

DECISION-MAKER:	CABINET
SUBJECT:	HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME PROJECT APPROVAL PHASE III
DATE OF DECISION:	20 DECEMBER 2010
REPORT OF:	CABINET MEMBER FOR HOUSING
STATEMENT OF CONFIDENTIALITY	
Not applicable	

BRIEF SUMMARY

This report seeks formal approval in accordance with Financial Procedure Rules for expenditure on various projects.

The Capital Programme update report presented to Council on 15th September 2010 requested £1.6M be brought forward from 2011/12 and that this money be used to improve kitchens and bathrooms within the Harefield and Central areas and also some sheltered properties with these improvements being completed by the end of the current financial year.

Approval is also being sought for the funding for the improvements in our housing for older people.

The proposed schemes will contribute to the Council's strategic housing objectives through improving the appearance and facilities of our estates and the wellbeing and satisfaction of our tenants in areas where they live.

RECOMMENDATIONS:

- (i) To approve a virement of £720,000 from the 2011/12 uncommitted provision for "decent homes plus funding – future years" to the sheltered communal improvements budget and, in accordance with finance procedure rules, to give approval to spend the £720,000 on improvements to Rozel Court, Sarnia Court, James Street, Milner Court and Neptune Court.
- (ii) To approve a virement of £1.6M from the 2010/11 "Decent homes future works" budget with the following sums being added to the 2010/11 budgets for:
 - Decent Homes works in Harefield - £767,000
 - Decent Homes work in Central - £583,000
 - Decent homes work to supported housing - £250,000
- (iii) To approve, in accordance with Financial Procedure Rules an overall increase in the approval to spend on these 3 schemes in the sums set out above.

REASONS FOR REPORT RECOMMENDATIONS

1. Including sums in a Capital Programme does not give authority to spend the money. This is done by a separate scheme approval process. Financial Procedure Rules require that all schemes with a total of more than £500,000 be approved by Cabinet before they can proceed.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. During consultation with Tenants' groups and leaseholder regarding the Housing Revenue Account (HRA) Capital Programme and in the formation of the HRA Business Plan during the Option Appraisal process, all parties expressed support for schemes of work at this time.
3. The alternative option of not undertaking this work would leave the properties and surrounding areas in their present condition and would not be in accordance with the views expressed during that consultation process or others subsequently carried out.

DETAIL (Including consultation carried out)

4. This report seeks permission to proceed with the development, procurement and implementation of Capital Projects which form part of the Housing Revenue Account Capital Programme for 2010/11 to 2011/12. This report deals with those new schemes that are currently ready for approval.
5. The programme outlined in this report has been developed from the HRA Business Plan 2007-2037 following completion of the Stock Options Appraisal in July 2005. At the same time the programme reflects the aspirations of tenants identified during the Option Appraisal process which was completed in July 2005 and with tenants who are involved in regular meeting of the HRA Capital Group.
6. A key role in the development of the Capital Programme has been the involvement of Tenant Focus Groups, Block Wardens, Tenant Representatives, Leaseholders and staff. Tenants and Leaseholders have been closely involved in the production of our long term business plans for future investment.

Decent Homes Programme

7. Surveys have been completed in Harefield, Central and Supported Housing which have identified the properties that require refurbishment works to maintain a Decent Homes standard.
8. To maintain the level of decent homes in the following areas:
 - Harefield : Investment of £767K will provide refurbishment of a further 100 kitchens and 50 bathrooms by 31st March 2011.
 - Central: Investment of £583K will provide refurbishment of 65 kitchens and 40 bathrooms by 31st March 2010.
 - Supported Housing: Investment of £250K will provide refurbishment of a further 40 kitchens by 31st March 2011.

Decent Homes Plus Programme

9. Supported Communal Improvements: Work has already commenced on Manston Court and Milner Court with residents expressing their delight at the improvements made. This report seeks approval for further work at the following Courts.

10. Rozel Court, Lordshill: £240K to improve communal facilities to the two blocks. The programme of works involves redecoration, improved lighting, new ceilings, flooring and individual front doors to all 4 levels with the exception of the central core areas which will be carried out following completion of the future lift programme.
11. Sarnia Court, Lordshill: £120K to improve the communal facilities. The programme of work involves redecoration, improved lighting, new ceilings, flooring and individual front doors to all levels with the exception of the central core areas which will be carried out following completion of the future lift programme.
12. James Street, Central: £120K to improve the communal facilities. The programme of work involves redecoration, improved lighting, new ceilings, flooring and individual front doors to all levels with the exception of the central core areas which will be carried out following completion of the future lift programme.
13. Milner Court, Shirley: Upon completion of the new external lift, £120K is required to refurbish the central core area to match the recently refurbished corridor areas. Work to be undertaken is redecoration, improved lighting, new ceilings and floorings.
14. Neptune Court, Lordshill: Upon completion of the new external lift, £120K is required to refurbish the central core area to match the recently refurbished corridor areas. Work to be undertaken is redecoration, improved lighting, new ceilings and floorings.

RESOURCE IMPLICATIONS

Capital/Revenue

15. The capital programme approved by Council in September 2010 included £1.6M for decent homes work from January to March 2011. The recommendations in this report allocate this funding to specific schemes and seeks approval for this spending to proceed. That capital programme also included an uncommitted general provision in 2011/12 of £3.821M for decent homes plus programmes in future years. It is proposed that £0.720M of this sum is allocated to fund improvements in the communal areas of the schemes set out in paragraphs 10 to 14 above. The recommendations set out the virements that are necessary to achieve this and also seek approval to proceed with this spending.
16. The capital financing cost of spending £1.6M in 2010/11 and £0.72M in 2011/12 on the schemes recommended for approval in this report were allowed for in the Revenue estimates that were approved by Council on 17th February 2010.

Property/Other

17. The HRA capital programme is fully reflected in the Corporate Property Strategy.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

18. There are no specific legal implications in connection with this report. The power to carry out the proposals is contained within Part 2 of the Housing Act 1985.

Other Legal Implications:

19. None

POLICY FRAMEWORK IMPLICATIONS

20. The proposed schemes in this report will contribute positively to the Council's objectives set out in the Housing Strategy and HRA Business Plan to maintain and improve the condition of the city's housing stock. They will also help in ensuring that all Council owned houses continue to meet the Decent Homes Standard.

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KEY DECISION? Yes

WARDS/COMMUNITIES AFFECTED:	All
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SUPPORTING DOCUMENTATION

Non-confidential appendices are in the Members' Rooms and can be accessed on-line

Appendices

1.	None
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Documents In Members' Rooms

1.	Business Cases for all Supported Housing Communal Works
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Integrated Impact Assessment

Do the implications/subject of the report require an Integrated Impact Assessment (IIA) to be carried out.	Yes
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Other Background Documents

Integrated Impact Assessment and Other Background documents available for inspection at: Asset Management, Decent Homes Division, Shirley Depot, Villiers Road, Southampton SO15 3JH

Title of Background Paper(s)

Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

N/A
