000 |
| 72 | ZH4059 | Grosvenor House Refurbishment | PM | 1,430,000 |
| 73 | ZH4045 | Wilmcote House Energy Improvement Works | PM | 6,750,000 |
| 74 | ZH4058 | Wilmcote House Refurbishment Consultant Fees | PM | 125,000 |
| 86 | ZH4096 | Tipton House & Edgbaston House Consultant Fees | PM | 350,000 |
| 47 | ZH4076 | Digital TV Aerial Upgrade | PSM | 150,000 |
| 48 | ZH4102 | Mill Gate, Copperfield and Pickwick Houses - Structural Repairs AMS Fees | PSM | 20,000 5,000 |
| 98 | ZH4PRM | Capital Planned Works | AO | 6,000,000 |
| 103 | ZH4039 | Eastern Road Improvements Fire Doors and Screens | PM | 80,000 |
| 104 | ZH4036 | Asbestos Removals | AO | 1,400,000 |
| 51 | ZH4048 | Electrical Improvements - Emergency Lighting | PSM | 300,000 |
| 52 | ZH400N | Lifts AMS Fees | PSM | 600,000 100,000 |
| 107 | ZH3208 | Disabled Facilities Grants | AO | 850,000 |
| 53 | ZH400L | New Heating Installations | PSM | 2,100,000 |
| 54 | ZH2003 | Improvements to Energy Efficiency / Sustainability | PSM | 75,000 |
| Total carried over to next page | | | | 21,810,000 |

| | | Carried over from Previous Page | | <u>21,810,000</u> |
|-----|--------|--|-----|--------------------------|
| 55 | ZH4034 | Energy Surveys | PSM | 7,500 |
| 57 | ZH4109 | Communal Heating Installations | PSM | 50,000 |
| 108 | ZH4111 | Environmental Improvements | PSM | 100,000 |
| 109 | ZH4112 | Downton House Improvements | PM | 150,000 |
| 113 | ZH4117 | Kings Rd Fire Doors | PM | 185,000 |
| 121 | ZH4132 | Seymour Close Windows | PM | 305,000 |
| 128 | ZH4147 | Canberra Roof | PM | 83,000 |
| 131 | ZH4155 | Roof Replacements | PM | 1,000,000 |
| 130 | ZH4149 | Individual Property Refurbishments | PM | 700,000 |
| 132 | ZH4161 | Fire doors | PM | 500,000 |
| 58 | ZH4119 | M&E Services Improvements | PSM | 50,000 |
| 59 | ZH4121 | Fire Upgrade Works | PSM | 60,000 |
| 134 | ZH4154 | Oakley House | PM | 157,000 |
| | | Total Capital | | <u>25,157,500</u> |

APPENDIX B

**COUNCIL HOUSING MAINTENANCE AND IMPROVEMENTS - 2015/16
CAPITAL BUDGETS - VARIOUS**

| ITEM NO | COSTS CENTRE | DESCRIPTION | TOTAL SCHEME COST IN 2015/2016 |
|--|--------------|--|--------------------------------|
| | | Major Repairs (Dwellings) | £ |
| 47 | ZH4076 | Digital TV Aerial Upgrade | £150,000 |
| 63 | ZH4103 | Solar PV Installations | £335,000 |
| 98 | ZH4PRM | Capital Planned Works | £6,000,000 |
| 104 | ZH4036 | Asbestos Removal | £1,400,000 |
| 51 | ZH4048 | Electrical Improvements - Emergency Lighting | £300,000 |
| 52 | ZH400N | Lifts AMS Fees | £600,000 £100,000 |
| 107 | ZH3208 | Disabled Facilities Grants | £850,000 |
| 53 | ZH400L | New Heating Installations | £2,100,000 |
| 54 | ZH2003 | Improvements to Energy Efficiency/Sustainability | £75,000 |
| 55 | ZH4034 | Energy Surveys | £7,500 |
| 130 | ZH4149 | Individual Property Refurbishment | £700,000 |
| 57 | ZH4109 | Communal Heating Installations | £50,000 |
| 108 | ZH4111 | Environmental Improvements | £100,000 |
| 58 | ZH4119 | M&E Services Improvements | £50,000 |
| 59 | ZH4121 | Fire Upgrade Works | £60,000 |
| 131 | ZH4155 | Roof Replacement | £1,000,000 |
| 132 | ZH4161 | Fire Doors | £500,000 |
| | | Professional charges relating to the above schemes | |
| | | - Asset Management Service | £100,000 |
| | | - Housing Service fee | £1,310,844 |
| | | | £1,410,844 |
| | | HRA Assets (Non Dwellings) | |
| 26 | ZH5031 | Environmental Improvements | £350,000 |
| 34 | ZH2006 | Review of Business software (Hardware) | £100,000 |
| 35 | ZH200P | Review of Business software | £100,000 |
| | | | £16,338,344 |
| <p>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</p> | | | |

Professional fees in the order of £1,410,844 will be incurred on the schemes detailed above. Of these £1,310,844 are Housing Service fees and £100,000 are AMS 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:

| | 2015-16 |
|-----------------------|--------------------------------|
| Revenue contributions | £ £16,338,344 |
| | <hr/> £16,338,344 <hr/> |

APPENDIX C

IT Capital Schemes – 2015/16 HIP Expenditure Plan

Total provision - £200,000

1. Hardware

£100,000

This allocation is used to enhance and develop the infrastructure required to host systems used by Housing and Property Service staff. This includes improvements to the security architecture, necessary to keep data safe and secure as mandated by the Cabinet Office. The forward work this year will also include replacement of end of life servers.

2. Software

£100,000

This allocation is used to fund both system development work within Housing and Property Services, and to contribute towards corporate initiatives and projects. The forward work plan this year includes:

- Changes to existing systems such as Lettings and the Housing Year End system
 - Implementation of a new fit for purpose system to manage the reserve fund
 - Development of systems for Adventure Playgrounds, Resident Participation and Car Parking Spaces
 - Streamlined functionality to enable effective rental management and replace complex spreadsheets
 - Extension of the Housing Document Management solution, in order to store tenancy files
 - Software to enable working from different locations e.g. tenants' homes
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