

**Meeting of the Executive Members for
Housing and Adult Social Services and
Advisory Panel**

10 September 2007

Report of the Director of Housing and Adult Services

**Housing and Adult Social Services Capital Programme 2007/08
Monitor 1**

Summary

1. This report presents the first quarter review of the 2007/08 Housing and Social Services Capital Programmes and the resources available to support them. The report also recommends that the Executive Members approve the variations.

Background

2. The approved Housing Capital Programme for 2007/08 is £9,131k with £4,685k funded through the MRA. The approved Social Services Capital Programme for 2007/08 is £221k. Annexes 1 and 2 set out the programmes in detail.
3. Officers have reviewed the programme of investment projects during the first quarter of 2007/08 and the resources needed to fund them. Any minor variations have been agreed within delegated powers.

Consultation

4. There has been no consultation carried out to produce this report.

Housing Capital Programme

Modernisation of Local Authority Homes (Capital Scheme)

5. There have been minor variations resulting in a projected increase in expenditure of £24k, this is made up of increases of £22k in window replacement and £2k in Sheds & Garages.

Table 1. Repairs to Local Authority Properties,

Scheme	Approved Budget 2007/08 £000k	Revised Costs 2007/08 £000k	(Under)/Over spend 2007/08 £000k
Installation and Replacement of Heating Systems	1,481	1,712	231

6. There is a major variation resulting in a projected increase in expenditure of £231k within the Installation and Replacement of Heating Systems project. This is as a result of large numbers of predominantly old back boiler units failing their annual gas service. These boilers are due for replacement within the current 4 year capital programme and hence this work is not additional to the programme but is simply being brought forward into a larger 2007/08 project. A number of additional operational processes have been brought into place to monitor and manage this process.

Assistance to Older & Disabled People

7. There has been a minor variation resulting in a projected increase in expenditure of £10k on the Council Adaptations project.

Housing Grants & Associated Investment

8. There has been minor variations resulting in a projected increase in expenditure of £48k, this is made up of increases of £8k on Mandatory Disabled Facilities Grants and £2k on the York Repair Grant and a projected decrease in expenditure of £2k on Decent Homes Grants. A new £40k security grant has been established and funded from within existing grant income.

Table 2. Modernisation of Local Authority Homes (MRA Scheme),

Scheme	Approved Budget 2007/08 £k	Revised Costs 2007/08 £k	(Under)/Over spend 2007/08 £k
Tang Hall	2,244	2,070	(174)
Clifton	98	272	174
Total	2,342	2,342	0

9. There were 23 properties on Dodsworth Avenue that had been included in the Tang Hall programme to receive partial TC works due to the age of their electrical wiring and boilers. Upon survey it became clear that the good condition of the wiring and boilers meant that the properties did not fail decent homes (elements must be old and in poor condition). Under the York Standard of whole house modernisation at this point should the wiring and heating have been modernised the kitchen and bathroom's were not of an

age to warrant works and these customers would have had to be revisited and disturbed again for another future modernisation.

10. It is therefore recommended that the properties in Dodsworth Avenue are monitored over time to a point where whole house modernisation is considered appropriate in order to reduce unnecessary works and disruption. This would result in a reduction in expenditure of £174k on the Tang Hall project. The 6 customers who were visited regarding potential works have been informed of this, the remaining 17 customers had not been informed of any potential works.
11. To ensure that the approved levels of expenditure are achieved it is proposed to increase the Clifton project by £174k and bring forward the modernisation of Skelton Court by 1 year from the 2008/09 address list.
12. There has also been a minor variation resulting in a projected decrease in expenditure of £29k on the Nether Poppleton Tenants Choice project due to reduced average unit cost.

Product Specification

13. As part of Housing Services ongoing commitment to continuous improvement, officers have undertaken a review exercise of the specifications of central heating boilers on the programme. The outcome of this is a recommendation to use a high quality Combination Boiler for all dwellings as opposed to the current mix of Combination and Conventional boilers.
14. There are a number of benefits from this proposed change for both the authority and the customer. From a customer perspective they will have hot water 24 hour a day, increased storage space as a result of the removal of cylinders/tanks, reduced disruption during installation and simple operation. Calculations also suggest that the installation of a combination boiler rather than a conventional boiler reduces fuel bills on average by £15 per year.
15. From the authorities perspective, the cost of installation reduces, installation is easier and quicker and creating conformity of appliances will result in better maintenance and servicing. Evidence from manufacturers also suggests fewer breakdown faults recorded for the combination boiler.
16. There are also a number of environmental benefits from moving to combination boilers. Calculations suggest a 0.2 tonne reduction in carbon dioxide emissions per boiler per annum. In this financial just over 1000 central heating boilers will be replaced resulting in an overall reduction in carbon emissions of 213 tonnes per annum on a recurring basis, almost 3200 tonnes over the average life span of the boilers. This will obviously increase year on year as more boilers are replaced. Whilst this is only a small reduction in carbon emissions it signals Housing Services' commitment to reducing carbon emissions and will support the councils commitment to reduce its carbon emissions by 25% in the next five years.

17. The financial value of this change has been factored into the returns provided within this report.

Miscellaneous

18. It is proposed to use the £38,000 currently available from commuted sums to support a scheme with Home Housing Association to provide two additional social rented units through a purchase and repair scheme. This funding is too small an amount for us to do anything meaningful with, in terms of providing extra affordable homes. Consequently, this provides an excellent opportunity to gain extra social rented homes for which we have a very significant need as highlighted in the recently published Housing Market Assessment. If we do not use the additional £38,000 to put to this scheme Home Housing will only be able to provide one affordable home.

Social Services Capital Programme

19. A number of new schemes are included on the Social Services Capital Programme, all of which are fully funded from grant or other government funding. An outline of these schemes is provided in Table 3 below.
20. The only other variation to report is the increase in the cost of the work at Morrell House by £20k as a result of approved variations.

Table 3. Social Services

Scheme	Estimated Expenditure 2007/08 £'000
Improving Information Management – This grant is received from the Department of Health and can only be used to meet capital expenditure, in connection with the improvement to the quality of social care services, through better use of information and information technology, eg Frameworki, SAP and mobile technology.	91
Improving the Care Home Environment for Older People – This grant has been received from the Department of Health to enhance the physical environment in care homes registered to provide nursing or personal care where the majority of places are for older people.	220
22 The Avenue Improvements – This funding is ring fenced to Mental Health services and it is proposed that this is used to bring bathroom, toilets and kitchen facilities up to an acceptable standard and to create disabled access within the building.	94
Total	405

Corporate Objectives

21. The Capital Programme contributes to the Corporate Aims of meeting and exceeding the Government's Decent Homes Standard by 2010 as well as improving the health, well-being and independence of York residents through grants, adaptations and independent living. The proposed changes to product specification supports the councils commitment to reducing its carbon emission by 25% in the next five years.

Implications

Financial

22. The outcome of the minor variations agreed within officer's delegated authority and the variations outlined in this report result in a £322k increase in the Housing Programme and an increase of £20k in the Social Services Capital Programme. The revised Housing Capital Programme for 07/08 will stand at £9,453k with £4,656k funded through the MRA. The revised Social Services Capital Programme for 2007/08 will stand at £646k gross of which £94k is funded by Supported Capital Expenditure (Government funding) and £311k is funded by capital grant resulting in a net Capital Programme of £241k.
23. Whilst Right to Buy sales continue to fall, the average price is increasing. The net result is that the level of capital receipts available to fund the programme is on target to be achieved in this financial year. The current estimate is that 35 sales will complete at an average price (after discount) of £72k.
24. There are no Human Resources (HR), Equalities, Legal, Crime and Disorder, Information Technology (IT), Property or Other Implications.

Risk Management

25. This reports follows the due process and presents the current outturn position and does not request decisions from a number of options hence does not contain risk.

Recommendations

26. That the Advisory Panel advise the Executive Members to
 - Note progress made on schemes
 - Approve the variations listed in tables 1 and 2
 - refer the schemes in table 3 and paragraph 19 to the Executive for approval

- note minor variations made under officers delegated authority and the officer specification recommendation of paragraph 13

Reason: To update the Members of the first quarter review of the Housing and Social Services Capital Programmes.

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Report Approved

Date 17th August 07

Wards Affected: *List wards or tick box to indicate all*

All

For further information please contact the author of the report

Annexes

Annex 1 – Housing Capital Programme 2007/08

Annex 2 – Social Services Capital Programme 2007/08.