
HOUSING INVESTMENT PROGRAMME 2006/07

**Responsible Cabinet Member(s) - Councillor Bill Dixon,
Community and Public Protection Portfolio**

Responsible Director(s) - Cliff Brown, Director of Community Services

Purpose of Report

1. The purpose of this report is to advise Members of the resources available for housing capital investment during 2006/07 and to recommend a programme to utilise these resources.

Information and Analysis

2. Members agreed the Council's 2006/07 Capital Medium Term Financial Plan in March 2006, including the Housing Investment Programme. Prior to works commencing this detailed report is required to approve the physical works and formally release the Capital resources. Table 1 below details the estimated housing capital resources for 2006/07.

Table 1: Estimated Capital Resources 2006/07

Resources	£000's
Major Repairs Allowance (a)	3,450
SHIP Funding (Private Sector) (b)	776
SHIP Funding (DFG's) (c)	284
Prudential Borrowing (d)	3,300
Capital Receipts (e)	1,000
Disabled Facilities Grant (f)	260
RCCO (g)	2100
General Fund Corporate Funding (h)	154
Total	11,324

- (a) The Major Repairs Allowance (MRA) is 100% grant funding received from the Office of the Deputy Prime Minister (ODPM). The MRA can only be used for capital improvements to the Council's housing stock.
- (b) SHIP Funding (Private Sector) replaces what was previously called supported borrowing (HIP), which came as direct grant, and is now allocated on an application basis by the Regional Housing Board. Previously this funding was given purely as a borrowing approval, but now comes as a capital grant. This funding is to be used for Private Sector investment according to the new Private Sector assistance policy.

- (c) SHIP Funding (DFG's) comes from the same source as (b), and is the contribution to Private Sector Disabled Facilities funding that the Council provided from the old supported borrowing (HIP) allocation to match fund the DFG grant from central Government.
 - (d) It was agreed at Council on 22nd July 2004, to retain the Council housing stock in-house and use prudential borrowing of up to £20m, over the next 6 years, to meet the new Darlington Standard for Council housing. This is the second year that prudential borrowing is being utilised.
 - (e) Comprising 25% of usable capital receipts from the anticipated sale of Council houses, under the *Right to Buy* scheme.
 - (f) ODPM (Office of the Deputy Prime Minister) contribution to the provision of adaptations for people with disabilities in the Private Sector, representing 60% of the guideline DFG (Disabled Facilities Grant) expenditure of £433,000 for 2006/07. Adding the SHIP allocation for DFG's (c) to this gives a total DFG budget of £544,000.
 - (g) The Revenue Capital Contribution is funding from the Housing Revenue account used to fund major capital works.
 - (h) As part of the Capital Medium Term Financial Plan £154,000 has been agreed to supplement the Housing resources for the Private Sector. This is being funded through the Council's Capital Programme.
3. The priorities identified through the Housing Business Plan to be funded from the estimated capital resources for 2006/07 are shown in Table 2 below:-

Table 2: Housing Investment Programme 2006/07

Programme	£000's	Total
Planned Maintenance & Renewals		
Adaptations	300	
Communal Works	99	
Decoration following IPM	150	
Carry Forward Flat Remodelling (Dinsdale Phase III, Mt Pleasant House, Sherbourne House)	599	
Stocks Moor Close Remodelling	560	
Copley House Remodelling	560	
Rockcliffe House Remodelling	560	
TV Aerials	50	
Heating Replacement	917	
Internal Planned Maintenance	3206	
Structural Repairs	92	
Warden Link and Sheltered Housing	80	
		7173

Programme	£000's	Total
Estates & Community Improvements		
Environmental Works (Firthmoor)	419	
Footpaths/Construction	333	
Fencing	291	
Extra Care (Rosemary Court)	800	
Sheltered Housing Schemes	200	
Garage Improvements	135	
Repairs Before Painting	124	
Roof work	300	
		2602
Private Sector		
Energy Efficiency	50	
BRE Stock Modelling Study	6	
Empty Property Challenge Fund	150	
DFG Grants	544	
Private Sector Decent Homes Financial Assistance	724	
Private Sector Stock Condition Survey	75	1549
Total		11324

- (1) The adaptations budget is to deliver adaptations within the Council's housing stock to enable tenants with a disability to remain in their own home across the borough. The funding has increased by 9% on last year's budget to reflect the increased demand.
- (2) Communal Works will be spent upgrading door entry systems in central, Cockerton, Branksome, Hurworth, and Redhall areas of the town, and on fire alarms at a number of sheltered housing schemes across the borough.
- (3) £150,000 has been set aside for decoration vouchers and assisted decoration for appropriate tenants following Internal Planned Maintenance and Central Heating replacement.
- (4) The successful remodelling programme will continue, concluding works to some sites started on 2005/06, and beginning new work at Stocksmoor Close, Copley House, and Rockcliffe House.
- (5) Funding will be spent improving communal television aerials at a variety of locations throughout the borough to better facilitate the reception of digital television. This work will be in addition to further expenditure in this area, to be included in the specifications of contracts to carry out internal planned maintenance (paragraph 7 below) on blocks of flats and the communal areas.

- (6) New condensing combination boiler central heating systems will be fitted to around 260 dwellings in the Bank Top, Brafferton, Branksome, Cockerton, Haughton, Ted Fletcher Court, Heighington, Hurworth, Middleton St George and Sadberge areas of the town. As the utility companies have caused significant delays in programmes in earlier years due to missed schedules for installing new gas services to properties that are being converted from electric to gas central heating, a specific programme has also been developed over the next 5 years to deliver such works, thereby speeding up future replacement.
- (7) A programme to upgrade kitchens, bathrooms, electrical rewiring, including security lighting and where appropriate TV Aerials and communal works will cover approximately 310 dwellings located in Albert Hill, Cockerton, Harrogate Hill, Lacelles, Lingfield, Redhall and Rise Carr areas of the town. The extra investment in this area will help towards delivering the commitment as part of the Darlington Standard to reduce the replacement cycle for these works from 30 years to 20 years.
- (8) A small budget has been set aside to address any structural issues that may be identified within the year. If no such problems arise, the funding will be used to add further properties to the programme across a variety of areas in the Capital Programme such as heating, internal planned maintenance or external works.
- (9) £80,000 has been put aside to continue to provide upgrades to the fixed Warden Call services (in addition to those picked up in the costs for remodelling works) within sheltered housing schemes and blocks of flats throughout the town, and to provide upgrades and modernisation to communal facilities in sheltered housing schemes such as common rooms and kitchens.
- (10) £75,000 has been identified to help fund a new Private Sector Stock Condition Survey which is now due. This work will be focused by the BRE study in Tees Valley (paragraph 18 below) and will be in addition to the Council Stock Condition Survey in 2006/07 that is to be funded from the Housing General Fund.
- (11) £333,000 will be spent on fencing works in the Bishopton, Harrogate Hill, Haughton, Hundens Lane, Lingfield, Parkfield, and Sadberge areas. £291,000 is to be spent on improvements to footpaths in the same areas except Hundens Lane as the priority for this work is not as great there. £491,000 is to be spent on improvements to footpaths, fencing and hardstandings, including some parking provision, in the Firthmoor area.

- (12) £800,000 has been set aside in 2006/07 to fund the Council's contribution to the development of Extra Care facilities within Rosemary Court, in partnership with Hanover Housing Association. The Council have obtained a Department of Health grant for £3,033,930, made up of £1,575,248 for the refurbishment of the existing building and £1,458,682 to Hanover Housing for new build facilities comprising of an extensive range of shared communal facilities and 14 additional units of accommodation for older people with mental health problems. As previously agreed by Council, the works will be undertaken by Hanover's preferred partner,
- (13) A budget of £200,000 has been established to undertake preliminary development of an investment programme for a number of older sheltered housing schemes in the Darlington area, starting with the oldest first. Early costs will include necessary fees for architects and others who will help develop a feasibility assessment for the re-modelling or otherwise of such schemes, and further funding has been included here and drafted into the medium term draft projections to carry out proposed works.
- (14) Improvements to the Council's garage blocks will continue in the Branksome and Cockerton areas of the Borough.
- (15) Joinery works in anticipation of the cyclical external painting programme will take place on those dwellings that require it in Branksome, Cockerton, Sadberge and Heatherwood Grove areas.
- (16) Roof works including the renewal of roofs, fascias and guttering will take place at a variety of locations throughout the year.
- (17) Following the successful programme of energy efficiency works in 2005/06, which has seen to date almost 1,300 dwellings in the private sector have improved energy efficiency, a further programme to be developed in partnership with Tees Valley partners, the utility companies and government agencies will be delivered to further drive the improvements in the private sector. During 2005/06 the project has delivered 7 times the Council's original investment of £80,000 from the utility companies and householders who are able to pay. It is hoped that similar performance can be achieved in future years through the new partnership arrangements.
- (18) In partnership with the other Tees Valley authorities, a stock modelling survey will be undertaken across Tees Valley to deliver a picture of the levels of non-decent homes in the private sector and potential investment and intervention solutions. This will then better inform and target our Private Sector Stock Condition survey to be undertaken later in the year.

- (19) The Empty Homes challenge fund is a sub regional project to bring back into use those private sector properties that have been vacant for at least 6 months. Although a partner for the project has yet to be identified, the intention is that we would seek a developer partner to purchase and renovate the properties, using the Council's funding to offset a small amount of such costs, thus bringing the property back into use and achieve 100% nomination rights to the resulting tenancy.
- (20) DFG grants will continue to be offered according to the mandatory limit of £25,000, plus the additional optional top up loan of up to £10K as agreed by Cabinet last year. The increase in funding reflects the Government's removal of the means test for children and the support of our SHIP bid (see 2.c above).
- (21) The remaining private sector funding will help deliver decent homes in the private sector through the new financial assistance policy to be considered by the Council at the end of March.

Outcome of Consultation

4. The proposed programme is line with Housing Business Plan priorities as agreed with tenants during the stock option appraisal process, and has been discussed with members of the Tenants Board, and is aligned with the priorities for investment that have identified since that time.

Legal Implications

5. This report has been considered by the Borough Solicitor for legal implications in accordance with the Council's approved procedures. There are no issues which the Borough Solicitor considers needs to be brought to the specific attention of Members, other than those highlighted in the report.

Section 17 of the Crime and Disorder Act 1998

6. The contents of this report have been considered in the context of the requirements placed on the Council by Section 17 of the Crime and Disorder Act 1998, namely, the duty on the Council to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. It is considered that some of the improvement works identified in this report will be beneficial in reducing crime.

Council Policy Framework

7. The issues continued within this request do not represent change to Council policy or the Council's policy framework.

Decision Deadline

8. For the purpose of the 'call-in' procedure this represents an urgent matter, in order that housing capital expenditure for 2006/07 can be commenced with immediate effect.

Key Decision

9. This is a key decision because agreement to the recommendation will result in the Council incurring expenditure that is significant. There will also be a significant effect on the communities living or working in an area comprising two or more wards within the area of the Local Authority.

Recommendation

10. It is recommended that the Housing Investment Programme for 2006/07 be agreed and the funding released.

Reason

11. The recommendation is supported to enable the works and projects identified in the Housing Investment Programme for 2006/07 to proceed.

Cliff Brown
Director of Community Services

Background Papers

- (i) Capital Medium Term Financial Plan 2005/06–2008/09 – Report to Cabinet 3 February 2005.

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