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**HOUSING INVESTMENT PROGRAMME 2011/12**

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**Responsible Cabinet Member - Councillor Bill Dixon,  
Community and Public Protection Portfolio**  
**Responsible Director – Murray Rose, Director of People**

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**SUMMARY REPORT**

**Purpose of the Report**

1. The purpose of this report is to advise Members of the resources available for housing capital investment during 2011/12 and to recommend a programme to utilise these resources.

**Summary**

2. The annual Housing Investment Programme delivers essential home improvements for council tenants to ensure their homes meet their longer term expectations, create a safe and secure environment and meet quality standards over and above Decent Homes.

**Recommendation**

3. It is recommended that the annual Housing Investment Programme as set out in Table 2 for 2011/12 be agreed and the funding released.

**Reason**

4. The recommendation is supported to enable the works and projects identified in the annual Housing Investment Programme for 2011/12 to proceed.

**Murray Rose  
Director of People**

**Background Papers**

Capital Medium Term Financial Plan 3 March 2011

Alan Glew - 388202

S17 Crime and Disorder	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.
Health and Well Being	The annual housing investment programme will improve the health and well being of residents.
Carbon Impact	The implementation of the Housing Capital Investment Programme will reduce energy usage and provide higher levels of thermal comfort for dwellings benefitting from these measures thus reducing carbon emissions.
Diversity	The annual housing capital improvement programme will improve the accessibility of council owned property.
Wards Affected	Haughton East, Haughton West, Park East, Eastbourne, North Road, Northgate, Cockerton West, Lingfield, and Lascelles.
Groups Affected	Council tenants.
Budget and Policy Framework	This report does not recommend any changes to the policy framework
Key Decision	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.
Urgent Decision	For the purpose of the 'call-in' procedure this represents an urgent matter, in order that housing capital expenditure for 2011/12 can be commenced with immediate effect.
One Darlington: Perfectly Placed	The annual housing capital programme contributes to the delivery of the Sustainable Community Strategy through each of the theme areas.
Efficiency	Planned investment through the annual Housing Investment Programme will reduce the frequency and cost of reactive repairs and maintenance.

## MAIN REPORT

### Information and Analysis

5. Members agreed the Council's 2011/12 Capital Medium Term Financial Plan on 3<sup>rd</sup> March 2011, including the Housing Capital Investment Programme. Some changes are proposed in this report following the Medium Term Financial Plan and the reasons for the changes are detailed later in this report. 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 2011/12.

#### 6. Table 1: Estimated Capital Resources 2011/12

	2011/12
Resources	£000's
Major Repairs Allowance <sup>(a)</sup>	3,774
Prudential Borrowing <sup>(b)</sup>	3,546
Capital Receipts <sup>(c)</sup>	300
Disabled Facilities Grant <sup>(d)</sup>	300
RCCO <sup>(e)</sup>	2,320
Total	10,240

- (a) The Major Repairs Allowance (MRA) is 100% grant funding received from the Department of Communities and Local Government.(CLG). The MRA can only be used for capital improvements to the Council's housing stock.
- (b) 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 fifth year that prudential borrowing is being utilised.
- (c) Comprising 25% of usable capital receipts from the anticipated sale of Council houses in respect of the Right to Buy scheme.
- (d) The Department of Communities and Local Government (CLG) has confirmed that allocations for Disabled Facilities Grants (DFGs) will be sustained at least 2010/11 levels but a new formula based allocation process will be introduced. Details of this formula have yet to be released in order that Darlington can fully assess all of the implications. However, previous DFG allocations from CLG have been supplemented by further allocations of Single Housing Investment Programme (SHIP3) funding, SHIP3 funding is no longer available and approval is being sought from the Primary Care Trust to release £300k to supplement the expected CLG allocation of £300k to provide a total budget provision of £600k.
- (e) The Revenue Capital Contribution is funding from the Housing Revenue Account used to fund major capital works.

7. The priorities identified through the Housing Business Plan to be funded from the estimated capital resources for 2011/12 are shown in Table 2 below:-

**8. Table 2: Housing Investment Programme 2011/12**

Programme	£000's	2011/12 Total
<b>Planned Maintenance &amp; Renewals</b>		
Adaptations <sup>(a)</sup>	320	
Heating Replacement <sup>(b)</sup>	743	
Internal Planned Maintenance <sup>(c)</sup>	2,920	
Ted Fletcher Court <sup>(d)</sup>	1,000	
Rockwell House <sup>(e)</sup>	1,900	
Parkside <sup>(f)</sup>	2,202	
Digital TV Aerials <sup>(g)</sup>	50	
Energy Efficiency <sup>(h)</sup>	50	
Structural Repairs <sup>(i)</sup>	120	
Lifeline Services <sup>(j)</sup>	100	9,405
<b>Estates &amp; Community Improvements</b>		
Pavement crossings <sup>(k)</sup>	25	
Garage Improvements <sup>(l)</sup>	50	
Repairs Before Painting <sup>(m)</sup>	100	
Footpaths and fencing <sup>(n)</sup>	80	
External doors <sup>(o)</sup>	200	
Roof work <sup>(p)</sup>	80	535
<b>Private Sector</b>		
DFG Grants <sup>(q)</sup>	300	300
<b>Total</b>		<b>10,240</b>

- (a) 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 and live independently across the Borough.
- (b) New condensing boiler central heating systems will be fitted to 343 dwellings throughout the Borough but predominately in Haughton West, Park East, Eastbourne, North Road, Bank Top, Cockerton West, Lascelles, Lingfield and Northgate in 2011-12. The successful delivery of this programme is largely dependent on the responsiveness of utility services to provide new gas services to areas not currently serviced by gas on request from the local authority. The local authority (wherever possible) aim to programme gas installation works a year in advance of heating replacements being undertaken within specific households to overcome any potential delays.

- (c) An internal planned maintenance (IPM) programme to upgrade kitchens, bathrooms, security lighting, and, (where applicable) TV aerials and communal area redecoration. Approximately 364 dwellings located predominantly at Haughton East, Bank Top, Haughton West, Middleton St George, Northgate, Hurworth, Eastbourne and North Road in 2011/12 will receive these improvements. The scope of this programme has been broadened and now incorporates an element of improvement works previously identified as “environmental works” such as planned maintenance and renewal of electric showers, door entry systems and smoke detectors. The improvement works have been included within mainstream internal planned maintenance to assist with the delivery and efficiency of the programme through dedicated multi-skilled teams.
- (d) Ted Fletcher Court will be refurbished with the provision of new kitchens and bathrooms, improved communal areas, an improved heating system and small scale environmental works. The detail of this scheme will be subject to more detailed consultation with tenants in 2011/12 before the scheme detail is finalised. The scheme has been value engineered and lessons have been learnt from the recently completed sheltered scheme at Windsor Court which has delivered efficiency savings to the proposed programme budget.
- (e) Rockwell House improvement works are scheduled to commence in March 2011 and will be completed by March 2012. The proposed improvements include an improved entrance with buggy charging area, removal of communal bathing areas and the provision of flat floor showers within each flat, new kitchens and rewiring works. Enhanced boundary measures are also planned to improve the sense of security and well being alongside some small environmental works. The heating system will be upgraded to improve the energy efficiency of the building.
- (f) A major improvement programme commenced at Parkside in 2010/11 including internal planned maintenance and environmental works. Internal planned maintenance will include kitchen, bathroom and heating replacements. Environmental works will include boundary treatments such as new fencing and work to external pathways where appropriate. Up to 66 x 1 bed flats will be converted into three bed family homes after a successful pilot at 50-52 Wordsworth Road in 2010/11. The first phase of the improvements was completed in 2010/11. The programme will also examine opportunities for traffic calming measures which will be the subject of further resident consultation in 2011/12. It is expected that 180 properties will be improved over the two year programme. The total estimated cost for the programme is £3.3M but Members approval to release the second tranche of funding (£2.2M) in 2011/12 is sought through this report.
- (g) A programme of TV aerial upgrades to meet new digital requirements will be installed to replace outdated analogue systems for communal entrance blocks of flats across the Borough.

- (h) The energy efficiency programme will focus on reducing energy costs, improving the health and well being of vulnerable tenants, reducing fuel poverty and exploring the potential of renewable energy. As properties have not yet been identified for this programme and there is a requirement to maximise investment in 2011/12 given the Council House Finance Reforms, a modest programme has been proposed for 2011/12 with further work programmed for future years. This is to allow a further period of planning and evaluation of new renewable technology.
- (i) A small budget has been set aside to address any structural issues that may be identified within the year.
- (j) £100k in 2011/12 is set aside to continue to provide upgrades to the Lifeline Service (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. There will also be investment to replace the existing telecommunications equipment to improve the level of service that can be provided to residents.
- (k) £25,000 has been identified to fund pavement crossings across the Borough.
- (l) £50,000 will be invested in improvements to the Council's garage blocks in areas to be determined.
- (m) £100,000 will be invested in joinery works in anticipation of the cyclical external painting programme in areas to be confirmed throughout the Borough.
- (n) £80,000 has been set aside for boundary fencing and footpath renewal in areas to be confirmed throughout the Borough.
- (o) £200,000 has been set aside to repair and renew external doors in a planned programme in areas throughout the Borough to be identified by property inspection and estate surveys.
- (p) £80,000 has been set aside to undertake essential roofing repairs in a planned way in properties throughout the Borough identified through estate and property surveys.
- (q) DFG grants will continue to be offered according to the mandatory limit of £30k, plus the additional optional "Top up" Financial Assistance Loan of up to £10K as agreed by Cabinet in 2005. The total budget for mandatory DFG grants is yet to be confirmed by the Department of Communities and Local Government (CLG) but announcements have confirmed that the allocation for 2011/12 will be no less than the allocation in 2010/11. It is expected that the Primary Care Trust will also approve the release of £300k of funding from Social Care Reform Grant (SCRF) to supplement the allocation from CLG to provide an estimated total budget provision of £600k.

## **Aims and objectives of the Housing Investment Programme**

9. The aims and objectives of the Housing Investment Programme are:
  - (a) To meet the increasing expectations of local authority tenants.
  - (b) To ensure that Darlington continues to meet an “enhanced Decent Homes” standard.
  - (c) To improve the thermal comfort, safety and well being of local authority tenants.
  - (d) Provide a cyclical programme of improvement works.
10. The programme is not designed to remain static and priorities will be continually reviewed in the light of updated information such as public sector stock condition information.
11. There are two reasons why the Council may need to consider this programme:
  - (a) Due to the nature of improvement works scheduled, there will be some inconvenience and disruption to tenants but this will be minimised through careful planning and consultation.
  - (b) There is a considerable financial commitment by the Council in delivering the programme but the commitment has been agreed as part of the Medium Term Financial Plan.

## **Outcome of Consultation**

12. The proposed programme is in line with Housing Business Plan priorities as agreed with tenants during the stock option appraisal process, and is aligned with the priorities for investment that have been identified since that time. Consultation has been undertaken with the residents in each of the sheltered housing schemes and designs have reflected their aspirations as far as possible for schemes due to commence in 2011/12. A report was agreed and approved by the Tenants Board in respect of the Housing Investment Programme 2011/12 on 16 February 2011. The annual housing investment priorities follow a strict cycle of replacement and renewal as agreed with the Tenants Board.