

ROTHERHAM BOROUGH COUNCIL – REPORT TO CABINET MEMBER

1.	Meeting:	Cabinet Member and Advisers for Safe and Attractive Neighbourhoods
2.	Date:	Monday 14 July 2014
3.	Title:	Revised Housing Investment Programme 2014/15
4.	Directorate:	Neighbourhoods and Adult Services

5.0 Summary

The purpose of this report is to update cabinet member of proposed revisions to the 2014-15 Capital Programme following the first HIP Monitoring meeting of 2014-15.

6.0 Recommendations

That Cabinet Member receives and approves the revisions to the Housing Investment Programme for 2014-15.

7.0 Proposals and Details

7.1 The budget process that led to the original Capital Programme for 2013/14 to 2016/17 ensured that the Council's capital investment plans were aligned with its strategic priorities and vision for Rotherham.

In order to maintain that strategic link, and make best use of the capital resources available to the Council, it is important that the programme is kept under regular review and where necessary revisions are made.

The following table provides an overview of the approved HIP programme for the period 2014-15 and proposed revisions to be approved by Cabinet Member.

Description	Original Budget 2014-15 £	Original Budget + Approved Slippage	Revised Budget 2014-15 £	Variance £
Refurbishments	11,995,000	12,626,687	13,197,786	571,099
Other Capital Projects	13,563,000	13,318,239	13,143,239	-175,000
Fair Access to All (Adaptations)	3,389,000	3,389,000	3,389,000	0
Regeneration/ Neighbourhood Renewal – Public Sector	2,250,000	2,250,000	2,050,000	-200,000
Regeneration/ Neighbourhood Renewal – Private Sector	971,000	1,314,074	1,484,074	170,000
HCA New build	2,836,000	2,836,000	2,836,000	0
Total	35,004,000	35,734,000	36,100,099	366,099

7.2 Details

7.2.1 Housing Improvement Programme 2014-15 Capital Works

Appendix A provides a detailed budget breakdown by scheme for 2014-15 based on the current approved HIP Programme for 2014-15 and it should be read in conjunction with the following explanations for works in 2014-15

7.2.2 Refurbishments – Budget £12,626,687 Revised Budget £13,197,786

This budget is to fund works for internal and external refurbishments to properties. Internal works will include elements such as new kitchen and bathrooms. External elements include re-roofing, external render, fascia's, soffits & bargeboard replacements and outhouse improvements.

The key reason for increase in the overall budget is due to:

1. Increase in number of schemes being delivered within the External Wall Insulation & Pointing programme which will be delivered in Maltby, North Anston, Wath, Bramley & West Melton, Treeton, Brinsworth and Catcliffe. This budget has increased by approx. £700,000 and is being partly offset by additional Green Deal funding of £196,000.
2. Increased costs to deliver the Facsia, Soffit and Bargeboard replacement programme due to more asbestos being identified than anticipated following survey. This budget as increased by £390,000.

These increases in budget have been off-set by reductions to budgets for Outhouses, bin stores & canopies (-£268,000) as surveys for these works are not yet complete. Further budget reductions of -£200,000 in year have been applied to East Dene roofing programme due to anticipated delays following the discovery of bats on site.

7.2.3 Other Capital Works – Budget £13,318,239 Revised Budget £13,143,239

The sections below breakdown individual spend within the Other Capital Works budget and highlight any changes in budget as appropriate.

7.2.4 Environmental Works – Budget £1,612,000 Forecast £1,612,000

This budget will fund a variety of projects throughout the borough currently subject to consultation with tenants and members. Works funded through this scheme will include bin store improvements, shrub bed enhancements, off street parking and footpath re-surfacing etc.

7.2.5 Empty Homes – Budget £2,900,000 Forecast £2,900,000

This budget is to fund major voids where the cost exceeds £4,000. This often occurs when a previous tenant has refused decency works so properties require new kitchens and bathrooms etc. prior to re-letting.

7.2.6 Replacement Communal Entrance Doors – Budget £890,754

This is a continuation of the scheme in 2013-14 and will result in all communal entrances to flats having high security entrance doors fitted.

7.2.7 Electrical Board & Bond – Budget £200,000 Revised Budget £150,000 Variance -£50,000

This is a demand led service and is to fund electrical improvement works to properties (e.g. consumer units, rewires etc.) following fixed wire electrical testing. The budget has been reduced to reflect previous year spend and to balance the Other Capital Works budget to funds available.

7.2.8 Asbestos Removal & Testing – Budget £380,000 Forecast £380,000

This budget is to fund asbestos surveys and removals to properties that are receiving planned capital improvement works.

7.2.9 Boundary Wall Treatments – Budget £425,000
Revised Budget £100,000
Variance -£325,000
Forecast £100,000

This budget is to fund improvements to boundary/ retaining walls and footpaths throughout the borough.

7.2.10 District Heating Conversion/ Upgrades – Budget £2,000,000
Revised Budget £1,800,000
Variance -£200,000
Forecast £150,000

It is proposed to fund district heating upgrades and replacements as detailed within the report to Cabinet Member in June 2014.

7.2.11 External Insulation – Budget £50,000
Forecast £50,000

This will fund ad hoc top ups of insulation to external wall cavities and lofts.

7.2.12 New IT System – Budget £273,725
Forecast £514,800

This budget is to fund the purchase and implementation of the new integrated Housing Management System. Cabinet member will recall approving additional costs of £241,075 to be funded from the HRA on 16 June 2014. At this time we have not amended the available budget as we may be able to fund from slippage elsewhere within the programme as we refine spend forecasts throughout the year.

7.2.13 General Structures - Budget £650,000
Forecast £650,000

This budget is to fund remedial works to building structures and includes pointing, rendering, underpinning and damp proof works.

7.2.14 Replacement of Central Heating/ Boilers - Budget £3,761,000
Forecast £3,761,000

There is an ongoing programme of Central Heating replacements in order to reduce the revenue burden as a result of increasing repairs to Buderus and Alpha boilers.

7.2.15 Community Centre Improvements – Budget £100,000
Forecast £100,000

This will fund essential upgrades to lighting and fire equipment within the centres. This does not reflect any forthcoming approval that Cabinet Member may make concerning wider Community Centre Improvements at an estimated cost of £500,000. If approved we will review spend forecasts and if possible fund from within existing resources through slippage on other schemes.

**7.2.16 Flat Door Replacements – Budget £75,760
Forecast £75,760**

This will fund completion of installing new fire doors to flats across the borough and is a result of slippage from 2013-14.

**7.2.17 Lady Oak Flats Environmental Improvements – Budget £400,000
Forecast £400,000**

This is a new project to undertake general environmental improvements, including upgrading of footpaths around Lady oak Flats, East Dene/ Herringthorpe.

7.3 Fair Access to All

**7.3.1 Disabled Adaptations (Public Sector) – Budget £2,078,000
Forecast £2,078,000**

**7.3.2 Disabled Adaptations (Private Sector) – Budget £1,311,000
Forecast £1,311,000**

This will fund the ongoing provision of disabled adaptations to council and private dwellings.

7.4 Regeneration / Neighbourhood Renewal Public Sector

**7.4.1 Non-Traditional Investment – Budget £1,400,000
Forecast £1,400,000**

This budget is to complete external refurbishment and insulated render works to non traditional properties. This is part of an ongoing programme to extend the life of non traditional stock by circa 25 years.

**7.4.2 Garage Site Investment – Budget £250,000
Forecast £250,000**

This will fund improvements works to garage sites across the borough. Works will include re-surfacing to the highway, re-roofing, new doors and general environmental improvements.

**7.4.3 New Build DPU Bungalows – Budget £500,000
Revised Budget £300,000
Forecast - £300,000**

It is proposed to construct 4 DPU bungalows, 2 located in Kimberworth and 2 located in Thurcroft using cost savings generated to date through the Repairs and Maintenance contract with Morrison FS and Wilmot Dixon Partnerships. The reduction in budget is a result of only having Planning Permission in place for the site at Redscope, Kimberworth Park. A further site is now identified at Wadsworth Road, Bramley, but given lead time for design, planning permission and construction it is unlikely the original budget allocation would be fully spent. The remaining £200,000 will be available in 2015-16.

**7.4.4 Enabling Works (HRA Land) – Budget £100,000
Forecast £100,000**

This will facilitate development/ access to HRA sites identified for disposal or new build development opportunities for private developers.

**7.4.5 Opportunity/ Strategic Acquisition – Budget £2,835,915
Forecast £2,835,915**

This funding is part of a multi year commitment to acquire properties to add to the council's social housing stock through the 30 Year HRA Business Plan.

7.5 Regeneration/ Neighbourhood Renewal Private Sector

**7.5.1 Dinnington Transformational Change – Budget £1,200
Forecast £1,200**

This project was funded through the Regional Housing Board and was the installation of temporary art work to Dinnington Town centre. This budget will fund the removal during 2014-15.

**7.5.2 Canklow Phase 1 & 2 – Budget £720,531
Forecast £720,531**

This is a multi-year programme of activity to regenerate an area within Canklow through Housing Market Renewal. The project is focused on demolition, buy back and refurbishment of public and private sector properties in the area.

**7.5.3 Bellows Road Service Centre Clearance – Budget £592,343
Forecast £592,343**

This is an ongoing Housing Market Renewal scheme and includes the construction of new shop units and provision of new housing within the area.

**7.5.4 Monksbridge Demolition, Dinnington – Budget £80,000
Forecast £80,000**

This is a new project and is to demolish 3 properties and reinstate land at 44-48, Monksbridge. The project is funded from Regional Housing Board grant funding ring fenced within the Capital Programme.

**7.5.5 Doe Quarry Lane, Dinnington – Budget £90,000
Forecast £90,000**

This is a new project and is to undertake boundary improvements to 43 properties. The project is funded from Regional Housing Board grant funding ring fenced within the Capital Programme.

8.0 Finance

8.1 Financial implications are contained within the body of this report. Any revenue implications from the revised programme have been fully reflected in the HRA's latest 2013/14 outturn revenue forecast.

If approved the programme will be funded as detailed in the table below:

Funding	HIP £	Non HIP £
RCCO	8,513,000	
HRA Prudential Borrowing	2,836,000	
MRA	21,759,897	
Grants		1,594,745
GF Prudential Borrowing		106,000
Capital Receipts RTB		298,000
Capital Receipts		1,213,474
Total	33,108,926	3,212,222

9.0 Risks and Uncertainties

The Capital Programme is funded through a number of sources: borrowing, capital grants & contributions, revenue contributions and capital receipts. Any uncertainty over the funding of the Programme rests on confirmation that grants/contributions and capital receipts continue to be available in coming years. Where funding sources are volatile in nature the risks will be managed by continually keeping the programme under review.

Project/ scheme specific risks have been outlined within the body of the report.

10.0 Policy and Performance Agenda Implications

The HIP supports the Corporate plan priorities and is central to the longer term Housing Strategy:

- Making sure no community is left behind
- Helping to create Safe and Health Communities
- Improving the environment

The preparation of the Medium Term Financial Strategy incorporating a profiled capital programme and the associated revenue consequences, together with regular monitoring, highlights the Council's commitment to sound financial management.

11.0 Background Papers and Consultation

Dave Richmond, Director of Housing and Neighbourhoods, Stuart Booth, Director of Financial Services and Budget Holders have been consulted during the preparation of this report.

Reports to Cabinet Member for Safe and Attractive Neighbourhoods

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