

**Lead Officer(s):** Director of District Centres and Regeneration

**Wards:** All

**Agenda Item:-**

**Subject:** HOUSING CAPITAL INVESTMENT PROGRAMME 2020/21

### **RECOMMENDATIONS**

The Panel is asked to note and provide feedback on the proposed 2020/21 capital investment programme relating to investment in the council's housing stock set out at Appendix 1.

#### **1. Purpose of Report**

**1.1.** Each year, the council undertakes a programme of investment in its housing stock supporting the council's aim of providing homes that are compliant, decent and energy efficient. Within this overall programme is a range of works to maintain and improve individual properties, blocks and the wider environment in which the council's housing stock is located. This report provides an overview of the planned investment programme for 2020/21 and compares this to the investment made in 2019/20.

#### **2. Background**

**2.1.** In the Corporate Plan 2018-22 the council has established its aims for people to live long, healthy, happy and independent lives; for good, decent homes, affordable to all; that everyone feels safer in their street, neighbourhood and home; for a cleaner and more sustainable environment; and that everybody has the opportunity to work and build their career.

**2.2.** The Housing Asset Management Plan 2019-28 establishes four objectives:

- Compliant, decent and energy efficient homes
- Homes in places people want to live, work and socialise
- residents of all ages and backgrounds involved in shaping services
- Affordable and cost effective homes

**2.3.** The council has 13,756 tenanted homes within the housing revenue account (HRA). These are maintained and improved through an ongoing programme of capital investment. In addition, it also manages 591

properties that are either serviced tenancies, general fund owned properties or council let properties on behalf of private landlords. The council also has 2,437 leasehold homes that benefit from works carried out to the 1,114 blocks in the HRA. Works to these blocks are generally recharged to the owners of the leasehold flats.

- 2.4.** The specific aims of the capital investment programme are to:
- Ensure that we continue to provide homes that meet or exceed our statutory requirements.
  - Minimise the risk within properties where health and safety issues have been highlighted.
  - Ensure that properties are safe, secure and weather tight.
  - Improve the internal living conditions to a modern standard.
  - Make homes warmer, more energy efficient and cheaper to heat whilst reducing the borough's carbon footprint and NO<sub>2</sub> emissions.
  - Enhance the spatial environment of our estates to create places where people want to be.
  - Ensure that properties, blocks and neighbourhoods cater to older and vulnerable people through providing a range of adaptations to homes and providing additional services such as mobility scooter stores.
  - Make best use of the housing stock through the conversion of homes to better meet the housing needs of residents in the borough or through the provision of specific facilities to meet a need.
  - Generate savings on the responsive repairs contract.
- 2.5.** Following the introduction of sprinklers in 26 high rise blocks, Croydon has continued to invest in the safety of residents, commissioning invasive "TYPE 4" fire risk assessments and conducting a number of inspections on existing blocks to ensure the integrity of the components used.
- 2.6.** The council responded to the Ministry of Housing, Communities & Local Government (MHCLG) consultation following the Hackitt Review and are already taking practical steps in reducing resident risk such as fitting hard-wired smoke alarms in every property as it becomes void and amending the specification of EICR electrical checks and programmed works to include replacement of battery operated alarms.
- 2.7.** Reducing fuel poverty for residents is a key priority. Croydon Council is now a member of the Association of Decentralised Energy (ADE). This will ensure that it is at the forefront of innovation, information sharing and government lobbying along with carrying out feasibility studies on a number of innovative energy and heating solutions.
- 2.8.** The council is committed to making Croydon Council carbon neutral by 2030. To achieve this, reducing use of fossil fuels for heating must be explored now in conjunction with new extended methods of energy generation and storage solutions along with promoting a reduction in single person car use and provision of facilities that enable alternative and shared transport.

### 3. 2019/20 Performance

#### 3.1. So far this year the council has:

- Completed the installation of sprinklers in 26 blocks.
- Completed work at Longheath Gardens on a major programme of improvements and replacements to drainage, exterior walls, walkways and roofs.
- Replaced 82 street property roofs
- Installed double glazed UPVC window replacements at 8 blocks (174 flats) and 29 houses.
- Modernised kitchens to 231 homes.
- Replaced bathrooms to 187 homes.
- Replaced kitchens and bathrooms in 13 void properties.
- Completed 7 major works voids.
- Installed individual security doors to 271 properties.
- Carried out EICR Electrical tests to 1,996 properties and remedial works where necessary.
- Upgraded rewiring to 107 homes.
- Tested 161 communal block electrics.
- Upgraded lateral mains electrics at 17 blocks.
- Installed/upgraded 10 intercom/door entry systems to blocks.
- Installed boilers and upgraded central heating systems at over 313 properties.
- Upgraded communal heading distribution systems at two blocks.
- Installed/upgraded communal flooring at 14 blocks.
- Redecorated 6 blocks (22 flats) and carried out external redecoration to 162 houses
- Completed internal redecoration to 6 sheltered blocks.
- Supported decorations to 57 dwellings.
- Refurbished 6 lifts in 5 blocks.
- Continued work on site at 98-176 College Green to install rain screen cladding, replace the roof and windows, and to upgrade the lifts. Work is due to be completed in December 2020.
- Continued project planning for the second tower block in College Green.
- Started work at 56A-76D Chertsey Crescent to install rain screen cladding, replace the roof and windows, upgrade the lifts and install ground source heating.
- Continued project planning for the refurbishment of Dartmouth House.
- Supported 182 tenants to remain in their homes through major adaptations.

#### 3.2. This year's investment has allowed the council to continue to meet the following targets:

- *To assess and improve fire safety by working closely with the London Fire Brigade.* The council has fire risk assessments on all blocks that require them. Remedial works are planned where issues have been identified through fire risk assessments or from London Fire Brigade.
- *100% of homes to be maintained at the decent home standard over time.* The council has achieved a constant 99-100% since 2011.
- *A year-on-year improvement in energy efficiency as measured by RdSAP.* The council has improved on this measure since 2013 and is

above the national average of 65.6 for social housing in England. The current rating is 68.84.

#### **4. Resources for investment**

- 4.1. New capital investment into HRA housing for 2020/21 is £30m.
- 4.2. The council's 2020/21 budgets, including the HRA, will be formally approved at the Council meeting on 24th February 2019.

#### **5. The programme in detail**

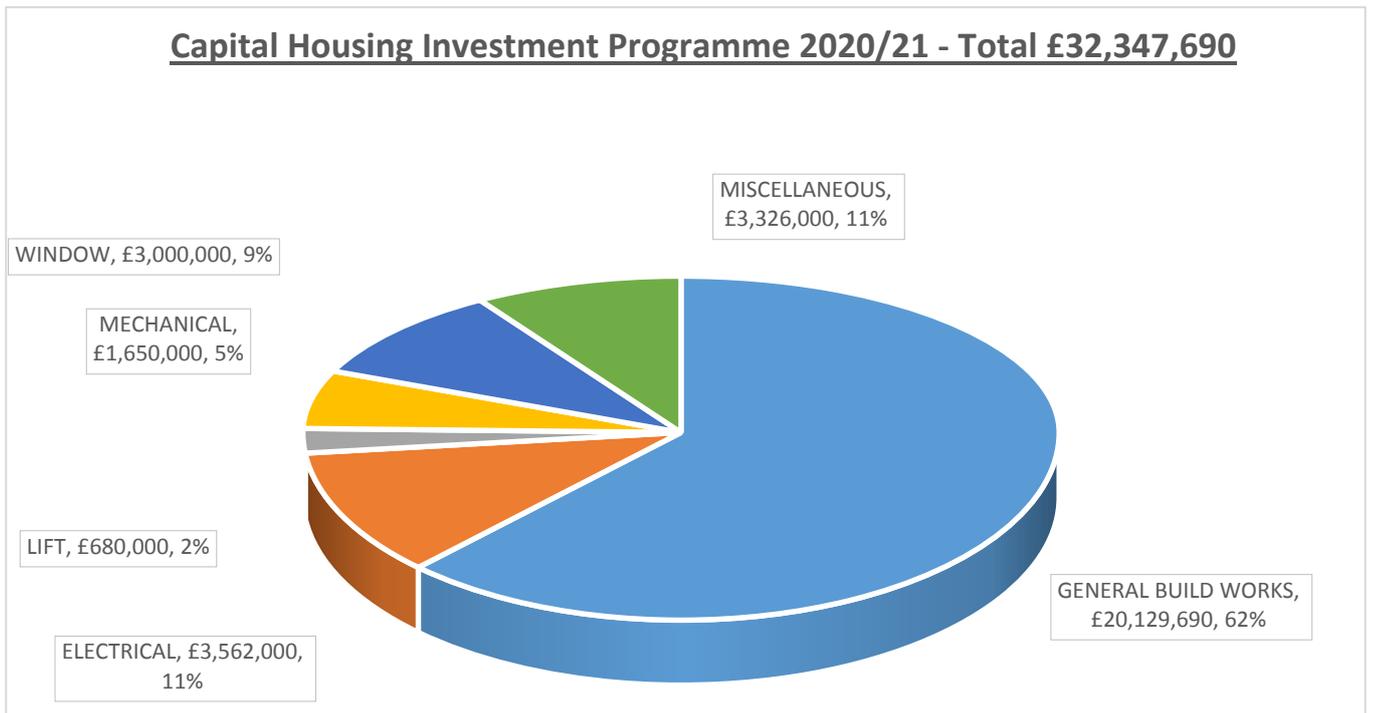
- 5.1. Appendix 1 sets out the proposed programme for 2020/21. The overall level of investment will ensure that we meet current outstanding need and regulatory requirements.
- 5.2. A more detailed breakdown of the programme can be found in Appendix 1 and 2.
- 5.3. The breakdown of the programme exceeds the allocated budget resourced for the year. This over-programming allows for slippage of works and omissions.

## Appendix 1 – the 2019/20 housing capital investment programme

<b>CONTRACT</b>	<b>BUDGET LINE</b>	<b>2020/21</b>
<b>GENERAL BUILD WORKS</b>	GBW - PRELIMS/OVERHEADS (EST)	£2,138,585
<b>GENERAL BUILD WORKS</b>	GBW VARIABLE PROFIT	£169,565
<b>GENERAL BUILD WORKS</b>	AD HOC WORKS - COLD WATER TANKS RENEWAL	£250,000
<b>GENERAL BUILD WORKS</b>	AD HOC WORKS - MAJOR WORKS (INC VOIDS)	£400,000
<b>GENERAL BUILD WORKS</b>	COMMUNAL FLOORING	£120,000
<b>GENERAL BUILD WORKS</b>	BIN STORES	£235,000
<b>GENERAL BUILD WORKS</b>	KITCHEN & BATHROOMS - EXTENSIONS	£500,000
<b>GENERAL BUILD WORKS</b>	KITCHEN & BATHROOMS - REPLACEMENT	£3,000,000
<b>GENERAL BUILD WORKS</b>	MAJOR ADAPTATIONS - GBW	£700,000
<b>GENERAL BUILD WORKS</b>	REGULATORY REFORM ORDER (FIRE SAFETY)	£1,000,000
<b>GENERAL BUILD WORKS</b>	ROOFS (Pitched)	£750,000
<b>GENERAL BUILD WORKS</b>	ROOFS (Flat)	£750,000
<b>GENERAL BUILD WORKS</b>	SECURITY DOOR INSTALLATION	£250,000
<b>GENERAL BUILD WORKS</b>	SPECIAL PROJECTS - COLLEGE GREEN	£3,600,000
<b>GENERAL BUILD WORKS</b>	SPECIAL PROJECTS - GRANGE ROAD	£360,000
<b>GENERAL BUILD WORKS</b>	SPECIAL PROJECTS - DARTMOUTH HOUSE	£2,727,540
<b>GENERAL BUILD WORKS</b>	SPECIAL PROJECTS - CHERTSEY CRESCENT	£2,464,000
<b>GENERAL BUILD WORKS</b>	SPECIAL PROJECTS - 3 SALEM PLACE	£85,000
<b>GENERAL BUILD WORKS</b>	SUBSIDENCE	£200,000
<b>GENERAL BUILD WORKS</b>	CONVERSIONS AND EXTENSIONS	£400,000
<b>GENERAL BUILD WORKS</b>	CYCLICAL - CLADDING CLEANING - WATES BLOCKS	£30,000
<b>GENERAL BUILD WORKS SUBTOTAL</b>	<b>SUBTOTAL</b>	<b>£20,129,690</b>
<b>ELECTRICAL</b>	DOOR ENTRY SYSTEM - PAC TESTING	£12,000
<b>ELECTRICAL</b>	DOOR ENTRY SYSTEM - REPLACEMENT	£200,000
<b>ELECTRICAL</b>	ELECTRICS - REWIRING/TEST & INSPECT	£2,350,000
<b>ELECTRICAL</b>	LATERAL MAINS	£1,000,000
<b>ELECTRICAL SUBTOTAL</b>	<b>SUBTOTAL</b>	<b>£3,562,000</b>

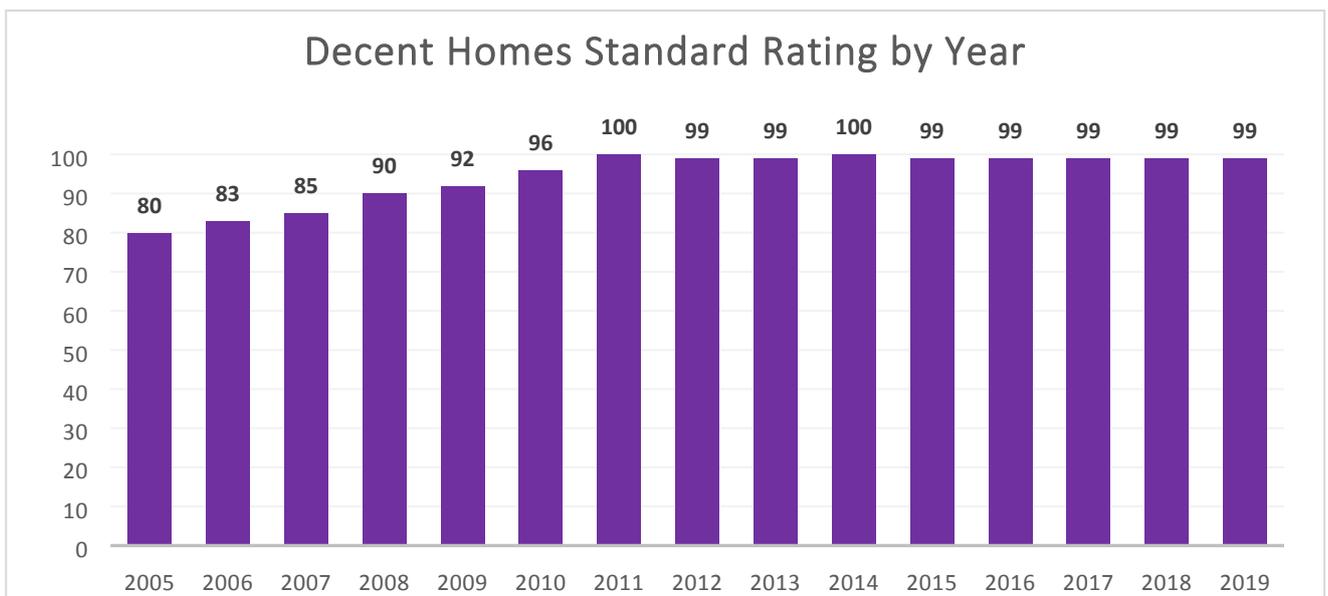
<b>LIFT</b>	LIFT - MOTOR ROOM IMPROVEMENT	£30,000
<b>LIFT</b>	LIFT - REFURBISHMENT	£650,000
<b>LIFT SUBTOTAL</b>	<b>SUBTOTAL</b>	<b>£680,000</b>
<b>MECHANICAL</b>	COMMUNAL BOILER REPLACEMENT	£300,000
<b>MECHANICAL</b>	ENERGY PERFORMANCE CERTIFICATES	£50,000
<b>MECHANICAL</b>	GAS CENTRAL HEATING - PROGRAMMED REPLACEMENTS	£1,000,000
<b>MECHANICAL</b>	GAS CENTRAL HEATING - REPAIRS REPLACEMENT	£300,000
<b>MECHANICAL SUBTOTAL</b>	<b>SUBTOTAL</b>	<b>£1,650,000</b>
<b>WINDOW</b>	WINDOWS REPLACEMENT	£3,000,000
<b>WINDOW SUBTOTAL</b>	<b>SUBTOTAL</b>	<b>£3,000,000</b>
<b>MISCELLANEOUS</b>	MAJOR ADAPTATIONS - MISC	£300,000
<b>MISCELLANEOUS</b>	APEX DEVELOPMENT	£55,000
<b>MISCELLANEOUS</b>	ASSET MANAGEMENT DATABASE PROCUREMENT	£327,000
<b>MISCELLANEOUS</b>	OPTION APPRAISALS & FEASIBILITY STUDIES	£30,000
<b>MISCELLANEOUS</b>	SUPPORT COSTS (CLIENT STAFFING)	£1,800,000
<b>MISCELLANEOUS</b>	PEST CONTROL	£120,000
<b>MISCELLANEOUS</b>	CYCLICAL - INSPECTION & MAINTENANCE OF PLAYGROUNDS & EQUIPMENT	£19,000
<b>MISCELLANEOUS</b>	ASBESTOS REMOVAL & INSPECTION	£160,000
<b>MISCELLANEOUS</b>	AD HOC RETIREMENT HOMES WORKS (NON GBW)	£100,000
<b>MISCELLANEOUS</b>	CREATING LARGER HOMES (NON HRA)	£140,000
<b>MISCELLANEOUS</b>	AD HOC MINOR ESTATE IMPROVEMENTS (NON GBW)	£75,000
<b>MISCELLANEOUS</b>	CAPITALISED RESPONSIVE REPAIRS WORKS	£200,000
<b>MISCELLANEOUS SUBTOTAL</b>	<b>SUBTOTAL</b>	<b>£3,326,000</b>
	<b>GRAND TOTAL</b>	<b>£32,347,690</b>

## Appendix 2 – Proportion of Housing Capital Investment Programme

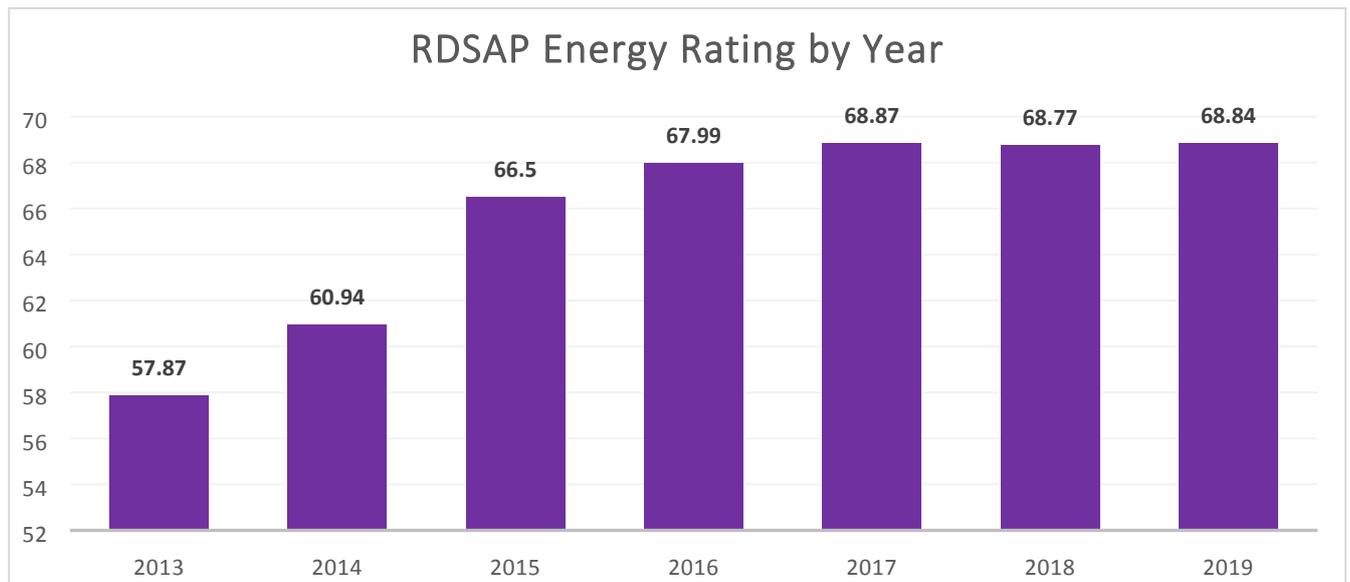


## Appendix 3 – Performance Data

**Chart 1: Percentage of properties meeting the decent home standard over time**



**Chart 2: Energy rating of the housing stock**



**Energy efficiency**

Energy performance is measured against the Building Research Establishment's reduced data standard assessment procedure (RdSAP). The ongoing programme includes a range of measures which improve energy efficiency – replacing older boilers with more efficient ones, topping up loft insulation, cavity wall and solid wall insulation, replacing storage heaters with gas systems or ground/air source heating, double-glazing and new doors with a better thermal performance etc. The 2019 figure compares well with the national social housing performance average of 62.9. Our result decreased in 2018 compared to 2017 due to changing from v9.90 to v9.92 to keep up with the latest assessment criteria. This update reflects the latest increase in fuel prices, which shows that it is more expensive to adequately heat a home and, therefore, reduces the overall RdSAP rating.