

Report of: Head of Oxford City Homes

To: Executive Board

Date: 16 April 2007

Item No:

Title of Report : H.R.A. Capital Programme 2007/08, 2008/09, 2009/10.
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 major project approval for it.



Key decision: Yes

Portfolio Holder: Councillor Patrick Murray.

Scrutiny Responsibility: Housing Scrutiny Committee



Ward(s) affected: All

Report Approved by:



Portfolio Holder: Councillor Patrick Murray



Legal Services: Jeremy King



Finance Services: David Higgins



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



Recommendation(s): The Executive Board is recommended to:

1. Approve the Housing Capital repairs programme as set out in Appendix 1 to the report.

2. Grant Major Project Approval for the works contained within the report to bring Council housing stock up to Decent Homes standard.



Authorise the Capital spend of up to -

£ 9,900,000 for 2007/08

£11,163,000 for 2008/09

£11,340,000 for 2009/10



on the works outlined in this report.

Background –

1. During February 2007, the Executive Board and Council approved the budget for the financial year 2007/08 and the following two years, this programme is in line with the approved HRA Capital Budget. Housing Advisory Board recommended approval of this programme at their meeting on 6 February 2007.
2. The Capital Projects report approved by Members last year covered a three-year period but as the annual budgets have changed and a more accurate picture of the decent homes programme is emerging, the budgets previously approved have been revised to take these changes into account. As previously agreed, 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 original Savills stock survey and individual surveys carried out by Council surveyors since. The aim being to bring these homes up to Decent Homes standard by the 31 December 2010 target date set by the Government.
4. Void properties have been the subject of a three-month pilot where, with the agreement of the incoming tenant, only urgent works are carried out during the void period. Any subsequent works needed to meet decent homes criteria will then be carried out in accordance with the major works programme. This results in a quicker void turn-around time and more efficient use of programmed resources.
5. It should be noted 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 previously agreed yearly targets for Decent Homes are:-
 - 2007/08 - 84%% decent and 16% non-decent.
 - 2008/09 - 89.7% decent and 10.3% non-decent
 - 2009/10 - 95.1% decent and 4.9% non-decent.Although the annual budgets have changed to level out the spend, it is still thought that these targets are achievable.

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), as refined by subsequent surveys undertaken by in-house staff.

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, where appropriate, 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 of 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 will be the 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.
14. It is estimated that approximately £5,000,000 of this work, per annum, will be carried out by the in-house workforce and the nature of this work will be kitchens, bathrooms, heating and electrics. This will be reviewed on a quarterly basis to take into account resource availability and the ability to complete the programme on time.

Consultation –

15. Tenants, via the Oxford Tenants Panel (OTP), have been consulted on the proposed programme and have agreed it.

Recommendations

16. The Board is recommended to: -

Approve the Housing Capital repairs programme as set out in Appendix 1 to the report

Grant major project approval for the works contained within the report to bring Council housing stock up to Decent Homes standard.

Authorise the Capital spend of up to

£ 9,900,000 for 2007/08

£11,163,000 for 2008/09

£11,340,000 for 2009/10

on the works outlined in the report.

Appendices -

17. Appendix 1 - Breakdown of the Housing Capital budget for years 2007/08, 2008/09, 2009/10.

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.

