

TOWER HAMLETS HOMES	Date 13 th May 2008	Classification Unrestricted	Report No:	Agenda No: 10
Report of: Technical Services Manager Author: Peter Allen / Richard Batchelor		Title: Draft Five-Year Housing Capital Investment Programme 2008 / 2013		

1. Summary

- 1.1 This report informs the Shadow ALMO Board of the proposed five-year Housing capital investment programme from 2008 to 2013 inclusive, prior to submission for Cabinet approval in June 2008.

2. Recommendations

The Shadow Board is recommended to:

- 2.1 Consider the draft five - year Housing Capital Investment Programme at Appendix A in order that any comments from the Shadow Board can be passed to the Council for inclusion in the report to Cabinet.

3. Background

- 3.1 This report sets out the proposed five-year Housing Capital Investment Programme which has been assembled using pre-identified selection and prioritisation principles. These arose from a best value review of major works in which residents considered the processes for prioritisation and agreed that stock condition should be a core determinant for inclusion within the programme particularly where there are health and safety concerns.
- 3.2 Other factors taken into account include decent homes requirements, area maintenance records in respect of lifts, heating and electrical rewires, an assessment of day to day running costs where an element may be incurring high running costs indicating a need for renewal, information from local housing offices, resident meetings, estate inspections and records showing where facilities are lacking in a block and members enquiries.
- 3.3 The Shadow Board is invited to consider and comment on the draft programme, which will then be considered for approval by the Council's Cabinet along with other elements of the Borough's overall Housing Investment programme, which also includes provision for designated regeneration schemes, new supply and Disabled Facilities Grants.
- 3.4 The draft programme is based on existing projected resources for investment in the Council's stock as set out in the table below. These projections do not make any assumptions about future Decent Homes funding. There may be minor adjustments to these projections prior to the submission of the report to Cabinet.

	2008/09	2009/10	2010/11	2011/12	2012/13
Supported Capital Expenditure (SCE)	14,000	14,000	13,500	13,000	13,500
Major Repairs Allowance (MRA)	10,890	10,890	10,890	10,890	10,890
Total	24,890	24,890	24,390	23,890	24,390

- 3.5 The Housing Investment Programme is a long term major works programme that is re-evaluated and updated on completion of each yearly cycle. This has been in operation as a rolling yearly programme since 1999. Cabinet last amended the programme on the 6th June 2007. The schemes forming the first year of the programme include schemes either in progress or that have been carried forward from earlier years.
- 3.6 Nominations of new schemes for inclusion into the programme have been sought and received from area and local housing offices, repair

teams, tenant and resident associations, tenant management organisations, residents on the resident involvement register Board resident members, and Councillors all of which have been considered for inclusion into the programme.

- 3.7 A similar report has also been presented to the resident Repairs and Investment group as part of the resident consultation process.

4. Development of the Programme

- 4.1 The draft programme includes any schemes carried forward from the original year one as the core of the programme in addition to those schemes already identified in the original cabinet report for year two amended to take into account of any Housing Choice adjustments. (I.e. where blocks included in the original programme have been transferred.) This then forms the new year one of the draft five year programme.
- 4.2 Schemes forming the new programme are listed as financial years 2008/09 to 2012 / 13. The status of the schemes are shown as being either committed, uncommitted, previously approved and new schemes.

5.0 Resident consultation

- 5.1 It is intended that tenants and leaseholders will be notified of any new schemes by letter during June / July notifying them if their block has been included in the draft programme for works to be progressed in 2008/09, detailing the type and extent of works proposed as part of the first stage of the resident consultation process.
- 5.2 Once an individual scheme is allocated for detailed development, residents are informed of the proposed scheme with relevant contact information. For large schemes, a resident drop-in meeting is arranged to discuss the works and seek residents' views. After acceptance of the contractors tender, leaseholders will receive their statutory formal thirty day Section 20 consultation to advise them of the scheme and anticipated individual costs.
- 5.3 A further meeting with residents is then held to introduce the contractor and discuss the operation of the contract. For smaller schemes this process is undertaken by letter. Newsletters are issued to keep residents informed of progress and for larger schemes further resident meetings are held to discuss any specific issues and progress. On completion of the works residents receive completion letters and satisfaction survey letters to comment on the completed works.

6. Transition to Decent Homes Programme

- 6.1 The current Housing Investment Programme comprises approximately 48% single element renewal works, 38% of schemes involve more than one element being renewed or repaired with the remaining 14% targeted at security improvements and environmental works. The programmed works are used to update the existing stock condition survey database as works are completed to revise the information held on dwellings requiring works to make them decent.
- 6.2 The Council has appointed consultants Savills to review the procurement options to deliver the decent homes programme. This has included a review of the stock condition information, resource assumptions, procurement strategy, and options for programme management and delivery. A presentation on the strategy and process for the development of the Decent Homes programme was provided to the Shadow Board on the 15th January 2008.
- 6.3 Once Tower Hamlets Homes accesses decent homes funding there will be a transitional period between the existing delivery of major works through the capital investment programme using our existing partnering contractors and commencement of the main Decent Homes programme. This will include both internal and external works with a likely anticipated start of the programme in 2010, depending on confirmation of resources from the Government.
- 6.4 It is anticipated that the review of the five year programme at this time next year will be carried out in tandem with the developing Decent Homes programme. The Decent Homes programme will take precedence over and then replace the current five year programme.

Appendix A – Proposed Draft Housing Investment Programme 2008-2003.

Within this schedule, the scheme stage codes used are as follows: -

0	No Action Yet
1 to 4	Feasibility/Design
5	Pre-Tender L/H Consultation
6	Scheme & Estimate Report
7	Contract Documents Complete
8	Tenders Invited
9	Tenders Received
10	Tender acceptance Report
11	Leasehold Consultation Complete
12	Tender Approved
13	Scheme Let
14	Works in Progress
15	Practical Completion
16	Submitted for Audit
17	Audited
18	Final Account Paid