



Report of: Business Manager, Oxford Building Solutions

To: Housing Advisory Board
Executive Board
Council

Date: 26 January 2006
20 February 2006
24 February 2006

Item No:

 **Title of Report :** H.R.A. Capital Programme 2006/07, 2007/08, 2008/09.
 Power to Incur Expenditure.



Summary and Recommendations



Purpose of report: To advise Members of the proposed HRA Capital budget breakdown for the next three years and to seek approval under section 2.11, Part 4 – Section 8 of the Constitution to incur expenditure on major projects.



Key decision: Yes

Portfolio Holder: Councillor Bill Baker, Councillor Ed Turner.



Scrutiny Responsibility: Housing Scrutiny Committee

Ward(s) affected: All

Report Approved by: Oxford Building Solutions Business Manager, Graham Bourton; Housing Services Business Manager, Graham Stratford; Financial and Asset Management Business Manager, Penny Gardner; Legal Services, Jeremy King.



Policy Framework: To meet Decent Homes Target by 31 December 2010.



Recommendation(s): 1. To advise the Strategic Director, Housing Health and Community, that he might wish to recommend to the Executive Board and Council, the approval of the Housing Capital repairs programme as set out in Appendix 1 to the report.



2. That the Executive Board grant Major project Approval for the works contained within the report to bring Council housing stock up to Decent Homes standard.

3. That the Executive Board authorise the Capital spend of up to -

£12,563,000 for 2006/07

£11,600,000 for 2007/08

£ 9,600,000 for 2008/09

on the works outlined in this report.

Background –

1. During January and February 2006, the Executive Board and Council will be approving the budget for the financial year 2006/07 and the following two years, therefore the Capital projects indicated in this report could be subject to change.
2. As last year, the report combines all Housing Capital projects under one cover to aid clarity and brevity.
3. The projects listed in appendix 1 include properties that have been identified by the recent Savills stock survey and individual surveys carried out during the financial year 2004/05. The aim being to bring these homes up to Decent Homes standard.
4. Currently, all void properties are being brought up to Decent Homes standard with the exception of roof and full window replacements, which will be carried out as part of separate major works projects.
5. It should be noted therefore, that due to the number of elements involved in making a home “decent”, it may take a few years to complete the Decent Homes criteria on any one property, depending upon the extent of the work needed.
6. The yearly targets for Decent Homes is:-
 - 2006/07 - 77% decent and 23% non-decent.
 - 2007/08 - 83.9% decent and 16.1% non-decent
 - 2008/09 - 89.7% decent and 10.3% non-decent.

Proposals -

7. Owing to the estimated overall cost of meeting the decent homes standard, the Council has had to adopt a minimal approach to refurbishment work, while still achieving decent homes.

8. The size of each project has been based upon a number of factors:-

The number of properties identified as needing this type of repair/refurbishment (based on Savills stock survey).

The resources that will be available to carryout the work.

Estimates based on actual costs of recent projects.

The overall timescale to meet the Decent Homes target.

These factors are then weighted to give a balanced programme, city wide, over the three years.

9. A three year approval provides the opportunity for procurement savings through partnerships and provides stability for the decent homes programme. It is part of the Council's approach to improving value for money.
10. The HRA Business Plan will include an update of the Capital Strategy and show the plan to fund this work.
11. Where required, the projects will be subject to the OJEC process and reports to seek contract tender/partnership approval will be presented to the Executive Board in accordance with the Council's Constitution.

Financial implications -

12. The total annual Housing Capital budgets shown include an allowance 10% for fees. The cost of any additional temporary resources will be resourced from within this fee structure.
13. It should be noted that the budget allocated to Adaptations for the Disabled is a provisional sum. The funding arrangements for disabled adaptations are subject to a separate report to be considered by Members at a later date and any changes to the budget will be clarified within that report. n.b. It is anticipated that this sum will change.
14. It is estimated that approximately £6,000,000 of this work, per annum, will be carried out by O.B.S. most of which will be in voids work, as well as kitchens, bathrooms, heating and electrics. This will be reviewed on a quarterly basis to take into account resources and the ability to complete the program on time.

Consultation –

15. Tenants, via the Oxford Tenants Panel (OTP), have been consulted on the proposed programme for 2006/07 and have approved it. The programmes for 2007/08 and 2008/09 will be presented to the Oxford Tenants Panel for their consideration on 25 January 2006. Any comments that they have will be reported to Members verbally.

Appendices -

16. Appendix 1 - Breakdown of the Housing Capital budget for years 2006/07, 2007/08, 2008/09.

Name and contact details of author: Chris Pyle, tel; 335411, extn 3611,
Email: cpyle@oxford.gov.uk

Background papers: Capital & Planned Maintenance programmes.
Decent Homes Criteria.

