

To: Cabinet
Date: 10 July 2024
Report of: Executive Director (Communities and People)
Title of Report: 2024/25 HRA Capital Programmes and Delegations

Summary and recommendations	
Purpose of report:	To seek (i) approval for the Housing Revenue Account (HRA) Capital Programmes for 2024/25; (ii) authority to commence procurement procedures to deliver the programmes; and (iii) delegated authority for officers to enter into the necessary contracts
Key decision:	Yes
Cabinet Member:	Linda Smith, Cabinet Member for Housing and Communities
Corporate Priority:	Deliver More Affordable Housing and Support Thriving Communities
Policy Framework:	Housing, Homelessness and Rough Sleeping Strategy 2023-2028

Recommendations: That Cabinet resolves to:	
1.	Approve the Council's HRA capital programmes for 2024/25 as set out in this report with the total value of £12,500,000 (twelve million and five hundred thousand pounds);
2.	Approve the commencement of the appropriate procurement processes to undertake the works and provide the services necessary to deliver the capital programmes approved under recommendation 1; and
3.	Delegate authority to the Head of Housing, in consultation with the Head of Financial Services; the Head of Law and Governance; and the Cabinet Member for Housing and Communities, to enter into all contracts required in order to deliver the HRA Capital Programmes subject to the proper procurement process being followed, with all spend falling within the budget of £12.5m.

Appendices	
Appendix 1	Capital programmes (External; Internal and Communal)
Appendix 2	<u>National Housing Federation - Decent Homes Standard</u>
Appendix 3	<u>Housing Health & Safety Rating System</u>

Introduction & Background

1. Following the approval of the 2024 – 2025 budgets for Property Services by Council, officers are required to seek approval for the delegated authority to spend and award the capital programme budgets. The £12.5m this report anticipates being spent falls within the Property Services budget approved by the Council.
2. After a review of the capital delivery programmes and subsequent advice received, the Council is moving to combining workstreams across the housing stock into three key programmes: Internal, External, and Communal. This is a strategy which is the standard practice across the UK by local authorities and housing providers.
3. The benefits in rolling out programmes in this manner is that it becomes more cost effective to undertake works on a programme basis to realise the economies of scale, as well as being less inconvenient for tenants as it does not require them to be at home on multiple different occasions.
4. These programmes of investment enable the Council to be compliant with the Decent Homes Standard and the Housing Health & Safety Rating System (Appendices 2 & 3) which are the required for housing standards.
5. The three capital programmes planned for 2024/2025 are made up of the following:
 - Internal: Kitchens; Bathrooms; Electrical test/works and minor repairs.
 - External: Roof; Chimneys; Soffits; Painting; Doors; Windows; Brickwork repair; Rainwater goods renewal; Garden fencing; Steps and railings.
 - Communal: Internal/External: Painting & decorating; Flooring; Stairs (nosing and handrails).
6. The Council, through its contractors, has carried out stock condition surveys and/or surveys on all properties included in this 2024/25 programme.

Capital Budgets & Breakdown

Programme	Includes works Budgets	Envelope*	Number of properties included in 24/25 programme
External	Doors & Windows, Fencing, Roofing, External works	£4,500,000	297
Internal	Kitchens, Bathrooms, Damp works, Electrical, Minor repairs, heating systems	£3,500,000	623
Communal	Communal areas, Great Estates, Flooring, Internal external communal areas, Pre-painting & joinery works	£4,500,000	220

* The envelope includes project costs relevant to the project (officer costs, planning, specialist contractors, party walls etc)

7. Property addresses may change during the programme due to events such as the property becoming void or there being no access to carry out the works.
8. Additionally, there will be occasions where more urgent cases arise during the year, which are not planned for and will be added into the programme. There is also a contingency included, as prices may increase from the original estimates, due to market fluctuations.

Environmental Impact Assessment

9. The environmental considerations will lead to an Improvement in the EPC rating to the properties in the programme, which is in line with Decent Home Standards 2023 and contribute to achieving the Council's target of an average 95% EPC C rating by 2030.
10. To ensure compliance the Environmental Sustainability Team is being consulted.

Financial implications

11. The capital budgets to which this report refers were approved as part of the 2024/25 MTFP budget report, presented to council on 21 February 2024.

12. Approval of this request will enable investment to take place in the Housing stock and ensure continual improvement to the condition and decency levels in homes.
13. Leaseholders will be charged through the Landlord & Tenant Section 20 process, for contribution, where applicable.

Legal issues

14. The Council’s constitution delegates decisions to approve projects of up to £500k to officers. These programmes are significantly above this threshold and therefore an express delegation of authority is required so that officers may approve them. The alternative would be to return to cabinet on a case-by-case basis for approval. This would not only increase the amount of work for the cabinet but potentially cause delays in delivery of the programmes.

Level of risk

15. The budget will be managed in line with forecast work and project requirements.
16. Commissioning and clienting of the programmes will be carried out by Property Services, within the Council. To ensure that works are correctly commissioned, fully completed and to the relevant standard (Decency, environmental etc).
17. The works will not be approved for payment until signed off by Property Services as complete and to an acceptable standard in conjunction with the decent homes standard.

Equalities impact

18. The budget leading to the proposed works and projects is aligned to the delivery of quality homes for all residents, furthermore, it contributes to the economic growth of Oxford.
19. There are no adverse impacts in undertaking this activity, with the potential to improve provision for persons in housing need. This will be realised through the provision of more affordable housing to better meet client needs.

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Background Papers: None
