

Report of: Head of Oxford City Homes

To: Executive Board

Date: 4 February 2008 **Item No:**

Title of Report: Strategy for Non-Traditional Housing

Summary and Recommendations

Purpose of report: To seek approval for the proposed Strategy for non-traditional properties within the housing stock. The aim of which is to ensure that the properties are made decent before the decent homes 2010 deadline.

Ward(s) affected: Barton & Sandhills, Blackbird Leys, Churchill, Littlemore, Rose Hill.

Key decision: Yes

Portfolio Holder: Councillor Patrick Murray.

Scrutiny Responsibility: Housing Scrutiny Committee – this report was presented to Housing Scrutiny Committee on 17 January 2008.

Report Approved by:-

Portfolio holder: Councillor Patrick Murray

Legal: Jeremy King

Finance: David Higgins

Policy Framework: To meet the decent homes standard by 31 December 2010.

Recommendation(s):

1. To bring the non-traditional properties up to decent homes standard by 31 December 2010, the only exceptions being Orlits and Glen Lyon bungalows.
2. To adopt option 7(b) for Airey houses, structure repairs at reduced cost.
3. To designate the Glen Lyon bungalows for future demolition and re-development.
4. To commission feasibility studies on the Leiden Road and Sheriffs Drive areas.

Background –

1. A long-term asset strategy to ensure that the housing stock meets the decent homes target of 31 December 2010 was presented to the Housing Scrutiny Committee on 8 November 2007 and approved by the Executive Board on 3 December 2007. This report was presented to Housing Scrutiny Committee on 17 January 2008.
2. The problems associated with the Council's stock of non-traditional properties were included in that report but not in any detail. This report specifically looks at these properties, gives the options and proposes a timescale to remedy defects.
3. The property types and the defects associated with them are listed in the paragraphs below. Other non-traditional properties such as Easiforms and Hawksley bungalows are not included as they do not have generic faults or, in the case of Hawksley bungalows, they have been the subject of substantial refurbishment in the past.

Current position –

4. Only those property types with known defects are listed below:-
 - a) B.I.S.F. (steel framed) – 131 units in Barton. No structural frame problems but new roofs and external cladding is required to improve insulation values and the appearance of the buildings.
 - b) Orlits – excluded due to the re-development programme.
 - c) Aireys – 17 units in Littlemore. Concrete frame is defective and needs remedial work. Windows need replacement with PVCu double glazed, this work is included within the window replacement programme but needs to be tied in with the structural works.
 - d) Howard Houses (steel framed) – 199 units in Rose Hill and Barton. No structural problems but the construction has resulted in additional decent homes costs due to the replacement of internal wall linings.
 - e) Minox – 190 timber framed properties in Rose Hill and Barton. No structural problems but the properties are poorly insulated and internal thermal lining is the only cost effective solution. Under decent homes this work is not a requirement but from an affordable warmth, global warming perspective it is.
 - f) Glen Lyon Bungalows – there are currently 20 units in Rose Hill. A few have been demolished when void due to their poor structural condition. The concrete slab has cracked and wall panels are subject to excessive movement. The remaining

properties are being monitored and the area is being considered for Phase two of the Rose Hill re-development, therefore no decent homes works will be carried out on them.

g) General properties –

Leiden Road area, Woodfarm. A number of these properties have structural defects caused by the ground conditions. Considerable sums have been spent to date to try to stabilize the properties, an average of £20,000 where piling and brickwork stitching has been carried out, but to no avail. A recent report from consultants recommended that serious consideration should be given to demolishing and re-developing this area.

Sheriffs Drive, Wolvercote. Recent surveys have indicated structural movement in a number of properties. The nature of which indicate adverse ground conditions.

There has been no allowance in Savills costs for any remedial structural works to these properties, only decent homes works were allowed for. Demolition and decant costs would also be applicable. The maintenance liability of these properties will increase with age and their non-traditional construction results in a limited lifespan.

5. In addition to the “structural” works listed above, in some properties works will be needed internally to meet the decent homes target but are within the Savills estimate.

Options

6. Minox properties – these are timber framed and the only option, to prevent, possibly, compromising the waterproof nature of the external walls is to dry line the internal surface. This has been undertaken on a trial basis and has been successful, although an analysis of energy savings has not yet been made. It is therefore thought that this is the only viable option.
7. Airey houses – these have a concrete frame with horizontal concrete panels externally. In some areas the concrete frame is giving cause for concern and work in the short-term is required to ensure structural stability. The options for this type of property are:-

a) To repair the structure and build a brick external skin based on an approved, mortgageable, scheme at an additional cost of £1,032,000 over decent homes costs. This scheme would require the decanting of tenants with the costs and difficulties associated with that.

b) To support the existing structure with preservative impregnated timber and replace the horizontal concrete panels with stone faced insulation panels on a plywood skin. This has been successfully undertaken by other Councils and avoids the decanting of tenants and disturbance to their decorations. The additional cost (over decent homes costs) of this scheme is £500,000, a saving of £532,000 over the scheme described in paragraph 7 a) above. This is not an approved method to restore a mortgageable status to the Aireys and therefore it is unlikely that tenants would be able to purchase the property if this scheme is adopted.

c) Redevelopment of the site. There is restricted scope for development of this site as there are a number of privately owned Aireys, some of which are paired with Council houses, which makes demolition and redevelopment less financially attractive and limits the scope for density increases. This is unlikely to represent a best value solution.

8. Leiden Road and Sheriffs Drive properties – these properties are suffering from structural cracking and have a limited lifespan, many have already had unsuccessful remedial works carried out on them. The options are:-

a) To carryout further repairs at considerable cost and an uncertainty of how successful it will be.

b) To demolish and redevelop the sites but in the short term monitor the structural movement and commission consultants to carryout a feasibility study on the areas development potential.

Financial Implications

8. The high level costs indicated below exclude the costs that Savills had allowed for in their original report and therefore only indicate the shortfall in funding:-

B.I.S.F.	£ NIL (within sums estimated by Savills)
Orlits	£ NIL (No works included as scheduled for Demolition)
Aireys	£1,032,000 (based on a mortgageable scheme)
Howards	£ NIL (within sums estimated by Savills)
Minox	£950,000 (internal insulation)
Glen Lyon	<u>£NIL</u> (subject to decisions on their future – Rose Hill Phase 2, see above)
Total shortfall	<u>£1,982,000</u> excluding any works to the Leiden Road and Sheriffs Drive areas.

Notes – 1. by using a repair scheme that is not an approved mortgageable type (see paragraph 7 (b) above) a saving of £532,000 can be achieved.

2. If the Glen Lyon bungalows are designated for demolition a saving of £150,000 can be made for not carrying out decent homes works.

If both notes 1 and 2 above are adopted, then it would reduce the shortfall to £1,300,000. The cost of repairing the Airey houses to a non-mortgageable standard has been allowed for in future spend predictions and budget forecasts, therefore the only additional works that need funding at this stage are the Minox properties as they fall outside of the decent homes standard.

3. No allowance has been made for any works at Leiden Road and Sheriffs Drive as these are unknown and will be the subject of future reports.

9. The only structural works necessary to comply with the decent homes criteria are those to the Airey houses. The insulation works to the Minox properties, although necessary from a heat loss, affordable warmth perspective, are not a requirement under the decent homes criteria. However, due to the nature of the work, if any internal refurbishment works to the kitchen and/or bathroom are necessary to meet the decent homes standard, insulation will be applied behind units and sanitary appliances on external walls. Insulation to other areas will be applied as part of a planned programme after the decent homes 2010 deadline if funding permits.

Legal Implications

10. Detailed legal advice will be obtained as part of the proposed feasibility study by consultants for the General properties in the Leiden Road and Sheriffs Drive areas and will be presented to Members as part of a future report.
11. The Council are required to bring the properties up to decent homes standard and to carry out repairs, but they are not legally required to carry out improvements to a higher standard just to enable a person with the right to buy to raise a mortgage on the property. Thus the council could consider the most cost effective option and avoid the need to decant tenants (where possible).

Proposals

12. The proposals are to :-
- a) Minox - as paragraph 6 above, apply insulation skin internally as programmed works after the decent homes target date, if funding permits.

- b) Aireys - as option 7 b) above, to make repairs using a system which does not make the property mortgageable and does not require the decanting of tenants.
 - c) Leiden Road and Sheriffs Drive areas – appoint a consultant to carryout a detailed appraisal of the development potential.
13. Note: In relation to (b) above and other areas of non-traditional housing e.g. BISFs, the option of future redevelopment/regeneration of the areas will be kept open and if circumstances change in the future they will be the subject of further reports.

Consultation

14. Initial consultation will be carried out with tenants and leaseholders via the Housing Advisory Panel and the Repairs and Improvements Topic Panel. Following the feasibility studies, more in depth consultation will be undertaken with tenant/residents groups and individuals affected by any improvements or development of areas. Reports will then be presented to Area Committees, Housing Scrutiny and Executive Board.

Timetable

15. Indicative timetable for carrying out works to the non-traditional houses.:-

2008/09 Carryout detailed appraisal of development potential of the Leiden Road and Sheriffs Drive areas which have properties with recurring structural defects. Report to Executive Board. December 08.

2007/08/09 Works to BISF properties in Barton (currently in progress).

2008/09 Works to Airey houses in Littlemore.

2011/12+ Insulation works to Minox houses.

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Background papers: Savills report data
Capital receipts data

