


**Haringey Council**

<b>Report for:</b>	<b>Cabinet on 18 December 2012</b>	<b>Item Number:</b>	
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<b>Title:</b>	<b>Decent Homes Programme 2013-14 (Year 6)</b>
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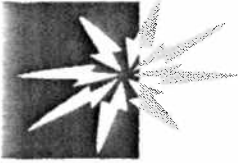
<b>Report Authorised by:</b>	<b>Mun Thong Phung, Director of Adult &amp; Housing Services</b>
<b>Signed:</b>	
<b>Date:</b>	<b>6.12.12</b>

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<b>Ward(s) affected:</b> All	<b>Report for:</b> Key Decision
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**1. Describe the issue under consideration**

- 1.1 The purpose of this report is to provide Members with details of the investment priorities that are proposed for the 2013-14 Decent Homes programme, together with details of a number of other investment priorities that are recommended for inclusion in the programme when funding becomes available.
- 1.2 Now that the Greater London Authority has confirmed Haringey's allocation of Backlog Decent Homes funding for the next two years, this report seeks Cabinet approval of the proposed investment priorities for 2013-14, together with a 'reserve list' of homes that can be added to the programme when funds allow.



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## **2. Cabinet Member introduction**

- 2.1 Following confirmation of the funding for the Decent Homes programme the projects can now be finalised for 2013/14.
- 2.2 These projects have been chosen in accordance with the residents consultation results that works should be concentrated on roofs, windows and health and safety issues following the reduction in funding that has caused the cessation of works on kitchens and bathrooms. In addition, the repairs history has also been used to assist in the selection of these projects.
- 2.3 The works will ensure additional homes in Haringey are maintained to a level that will reduce the demand for responsive repairs, improve thermal comfort, security of homes and enhance the local environment.

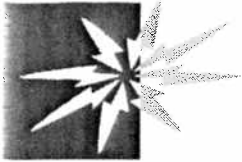
## **3. Recommendations**

3.1 It is **recommended** that the Cabinet:

- (a) Notes and agrees the proposed investment priorities for 2013-14 (Year 6 of the Decent Homes programme) as detailed in **Appendix 1** of this report;
- (b) Notes the £10m 'reserve list' of homes, detailed in **Appendix 2** of this report, and agrees that these homes should be added to the Decent Homes programme when funds allow;
- (c) Agrees that authority to approve the Agreed Maximum Prices for the 2013-14 Decent Homes programme is delegated to the Director of Adult and Housing Services after consultation with the Cabinet Member for Housing.
- (d) Agrees that, where it is deemed necessary to make adjustments to the 2013-14 Decent Homes programme and/or the reserve schemes (due to confirmation of the Agreed Maximum Prices for these works, the availability of funding and/or stock investment priorities), such decisions are delegated to the Director of Adult and Housing Services after consultation with the Cabinet Member for Housing and the Cabinet Member for Finance and Carbon Reduction;
- (e) Notes that further reports will be produced early in 2013, recommending the investment priorities for the 2014-15 (Year 7) Decent Homes programme and the appointment of Quantity Surveying and Multi Disciplinary Design consultants to support the delivery of the housing capital programme from 2013-14 onwards;

## **4. Alternative options considered**

- 4.1 The Decent Homes programme for 2013-14 and 2014-15 will ensure that at least another 2,459 council homes are brought up to the Decent Homes Standard by the end of March 2015. Planned investment is being arranged in priority order.



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4.2 Although it is possible to alter the investment priorities between years, the investment proposed for 2013-14 is deemed to represent the most effective way of making homes decent and meeting current and future investment needs.

### 5. Background information

5.1 On 6 September 2012, the Greater London Authority confirmed Haringey's Decent

	<b>GLA Backlog funding £m</b>	<b>HRA contribution (subject to confirmation) £m</b>	<b>TOTAL (£m)</b>
<b>Year 6 (2013-14)</b>	£6.451	£ 9.00	<b>£15.451</b>
<b>Year 7 (2014-15)</b>	£27.480	£ 9.00	<b>£36.480</b>
<b>TOTAL</b>	<b>£33.931</b>	<b>£18.00</b>	<b>£51.931</b>

Homes Backlog funding allocations for the next two years:

- 2013-14 – £6.451m
- 2014-15 – £27.48m

5.2 Decent Homes Backlog funding is conditional on agreed outputs being delivered. The key output is a commitment to make 2,459 homes decent by March 2015.

5.3 The following table sets out the Decent Homes budget for Years 6 and 7. The amounts assume an additional Housing Revenue Account (HRA) contribution of £9m per annum which has not yet been confirmed:

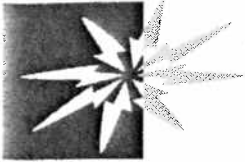
5.4 Work on stock investment is ongoing and Decent Homes programme delivery will continue to be closely aligned with the priorities emerging from that work. For the 2012/13 programme, this meant the suspension of planned works for Tangmere, Broadwater Farm. Any such considerations relating to the proposed Decent Homes programme for 2013-14 will be dealt with under delegated authority.

#### Decent Homes Programme 2013-14 (Year 6)

5.5 For the Year 6 Decent Homes programme it is proposed that the Council continues with the “elemental” approach to Decent Homes which prioritises Health and Safety works and essential external elements.

5.6 The criteria that have been used to prioritise investment are as follows:

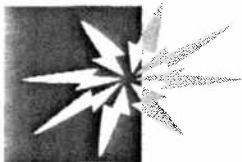
- Proposals for the homes to be included in the Year 6 programme have been prepared on the basis of the following priorities;
- Investment need, as identified through analysis of stock condition data;
- Worst roofs (based on repairs history) and roof and window replacements prioritised by Haringey Repairs Service (HRS);



- Continuation on estates to complete works that are already underway;
  - Completing works to the remaining Community Good Neighbour Schemes; and
  - Other homes in the immediate vicinity of the above.
- 5.7 The investment proposals contained in this report have been discussed with Homes for Haringey's Board and its Residents Asset Management Panel.
- 5.8 **Appendix 1** of this report sets out the recommended investment priorities for the 2013/14 Decent Homes programme, expected to bring 359 homes up to decency.
- 5.9 The programme is based on indicative costs derived from the stock condition survey and added contingencies, with firm prices to be determined once detailed contractor surveys have been carried out. It is recommended that authority to approve the Agreed Maximum Prices for these works is delegated to the Director of Adult and Housing Services in consultation with the Cabinet Member for Housing.
- 5.10 **Appendix 2** of this report comprises a list of 'reserve' schemes (with an estimated total value of £10m) that can be brought into the programme when funding becomes available. Such decisions will be made, under delegated authority, by the Director of Adult and Housing Services in consultation with the Cabinet Member for Housing and the Cabinet Member for Finance and Carbon Reduction.
- 5.11 The scope of works used for Appendices 1 and 2 assumes that, where roofs are renewed, they will be replaced on a like for like basis. No provision has been made for the additional cost of pitched roof renewal.

#### Decent Homes Programme 2014-15 (Year 7)

- 5.12 If the proposed programme for year 6 is agreed, a minimum of 2,100 homes will need to be made decent in Year 7 to meet the Decent Homes Backlog funding target.
- 5.13 As the 'elemental' approach will not enable Haringey to meet the Greater London Authority's Decent Homes Backlog funding target, a programme of internal works (including kitchens, bathrooms and dwelling entrance doors) will be needed in order to bring properties up to the Decent Homes Standard.
- 5.14 A detailed programme of works for the Year 7 Decent Homes programme is being developed and will be presented to the Cabinet for a decision early in 2013.
- 5.15 As the contractor and consultant frameworks that have delivered the Decent Homes programme to date will end on completion of the 2012-13 (Year 5) programme, new frameworks will be used to deliver the housing capital programme from 2013-14 onwards. A procurement exercise is being undertaken to appoint Quantity Surveying



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and Multi Disciplinary Design consultants, the outcome of which will be reported to Cabinet in February 2013.

- 5.16 In order to meet Haringey's funding target, the investment priorities in the 2014-15 Decent Homes programme will need to bring at least 2,100 homes up to the Decent Homes Standard. Although there will be sufficient funding to complete this work in 2014-15 (assuming the £9m contribution from the Housing Revenue Account), consideration is to be given to the merits of reducing the standard for internal works where it is possible, for example, to achieve decency by upgrading the kitchen or the bathroom in properties, rather than upgrading both.
- 5.17 For homes with complex or extensive investment needs, the Council may need to adopt a different approach – making optimum use of the new freedoms and flexibilities provided under the HRA self-financing arrangements – to the one that it has adopted for its Decent Homes programme.
- 5.18 A different approach may be needed, for example, for the 'Orlit' dwellings (concrete buildings with design defects), the Noel Park Estate (including the bathroom pods), Tangmere (on Broadwater Farm), the prefabricated dwellings and Imperial Wharf.

## **6. Comments of the Chief Finance Officer and financial implications**

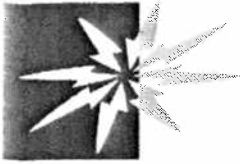
- 6.1 Decent Homes backlog funding from the GLA has now been confirmed in the sum of £6,451 for 2013/14 and £27,480 for 2013/14. It should be noted that this proposed grant is conditional upon 2,459 homes being brought up to Decent Homes Standard by March 2015 and the programme should be prepared to achieve this.
- 6.2 The HRA Medium Term Financial Plan indicates that up to £9m in each of the years 2013/14 and 2014/15 will be available from revenue resources to top up Decent Homes funding, bringing the total funding for the two years to £51.931m.
- 6.3 The programme has been prepared based on indicative costs from the stock condition survey conducted in 2010. Firm figures for the proposed and reserve programmes listed in Appendices 1 and 2 will only be available after the contractor surveys have been completed.

## **7. Head of Legal Services and legal implications**

- 7.1 As this report relates to the Decent Homes investment strategy, the Head of Legal Services sees no legal issues arising at this stage. However advice should be sought from Corporate Legal Services on the further report relating to the appointment of the Quantity Surveying and Design consultants.

## **8. Equalities and Community Cohesion Comments**

- 8.1 Homes for Haringey's Asset Management Strategy, 2007/2017, covers all investment in the Council's housing stock, including Decent Homes. In drawing up the Strategy, an Equalities Impact Assessment was undertaken. The findings have been incorporated into Homes for Haringey's planning processes for delivering decent homes. This includes ensuring that all residents receive the same standard



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of work, and consideration of specific language and other needs are identified and addressed when drawing up programmes of work.

**9. Head of Procurement Comments**

9.1 The Head of Procurement notes the information contained in recommendations 3.1, including the issue of further reports in early 2013 for the appointment of Quantity Surveying and Multi-Disciplinary Design consultants to support the delivery of the housing capital programme from 2013-2014 onwards

**10. Reasons for Decision**

10.1 A decision is required to allow Haringey Council and Homes for Haringey to improve specific properties in 2013/14 following the confirmation of the Backlog Decent Homes funding allocation by Greater London Authority in September 2012. Approval of this decision by Cabinet will ensure that the allocated funding is fully spent within 2013/14 to meet the GLA's requirement.

**11. Use of Appendices**

Appendix 1 – Proposed 2013-14 (Year 6) Decent Homes Priorities By Area

Appendix 2 – Proposed 'Reserve list' of Decent Homes Priorities 2013-14 (£10m)

**12. Local Government (Access to Information) Act 1985**

12.1 The background papers relating to the subject of this report are:

- GLA confirmation letter of backlog Decent Homes funding allocation for the next two years.

12.2 These can be obtained from Larry Ainsworth or Pauline Hinds (Senior Project Managers, Homes for Haringey) on 020 8489 1134.