

ISLE OF ANGLESEY COUNTY COUNCIL	
Report to:	Executive Committee
Date:	17th March 2014
Subject:	Public Sector Investment Programme
Portfolio Holder(s):	Councillor Kenneth P Hughes
Head of Service:	Shan Lloyd Williams
Report Author: Tel: E-mail:	Dafydd J Rowlands 01248 752240 drxhp
Local Members:	N/A

A – Recommendation/s and reason/s
<p>1.0 INTRODUCTION</p> <p>1.1 The attached Planned Maintenance Programme for 2014 – 2015 (Appendix 1) in the sum of £5.735m allocates the capital resources previously included in our approved HRA Business Plan. The overall budget will include for carried forward commitment and slippage from the approved budget for 2013 – 2014. Total budget including commitment is in the sum of £7.085m.</p> <p>2.0 WELSH HOUSING QUALITY STANDARD UPDATE</p> <p>2.1 Our Capital Programme for 2013 – 2014 confirmed our intention to commission a post Internal Investment Programme stock condition survey in order to:</p> <ul style="list-style-type: none"> • Seek independent verification that WHQS compliance has been achieved • Inform future investment planning priorities and financial requirements; and • Update Stock Condition data prior to the adoption of asset management software, namely Keystone. <p>Following a report to the Executive Committee during June 2013, the Housing Service engaged the services of an experienced company to undertake a representative 20%</p>

sample of the Housing Stock.

Below is an extract of the Executive Summary of the Stock Condition Survey undertaken during the summer of 2013:

“The overall impression of the stock gained from the surveys is that it is in good condition having enjoyed the benefits of substantial Investment. The Council has finished the internal modernisation programme which consisted of new kitchens, bathrooms, rewires and heating systems. Whilst there has been investment in the external and environment areas continued investment will need to be carried out to meet the ongoing obligations of the WHQS.

Our survey has included an assessment of the properties against the criteria set out in the WHQS. Other than where the residents have refused works or it is not pragmatic to carry out the work the housing stock meets the requirements for the WHQS.”

3.0 2014 – 2015 INVESTMENT PROGRAMME

3.1 Internal Investment Programme

We are satisfied that, wherever practically possible, all properties meet WHQS with the exception of refusals of acceptable fail criteria. Improvement works on past refusals are automatically carried out at Change of Tenancy and we will continue to allocate capital funding for this work until all work has been completed.

This budget will also be utilised for the continued management of asbestos within the housing stock or, where appropriate, the removal of asbestos containing materials.

3.2 Social Housing off-gas properties

During January - September 2013, works to extend the mains gas network and the subsequent installation of central heating was completed at Tyddyn Mostyn, New Street and Llanfaes.

Completion of mains gas infrastructure works at Llanerchymedd is scheduled for February, 2014 and the installation of gas central heating will commence immediately on completion of this work by the Utility company.

3.3 Traditional External Planned Maintenance

Members will recall that during January 2013, the Welsh Government confirmed that our bid for Arbed 2 ERDF funding in respect of 66 homes in Holyhead had been successful. The properties involved in this scheme are of solid random stone construction and the primary measure currently being installed under Arbed is external wall insulation. The value of Arbed works together with supplementary works to Council dwellings is in the region of £2m. Due to the lead in time to finalise scheme particulars taken by WG appointed scheme managers, this contract will involve significant carried forward commitment to 2014-2015.

In addition, during July 2013, following a competitive open tender process, a contract was awarded to a local contractor for external refurbishment works to a further 25 solid wall properties in Holyhead.

Home improvement in both the above mentioned schemes will significantly improve the comfort and appearance of the homes as well as making them more affordable to heat.

Similar external refurbishment schemes will form the basis of our Capital Investment Plan for 2014-2015. It is our intention to continue utilising the sell2wales web portal to advertise contract notices and expect to issue five notices during 2014. Tenders for one scheme valued at approximately £750K are due to be received before the end of February 2014.

It is the Housing Service's aim that the above contracts and procurement strategy will afford local contractors every opportunity to bid for capital investment works.

3.4 Renewable Energy and Feed in Tariff

The Housing Service has embraced solar technology and 312 Council owned properties benefit from Solar PV systems. A further 87 properties benefit from the installation of Solar Thermal technology.

In total, 129 of the above mentioned systems are eligible for Feed in Tariff (FIT) subsidy. Total income generated up to September 2013 is in the region of £140,000. During 2014-2015 it is proposed that we will commence recycling this income in order to install further Solar PV systems. The Housing Service proposes to prioritise new systems for up to 30 bungalows designated for the elderly which are located off the mains gas network during 2014-2015.

3.5 Review of Sheltered Accommodation

The Housing Service has commissioned external consultants to undertake an option appraisal of accommodation designated for the elderly in Llangefni. In particular, the review will focus on a certain estate that has, historically, been classified as 'difficult to let' due to age restrictions, classification of units and configuration of existing accommodation.

The review will explore options that may include refurbishment, reconfiguration or redevelopment to include potential for extra care facilities.

Funding has been allocated for 2014 – 2015 as a preliminary measure whilst options are developed and final recommendations are presented for approval.

Recommendation

Members are asked: to note and approve the allocation of capital budget for 2014 - 2015

B – What other options did you consider and why did you reject them and/or opt for this option?

N/a

C – Why is this a decision for the Executive?

To approve the allocation of capital budget

CH – Is this decision consistent with policy approved by the full Council?

D – Is this decision within the budget approved by the Council?

It is within the budget of the HRA Business Plan submitted to the Executive on 10th January, 2014.

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DD – Who did you consult?		What did they say?
1	Chief Executive / Strategic Leadership Team (SLT) (mandatory)	
2	Finance / Section 151 (mandatory)	
3	Legal / Monitoring Officer (mandatory)	No comment
4	Human Resources (HR)	No comment
5	Property	
6	Information Communication Technology (ICT)	
7	Scrutiny	
8	Local Members	
9	Any external bodies / other/s	

E – Risks and any mitigation (if relevant)		
1	Economic	Consultation taken place and comments noted
2	Anti-poverty	
3	Crime and Disorder	
4	Environmental	
5	Equalities	
6	Outcome Agreements	
7	Other	

F - Appendices:
Appendix 1: Planned Maintenance Programme 2014 - 2015

FF - Background papers (please contact the author of the Report for any further information):
Housing Revenue Account Business Plan 2014

Estimate 2014-2015

PLANNED MAINTENANCE CONTRACTS AS FOLLOWS

1 Balance on current contracts	£1,250,000.00
2 WHQS Internal Package (BMU) & Asbestos Management	£ 750,000.00
3 Energy Efficiency Measures	£ 100,000.00
4 Traditional Planned Maintenance	£4,000,000.00
5 Environmental works	£250,000.00
6 Sheltered Housing Review	£735,000.00

TOTAL ESTIMATED EXPENDITURE **£7,085,000.00**

RESOURCES

Major Repair Allowance	£2,600,000.00
Capital Receipts	£31,000.00
Revenue Contribution	£3,104,000.00
Feed in Tariff	£100,000.00
Carried forward commitment	£1,250,000.00

TOTAL APPROVED BUDGET **£7,085,000.00**

Note

Further schemes requiring capital expenditure will reflect the results of detailed survey work. Any further identified schemes will be agreed with the Director of Finance in consultation with the Portfolio Holder for Housing