

Agenda item:

[No.]

Report to Overview and Scrutiny Committee

On 1st December 2008

Report Title: **Position Statement on the delivery of the Decent Homes Programme**

Forward Plan reference number (if applicable):

Report of: **Niall Bolger Director of Urban Environment**

Wards(s) affected: **All**

Report for: **Information**

1. Purpose

1.1 To provide Members of the Overview and Scrutiny Committee with a position statement regarding the current delivery of the decent homes programme.

2. Introduction by Cabinet Member

2.1 I note the progress made by Homes for Haringey in achieving decent homes. I have visited some completed decent homes and I have observed how thrilled residents are with the improvements.

2.2 I have raised the issue of digital cabling for when the analogue TV signal is switched off to ensure that this cabling takes place at the same time as the decent homes works. This will also remove all satellite dishes from our blocks of flats.

2.3 I have raised the issue of flat roofs with the short lifespan being replaced with pitched roofs, if the construction permits, at the same time as the decent homes works. I have also raised the issue of extra unsightly security grills being refitted in front of newly fitted front doors in breach of health and safety/fire regulations and I will ensure that action is taken where this occurs.

3. Recommendations

3.1 That Members note the contents of this report.

Report Authorised by: **Niall Bolger, Director of Urban Environment**



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4. Chief Financial Officer Comments

4.1 The currently approved 2008/09 capital budget for the Decent Homes programme is £27.548m. The estimated cost of the works packages awarded or to be awarded for 2008/09 is approximately £34m. The cost of the works in excess of the budget will be primarily met from leaseholder recharges for major works and non-utilisation of part of the contingency element which is currently provided at 10% of the contract value of works.

5. Head of Legal Services Comments

5.1 The Head of Legal Services has been involved in the Decent Homes programme and has been light-touch monitoring the work of the appointed external legal advisers, Trowers and Hamlin, in relation to the programme.

6. Local Government (Access to Information) Act 1985

6.1 No relevant documents

7. Financial comments

7.1 The funding allocation for the Decent Homes Programme of £198.5m represents considerable financial investment for the borough of Haringey phased over six years. There is a need to ensure that there is significant and robust management and monitoring of the programme to ensure that the total commitment expenditure does not exceed the allocations throughout the life of the programme.

8. Legal Implications

8.1 See section 5.1.

9. Strategic Implications

9.1 The Council is committed improving the quality of the current housing stock through the delivery of the decent homes programme. The position statement sets out the general context in which the decent homes programme is being delivered by the Council's strategic delivery partner, Homes for Haringey.

10 Recommendation

10.1 That Members note the position and progress relating to the current delivery of the first year decent homes programme.

11. Introduction

- 11.1 In January 2008, the Department for Communities and Local Government announced that Haringey Council would receive funding of £198.5million, phased over a six year period to support the delivery of the decent homes programme. It should be noted that the funding allocation of £30m for the fiscal period of 2009/10 is confirmed. However, the funding allowance from 2010 onwards is indicative only. In order to ensure that the allocated funds is confirmed throughout the six year period, Homes for Haringey will have to retain its two star status when it is re-inspected in 2010. This report also assumes that the funding arrangements for awarding decent homes funding to two or three star ALMO's will not have changed under new rules introduced by the Homes and Communities Agency.
- 11.2 Following a robust and extensive partner selection process administered by Homes For Haringey , four constructor partners were appointed by Haringey Council in accordance with the Council's procurement procedures in February 2007. The decent homes constructor partners have been procured under a four year framework agreement with each individual contract being awarded by the Council's Procurement Committee where the contract value exceeds the £250,000 as set out in Contract Standing Orders. Haringey's decent homes programme, will involve the refurbishment of more than 11,000 council homes and will be delivered through 4 contract areas as follows:
- Wood Green, (Mullaley)
 - Hornsey, (Wates Living Space)
 - North Tottenham (Lovell Partnership)
 - South Tottenham (Apollo)
- 11.3 Works undertaken under the decent homes programme include: the installation of replacement double glazed windows, kitchen and bathroom refurbishment, multi lock 'secure by design' front entrance doors, renewed fascias, soffits and rainwater goods, and roof works where required. Additional works that fall outside the scope of the decent homes programme such as digital satellite provision are also being considered and installed where practical or where there are specific efficiencies to be gained from carrying out the work at the same time. The components used in the decent homes programme are designed to enhance the environment and improve the energy efficiency of homes.

12. Resident involvement

- 12.1 Resident involvement is critical to the successful delivery of the decent homes programme. All constructor partners are signed up to maintaining the ethos and the standards of resident empowerment as set out in Homes for Haringey's Residents Handbook. Prior to each scheme commencing on site, residents and the local Ward Member are written to and invited to attend the meeting. Following the meeting, a newsletter is sent to all residents.

- 12.2 Residents are encouraged to complete the customer satisfaction survey form in order to assess their views regarding the delivery and standard of work. Leasehold consultation forms part of the overall consultation process. Where leaseholders will be affected by the programme delivery each leaseholder will be issued with the relevant notice in compliance with the statutory provisions regarding leasehold consultation in addition to the wider consultation process in place for all residents who benefit from the programme.
- 12.3 The customer experience with the decent homes programme has been positive as reflected in the reported satisfaction levels of 94%. In total 399 satisfaction forms have been dispatched to residents, and 312 forms have been returned. Residents who have expressed dissatisfaction with any aspect of the programme are contacted directly by officers from Homes for Haringey's resident liaison team. Officers not only seek to discuss residents concerns but also aim to prevent issues from reoccurring on other schemes. In summary, the single issue to which residents seem to express dissatisfaction with is where a resident may have only received bathroom work and no kitchen.
- 12.4 Residents are also invited to participate in the signing off process where works are completed at each scheme.

13. The Decent Homes Programme 2008/9

- 13.1 The first year of decent homes programme commenced in April 08 and will result in a total of 36 packages of work each being approved by the Council's Procurement Committee where the contract value exceeds £250k. It is expected that a total of 1,894 homes will benefit from the work by the end of this fiscal year with a total cost of £34m. The programme is based on 16 Priority Schemes that have been specifically identified as having the highest levels of non-decency according to the 2003 stock quality survey and also includes schemes from the major works programmes that were previously deferred due to the lack of funding. The other issue that was considered in devising this year's programme was to identify schemes to facilitate ease of delivery, and their proximity to the priority schemes.
- 13.2 As part of Homes for Haringey's risk management process the annual audited accounts for 2007/08 of all the decent homes constructor partners were audited in November 2008 in response to the recent downturn in the construction market. The audited accounts raise no cause for concern though it is noted that these accounts predate the current market downturn. However this exercise will be repeated with the 2008/09 accounts with a view to identifying any significant changes in their fortunes that could be attributed to today market. At present there are no known concerns regarding the financial health of the constructor partners in relation to their ability to deliver Haringey's decent homes programme.

14. Headline Progress against the Programme

14.1 As at the end of October 08 a total of 750 homes have been brought up to the decent homes standard and there are a further 168 homes where the decent homes works is progressing. Satisfaction surveys are completed and analysed during each phase of the programme. Resident satisfaction with the work to date indicates a satisfaction rating of 92%.

14.2 Health and Safety

14.3 Health and safety during the programme delivery is robustly monitored and forms part of the performance indicators for each package as well as the overall programme. The decent homes contractors are required to achieve a 100% safety record for both reportable and non reportable accidents. To date there has been 1 accident reportable under the Health and Safety Executive guidelines.

15. Decent Homes Programme Year 2-5

15.1 The Leader of the Council and the Cabinet Member for Housing have been consulted on the overarching principles that will govern Haringey's decent homes programme. Ward Members have also been involved in the consultation process.

15.2 It is proposed that, during the second year of the programme, 8 packages of work are expected to be approved during 2009/10. Although this is substantially less than the 34 packages submitted for approval in 2008/9, they will be larger packages of work for the contract areas.

16. Conclusion

16.1 The effective delivery of decent homes programme that commences on time and is completed within budgeted costs will be a key driver towards meeting the aspirations of the tenants of Haringey while contributing significantly to enhancing the quality of life residents.

16.2 Homes for Haringey are committed to ensuring that the decent homes programme continues to meet the aspirations of residents while ensuring that investment is appropriate targeted to achieve the overarching aims of the programme,

Appendix A

Decent Homes Programme Summary – 7th November 2008

Area	Report Number	Agreed Maximum Price by work package	Start on Site	Finish on site	Number of Units Involved	Units Completed
Hornsey	HOPH1	£1,562,501.00	08/09/2008	05/12/2008	75	24
Hornsey	HOPH2	£2,864,346.00	13/10/2008	06/03/2009	114	7
Hornsey	HOPH3	£598,967.13	02/06/2008	22/08/2008	26	21
Hornsey	HOPH4	£252,333.26	16/06/2008	04/08/2008	20	20
Hornsey	HOPH5	£242,652.04	18/08/2008	12/09/2008	18	11
North Tottenham	NT1	£1,063,712.39	19/05/2008	14/11/2008	61	40
North Tottenham	NT2	£369,121.73	23/06/2008	28/11/2008	13	5
North Tottenham	NT3	£1,237,224.22	07/07/2008	06/03/2009	80	44
North Tottenham	NT4	£941,314.91	09/06/2008	28/11/2008	52	45
North Tottenham	NT5	£1,203,761.28	21/07/2008	19/12/2008	78	35
North Tottenham	NT6	£834,402.46	15/09/2008	05/03/2009	72	28
North Tottenham	NT7	£1,015,186.57	20/10/2008	20/02/2009	106	4
North Tottenham	NT8	£1,752,295.00	20/10/2008	02/05/2009	113	3
North Tottenham	NT9	£1,622,590.00	20/10/2008	29/05/2009	104	2
South Tottenham	ST1	£648,274.23	31/03/2008	18/07/2008	37	37
South Tottenham	ST2	£1,220,885.05	02/06/2008	14/11/2008	71	67
South Tottenham	ST3	£830,501.14	02/06/2008	19/09/2008	77	77
South Tottenham	ST4	£2,402,166.68	16/06/2008	06/03/2009	96	39
South Tottenham	ST5	£1,380,645.06	30/06/2008	23/01/2009	84	67
South Tottenham	ST6	£627,875.90	30/06/2008	17/10/2008	32	30
South Tottenham	ST7	£2,048,608.79	04/08/2008	06/03/2009	102	15

South Tottenham	ST8	£1,382,707.77	06/10/2008	06/03/2009	66	6
Wood Green	WG1	£2,517,554.10	19/05/2008	12/01/2009	112	70
Wood Green	WG2	£220,959.70	27/05/2008	14/07/2008	12	10
Wood Green	WG3	£466,558.48	04/08/2008	03/11/2008	19	17
Wood Green	WG4	£359,973.69	04/08/2008	06/10/2008	18	16
Wood Green	WG5	£322,255.86	08/09/2008	03/11/2008	14	10
Wood Green	WG6	£597,830.00			40	Yet to proceed to Cabinet Procurement
Wood Green	WG7	£174,367.00	13/10/2008	13/02/2009	15	
Wood Green	WG8	£778,541.88	11/12/2008	04/03/2009	40	
Wood Green	WG9	£164,312.64	25/11/2008	26/02/2009	8	
Wood Green	WG10	£116,805.21	25/11/2008	16/02/2009	6	
Wood Green	WG11	£599,014.00	17/11/2008	12/01/2009	29	
Wood Green	WG12	£465,423.31	01/12/2008	27/03/2009	21	
Wood Green	WG13	£502,415.08	17/11/2008	25/02/2009	40	
Wood Green	WG14	£1,128,167.30	08/12/2008	27/02/2009	63	
sub totals		£33,918,420.86			1894	750
						40%