

Report to Housing Scrutiny Panel

Date of meeting: 22 January 2014

Portfolio: Housing – Cllr D. Stallan

**Subject: Housing Improvements and Service
Enhancements Fund – 2014/15**

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Committee Secretary: Mark Jenkins (01992 56 4607)



Recommendations:

(1) That, subject to the views of the Tenants and Leaseholders Federation from its meeting to be held on 16th January 2014 (to be reported orally) the following recommendations be made to the Cabinet:

(a) That the latest out-turn forecasts for each of the projects funded the Housing Improvement and Service Enhancement Fund in 2013/14, provided at Appendix 1, be noted;

(b) That the associated expenditure for any slippages on individual projects in 2013/14 be carried forward to complete the projects in 2014/15;

(c) That, subject to the average Council rent increase agreed by full Council for 2014/15, and its decision on rent levels for re-let properties;

(i) The proposed list of housing improvements and service enhancements for 2014/15, and the associated recommendations for each project, set-out in Appendix 2, be approved; and

(ii) That the amount allocated from the Fund to the Major Capital Projects Reserve in 2014/15 be reduced from £850,000 to £220,000, due to:

- The required second year's funding for Marden Close and Faversham Hall (£508,000);**
- The proposals being put forward at Appendix 2 for the allocation of resources from the Fund next year (see below); and**
- The anticipated cessation of the Government's Rent Convergence Policy from April 2015;**

(d) That the proposed £220,000 within the Major Capital Projects Reserve for 2014/15 be utilised to either help fund a capital project next year (subject to the subsequent approval of the Cabinet or Housing Portfolio Holder as appropriate), or be added to the funding made available for the Major Projects Capital Reserve in the following year (2015/16), for a larger capital project at that time; and

(e) That, at its meeting in January 2015, the Housing Scrutiny Panel be asked to consider and recommend to the Cabinet the proposed use of the Housing Improvements and Service Enhancements Fund for 2015/16;

(2) That the Scrutiny Panel's report to the Cabinet be based on the content of this report to the Scrutiny Panel;

(3) That the Cabinet be asked to record in the subsequent Cabinet Minutes all the Cabinet's decisions on the recommendations set out in bold at Appendix 2 (subject to the Scrutiny Panel's views on the proposed recommendations); and

(4) That, in view of the absence of the Chairman at the Scrutiny Panel meeting, the Vice-Chairman of the Scrutiny Panel presents the Scrutiny Panel's report to the Cabinet on the 3rd March 2014.

Summary:

When the Cabinet agreed the strategic approach for the Council's new 30-Year HRA Financial Plan, it asked the Housing Scrutiny Panel to consider and recommend to the Cabinet a proposed list of housing improvements and service enhancements each year, utilising the additional funding made available as a result of HRA self-financing.

For the past two years, the Housing Scrutiny Panel has formulated lists of housing improvements and service enhancements, which have been subsequently approved by the Cabinet. An out-turn report on the forecast expenditure and the progress made on the projects agreed for 2013/14 is provided at Appendix 1.

When the Cabinet considered and approved the list of projects for 2013/14, it also asked the Scrutiny Panel to consider and recommend further housing improvements and service enhancements to be undertaken in 2014/15, funded from the additional HRA resources available next year. Proposals for the use of the anticipated £430,000 available for new projects next year, after the allocation of £220,000 to the Major Capital Projects Reserve in 2014/15 (subject to Cabinet and full Council agreeing the Housing Portfolio Holder's recommended rent increase for 2014/5) are provided in Appendix 2, with a summary of the costs provided at Appendix 3.

The amount of resources available to spend on new improvements and enhancements in 2014/15 and subsequent years is much less than anticipated this time last year - mainly due to the proposed cessation of the Government's Rent Convergence Policy from April 2015, which will significantly reduce the expected levels of rental income from 2015.

Reasons for Proposed Decision:

Anticipated additional resources of £430,000 are expected to be available within the HRA Budget 2014/15, to spend on additional housing improvements and service enhancements in 2014/15, in addition to the allocation of £220,000 to the Major Capital Projects Reserve.

Other Options for Action:

To agree a different list of improvements and service enhancements, or to allocate funding differently between the proposed schemes.

Background

1. At its meeting in December 2011, the Cabinet approved the strategic approach to the new 30-Year HRA Financial Plan, in readiness for the introduction of self-financing for the

HRA from April 2012. The approach agreed was to plan the repayment of the required loans to the Public Works Loan Board (PWLB) - to be taken out to fund the CLG's required debt settlement - over a 30-year period. This was to enable the Council to not only maintain the Council's housing stock to a new Modern Home Standard and implement a new Council Housebuilding Programme, but to also fund additional housing improvements and service improvements over the 30-year life of the Plan.

2. For the past two years, the Cabinet has asked the Housing Scrutiny Panel to consider and recommend a proposed list of housing improvements and service enhancements to the Cabinet, utilising the additional funding, which the Scrutiny Panel last did in April 2013.

3. The lists of improvements have comprised a mix of capital and revenue projects, requiring both one-off expenditure over 1-2 years and ongoing annual expenditure, which have focused on proposals that would provide a direct and demonstrable benefit to the Council's tenants.

4. At the same time as agreeing the Scrutiny Panel's proposals for 2013/14, the Cabinet also asked the Housing Scrutiny Panel to consider and recommend to the Cabinet at this meeting the proposed use of the Housing Improvements and Service Enhancements Fund for 2014/15.

5. The purpose of this report to the Scrutiny Panel is therefore to:

- Provide anticipated out-turns of expenditure for 2013/14, for both individual projects and the programme as a whole; and
- Recommend the use of the Housing Improvements and Service Improvements Fund for 2014/15,

Housing Improvements and Service Improvements Fund

6. The estimated amount available to the Housing Improvements and Service Improvements Fund each year is, in effect, a balancing figure for the Housing Revenue Account (HRA) as a whole, over the 30-year period of the HRA Financial Plan. So, if net costs within the HRA over the 30 years are higher than previously forecast (or if income is lower), the amount available for new projects under the Housing Improvements and Service Improvements Budget each year can be reduced. Conversely, if net costs are lower (or if income is higher) the budget can be increased, in order to achieve the Council's prime strategic objectives for the HRA - which are to ensure that the PWLB loans can be repaid when they mature and that the HRA does not accrue balances (surpluses) that are higher than necessary, or falls into deficit.

7. Since housing-related income and expenditure is ring-fenced to the HRA, any annual HRA surpluses that are not required for any specific purpose therefore need to be spent, otherwise they simply result in increased HRA Balances – which is why the Housing Improvements and Service Improvements Fund was introduced from 2012/13.

8. The Fund operates in a similar way to the HRA's Housing Repairs Fund and the General Fund's District Development Fund (DDF) in that, each year, the HRA contributes an agreed amount to the Fund (based on the estimated surplus available through the HRA Financial Plan) and the Cabinet agrees the amount to be spent from the Fund on housing improvement and service enhancement projects in the following year. If there are any underspends on the Fund at the end of the year, they are carried forward into the following year; if there are any overspends (which would need to be funded from HRA Balances), the contribution from the HRA is reduced the following year by the total amount overspent. This approach gives greater flexibility, whilst still ensuring budgetary control.

Progress with the Housing Improvements and Service Enhancements Fund 2013/14 and anticipated out-turns

9. The Cabinet agreed the Housing Scrutiny Panel's recommendation that 5 new housing improvements and service enhancements be undertaken in 2013/14, in addition to the completion of a further 5 projects extending / carried forward into 2013/14.

10. Appendix 1 provides a list of the agreed improvements/enhancements for 2013/14, together with the original budget and the latest forecast expenditure for each project. The following summarises the budget position for the overall 2013/14 Programme:

Original budget - 2013/14	£1,050,000
Latest anticipated expenditure forecast - 2013/14	£700,000

11. Generally, good progress has been made with the delivery of most of the projects during the year to date, although some of the Key Deliverables relating to the Repairs Management Contract with Mears have had to be carried forward to next year, for operational reasons.

12. Last year, on the recommendation of the Housing Scrutiny Panel, the Cabinet agreed to establish a Major Capital Projects Reserve within the Fund. The Reserve enables resources to be accumulated and available when required for major capital housing projects, subject to the schemes having the approval of the Cabinet or Housing Portfolio Holder as appropriate. The Cabinet made this decision because, although the HRA Financial Plan makes provision for increased capital expenditure on individual properties within the Council's housing stock - in order to ensure that they meet the full, modern standard (a higher standard than the Decent Homes Standard) - no provision is made for major capital housing schemes within the Plan. The need for major capital schemes has occurred from time-to-time, and has included the major improvement scheme at Springfields, Waltham Abbey, small scale stock transfers of sheltered housing schemes to housing associations to enable conversion and improvement works to be undertaken and the recently-planned conversion schemes at Marden Close and Faversham Hall, Chigwell Row.

13. It should be noted that, due to the anticipated cessation of the Government's Rent Convergence Policy from April 2015, which will significantly reduce the expected levels of rental income from 2015 (see below), the only projects to be funded from the Major Capital Projects Reserve this year are the first year's funding of the Marden Close and Faversham Hall Conversion Schemes at Chigwell Row. This has resulted in a planned underspend of £226,000 in the Reserve this year.

14. Moreover, last year, the Fund also included allocations of funding to the Reserve of £850,000 per annum in both 2014/15 and 2015/16. However, having regard to:

- The required second year's funding for Marden Close and Faversham Hall (£508,000);
- The proposals being put forward for the allocation of resources from the Fund next year (see below); and
- Again, the anticipated cessation of the Government's Rent Convergence Policy from April 2015;

only £220,000 is now available to allocate from the Fund to the Reserve in 2014/15. This can be utilised to either help fund a capital project next year, to be added to available funding in the following year (2015/16) for a larger capital project at that time.

Availability of funding for new housing improvements and service enhancements – 2014/15

15. When the most recent HRA Financial Plan was produced in March 2013, it identified that £1.5million would become available for new and committed improvements/enhancements from April 2014 – on top of the £570,000 p/a available for new projects in April 2013. This forecast was subsequently reduced to £1.35million at the Quarter 2 Review of the HRA Financial Plan, reported to the Scrutiny Panel in October 2013, taking account of updated information - particularly the 2012/13 Out-turns and an assumed increased number of Right to Buy sales.

16. However, in late-October 2013, the Department for Communities and Local Government (DCLG) published its long-awaited Consultation Paper on the future of social rents, with a response date of 24th December 2013. The document included the following proposals:

- From April 2015, rents for existing tenancies will only be able to increase by the Consumer Prices Index (CPI) plus 1% per year (instead of the current Retail Prices Index (RPI) plus 0.5%), with no additional increase allowed (currently up to £2 per week) to achieve convergence with housing association rents for similar properties within the District;
- For new tenancies, the formula (or target) rent (i.e. the rent which housing associations currently charge for the same type of property in the same location) can be charged straight away when the new tenant moves in. Subsequently, such rents will also increase by CPI plus 1%; and
- Details of how such Council rent increases will be centrally-controlled through “rent rebate subsidy limitation” are still to be decided/published by the DCLG. This will be the way that the Government actually implements and ensures the above rents policy

17. The DCLG’s proposal to cease the rent convergence arrangements from April 2015 will have a significant detrimental effect on the Council’s HRA Financial Plan, which will result in the amount of resources available to the Fund from April 2014 being significantly reduced.

18. There is a separate item on the Scrutiny Panel’s Agenda to discuss the Housing Portfolio Holder’s proposed Council rent increase for 2014/15. However, based on the Housing Portfolio Holder’s current intended recommendations to the Finance and Performance Management Cabinet Committee that average Council rents should increase by 4.94%, and that vacant Council properties not currently at their target rent should be re-let at their target rent (and not at the same rent as charged to the previous tenant, or the tenants of similar properties in the locality), the amount of reduction in rental income (and therefore funding for housing improvements and enhancements) as a result of the DCLG’s proposed cessation of its rent convergence policy is estimated to be around £500,000 per annum for the next five years (reducing the amount available to the Fund from £1.35 million p/a to just £850,000 p/a).

19. Should, ultimately, the Cabinet not agree that Council properties should be re-let at their target rent, the resultant rental income from such properties would be reduced by a further estimated £250,000 per annum for the next five years. This would mean that the amount the HRA is able to contribute to the Housing Improvements and Service Enhancements Fund in 2014/15 would have to be reduced by £250,000, from £850,000 to £600,000.

20. The Director of Housing did formally respond to the DCLG’s Consultation on Social Rents Policy, drawing attention to the detrimental financial effect the Government’s proposals

will have on the Council's Housing Revenue Account - and, in particular, the effect on the Council's ability to undertake housing improvements and service enhancements – and asked the DCLG to continue with its current rent convergence policy, but perhaps giving councils discretion on whether or not to pursue rent convergence in their area until all council rents have achieved their “target rent”. The Government's response to the consultation is awaited, but the general view of housing commentators is that the DCLG is unlikely to cancel its proposed cessation of its rent convergence policy.

21. Nevertheless, after taking account of the cost of previous commitments for improvements/enhancements in 2014/15, there is still an estimated £650,000 available in 2014/15.

22. The following table summarises the position for the Housing Improvements and Service Enhancements Fund for 2014/15:

Expected HRA contribution to Fund – 2014/15	£850,000		
Savings from the Fund's 2012/13 Out-turn	£143,000		
Anticipated savings/slippage from 2013/14	£308,000		
Total resources available to Fund in 2014/15		1,301,000	
Amount required due to committed costs of 2013/14 projects (ongoing and one-off)		(£701,000)	
Remaining resources available for 2014/15			£650,000
Amount proposed to be allocated to the Major Capital Projects Reserve in 2014/15			(£220,000)
Available to fund new projects in 2014/15			£430,000

Proposals for the use of the Housing Improvements and Service Enhancements Fund 2014/15

23. Following consultation with the Housing Management Team and all the Housing Managers, the new projects for 2014/15 listed at Appendix 2 are put forward for recommendation to the Cabinet. For each proposal, a description is provided, together with details of the one-off and/or ongoing annual funding required, and whether the expenditure is capital and/or revenue. At the end of each proposal, the formal recommendation(s) are provided in bold.

24. Appendix 3 provides a spreadsheet with each of the proposals listed, summarising the one-off and ongoing expenditure for each of the next three financial years.

25. It should be noted that, even after utilising all of the resources available to the Fund in 2014/15, there will still be a further £510,000 and £750,000 available to spend on new projects in the following two years (2015/16 and 2016/17), based on current forecasts. Furthermore, despite the Government's proposed cessation of its rent convergence policy from April 2015, it is currently estimated that the HRA's contribution to the Fund can be increased by £2.65million per annum to £3.45million per annum from April 2019.

26. It is therefore proposed that a further recommendation be made to the Cabinet that, at its meeting in January 2015, the Housing Scrutiny Panel be asked to consider and recommend to the Cabinet the use of the Housing Improvements and Service Enhancements Fund for 2015/16.

27. As was the case last year, it is also suggested that the Scrutiny Panel's report to the Cabinet be based on the content of this report. In view of the Chairman's expected absence at this Scrutiny Panel meeting, it is proposed that the Vice-Chairman of the Scrutiny Panel presents the Scrutiny Panel's report to the Cabinet on the 3rd March 2014.

Resource Implications:

£430,000 available for new projects in 2014/15, after allocating £220,000 to the Major Capital Projects Reserve, included within the HRA Budget 2014/15.

Legal and Governance Implications:

Localism Act 2012

Local Government and Housing Act 1989

Housing Act 1985

Safer, Cleaner and Greener Implications:

(a) The proposed Oakwood Hill Estate Enhancements will result in an improved environment on the estate.

(b) The proposed increased budget for external wall insulation of Council properties will improve their energy efficiency.

(c) The proposed refurbishment of communal kitchens at sheltered housing schemes is likely to result in lower energy costs, due to the installation of more energy-efficient appliances.

(d) The proposed continuation of the additional funding for the Mow and Grow Scheme, will result in improved gardens for those older and vulnerable people that benefit from the continued funding.

(e) The proposed provision of scooter stores at sheltered housing schemes will result in a safer and more appropriate environment for residents to park their scooters than at present.

(f) The proposed installation of new front doors to leasehold properties in flat blocks will result in a much safer building for residents, due to the improved fire safety.

Consultation Undertaken:

The Tenants and Leaseholders Federation will be consulted on the proposals within this report at its meeting scheduled for 16th January 2014. The Federation's comments will be reported orally at the Scrutiny Panel meeting.

Background Papers:

None.

Impact Assessments:Risk Management

The identified risks are the usual risks relating to improvement projects e.g. actual costs of works exceeding the agreed budget and health and safety issues.

**Housing Improvements and Service Enhancements Fund - 2013-14
Programme Costs (One-off and Ongoing)
(As at January 2014)**

No.	Proposal	Responsible Officer	£000's						Cap. or Rev.	
			2013/14		2014/15		2015/16			
			One-off	Ongoing	One-off	Ongoing	One-off	Ongoing		
Outstanding Projects from 2012/13										
12/13 A	Mains-Powered Smoke Detector Installation Programme	H. Thorpe	Latest	129						C
			Original	129						
12/13 B	Conversion of communal toilets for disabled use	H. Thorpe	Latest	52						C
			Original	52						
12/13 C	On-Line Rents System for Tenants	D. Clifton	Latest	0	15					R
			Original	7	0					
12/13 D	Repairs Management Contract - Additional Key Deliverables	P. Pledger	Latest	10	31					R
			Original	41	0					
12/13 E	Locata Hosting System	R. Wilson	Latest	7						R
			Original	11						
TOTALS (Outstanding Projects from 2012/13)			Latest	198	46					
			Original	240	0					
Agreed New Projects for 2013/14 (with Marden Close & Faversham Hall 2013/14 capital costs carried forward to 2014/15)										
1	Welfare Reform Mitigation Action Plan	A. Hall	Latest	48	78	30	78	0	56	R
			Original	81	78	43	79	22	79	
2	Senior Cleaner	R. Wilson	Latest		10		21		21	R
			Original		17		17		17	
3	Sheltered housing schemes - Increase in furniture budget	D. Pegler	Latest		14		14		14	R
			Original		14		14		14	
4	In-Year Housing Improvements and Enhancements Fund	A. Hall	Latest	50						C / R
			Original	50						
5	Marden Close (Feasibility Estimate - inc. fees)	P. Pledger	Latest	104		388				C
			Original	0		0				
6	Faversham Hall Conversion	P. Pledger	Latest			120				C
			Original			0				
7	Other Schemes - Major Capital Project Reserve	A. Hall	Latest	0		220		0		C
			Original	330		850		850		
TOTALS (Agreed Projects for 2013/14)			Latest	202	102	758	113	0	91	
			Original	461	109	893	110	872	110	
GRAND TOTALS (Outstanding & Agreed New Projects)			Latest	502	871	91				
			Original	810	1,003	982				
Savings from 2012/13 Out-Turn						143				
Anticipated savings/slippage from 2013/14						308				
Amount expected to be available for HRA Budget for new Enhancements in year						850		850		
Total amount of budget available to spend in year						1,301		850		
Available to allocate to new enhancements in year (after previous year's commitments - i.e. Latest Grand Totals above)						430		759		

Proposed List of Housing Improvements and Service Enhancements

2014/15

(1) Front Door Fire Safety Replacement Programme for Leaseholders in Flat Blocks

One-off cost(s):	2014/15	£125,000
	2016/17 – 2018/19	£100,000 p/a (3 years)
	Total	£425,000
Annual cost:	Nil	
Form of expenditure:	Capital	

1. As part of its new Modern Home Standard, the Council has agreed to replace front doors to Council properties, as part of its ongoing Planned Maintenance Programme. However, front doors to individual flats in flat blocks with enclosed common parts are required to be fire-protected, to achieve at least ½ hour fire protection.
2. The replacement of fire-protected front doors in flat blocks was also the subject of a separate Cabinet decision in relation to when permission will be given to tenants to lay carpets in the common parts of flat blocks; the provision of replacement fire-protected front doors to all flats was one of the conditions when carpets would be allowed to be laid.
3. Within the leases of flats sold under the Right to Buy, responsibility for the *door frame* of is the Council's, but the leaseholder is responsible for the *actual door*. This split in responsibility therefore means that each party (the Council and leaseholder) needs to reach agreement on their replacement, since the frame cannot be replaced without interference with the door, and vice versa.
4. There are around 750 flats across the District that requires a fire-protected front door, where access to the property is off an internal common area. The cost of replacing such doors is around £750 each, which includes replacement of both the door and frame.
5. Since, under the terms of the lease, it is the leaseholder's responsibility to meet the cost of replacement front doors, and because the cost is quite high, most leaseholders are not prepared to meet this cost, when the Council replaces the doors of its own properties to provide the required fire protection. This causes a problem since, although the Council properties have adequate fire protection from the communal areas, and vice versa, the integrity of these fire protection measures is compromised by the inadequate fire-protected doors of the leasehold properties. This not only causes a risk to the leaseholder from fire and smoke entering their property from the communal areas, it also increases the risk for other residents, including the Council's tenants, if a fire starts within a leasehold property, since it can spread to the communal area much more easily.
6. This is a problem being experienced by many local authorities across the country. In response, and in order to safeguard the safety of their tenants and other leaseholders, many councils are meeting in full, or contributing to, the costs of providing fire-protection doors to leasehold properties.
7. Therefore, since it is in the Council's interest that all front doors in blocks are fire-protected, and in view of the low level of take-up from leaseholders to install fire-protected doors (due to their cost), it is suggested that a scheme is introduced whereby the Council

offers to contribute 75% of the cost of replacement doors where the door comes off of an enclosed common part (i.e around £565 per door), if leaseholders meet the remaining 25% cost (around £185).

7. This is the first year of the Front Door Replacement Programme (2013/14), and some leaseholders have agreed to meet the full cost of having fire-protected doors installed in their flats. Therefore, in order to treat all leaseholders equitably, it is suggested that, in such cases, these leaseholders be given a refund of 75% of the cost; where they have already paid, it is suggested that the refund be applied to their 2014/15 annual maintenance charge. Those leaseholders who did not agree to have fire-protected doors installed, will be advised of the proposed scheme and offered to have a new door installed in 2014/15.

8. The cost to the Council of the proposed scheme, to fund the Council's 75% contribution, would be around £425,000 in total (if all leaseholders accept the offer). This would be spread over the next four years, in line with the External Repairs and Redecorations Programme (although the cost next year will be £25,000 higher than the remaining three years, in order to meet the cost of refunds from the 2013/14 Programme).

Recommendations:

(a) That, in order to help ensure that all front doors in blocks of Council flats are fire-protected, a scheme be introduced whereby the Council offers to contribute 75% of the cost of replacing fire-protected front doors to leasehold properties, where the door comes off of an enclosed common part, if leaseholders meet the remaining 25% cost;

(b) That, in order to treat all leaseholders equitably, where leaseholders have already agreed to pay, or have paid, the full amount for the installation of a fire-protected front door, they be given a discount/refund of 75% of the cost, with refunds for installations already paid being applied as a credit to the leaseholder's 2014/15 annual maintenance charge;

(c) That those leaseholders who, to date, have not agreed to have new fire-protected doors installed, be advised of the proposed scheme and offered to have a new door installed in 2014/15; and

(d) That the scheme be funded through an allocation of funding from the Housing Improvements and Service Enhancements Fund of £125,000 in 2014/15 and £100,000 per annum for the following three years.

(2) Oakwood Hill Estate Enhancement Scheme, Loughton

One-off cost(s):	£200,000 (£100,000 p/a in 2014/15 and 2015/16)
Annual cost:	Nil
Form of expenditure:	Capital

1. The Oakwood Hill Estate, Loughton is a former Greater London Council (GLC) Estate, comprising a myriad of 133 houses, 144 flats and 136 maisonettes (in three-storey blocks), built in the early 1970s and serviced by a complex and extensive network of paths and roads. The Estate was transferred to Epping Forest District Council, along with all the GLC's other dwellings in our District, in 1980.

2. Over recent years there has been a marked deterioration of the environment in and around the Oakwood Hill Estate, particularly the paths, roads, lighting, refuse facilities and landscaping.

3. The Housing Portfolio Holder has recently been approached by both the two District Council Ward Members and the County Council Divisional Member for the Estate, expressing their concerns about the deterioration of the Estate's environment; in response, the Housing Portfolio Holder has accepted that the Estate would benefit from an Estate Enhancement Scheme.

4. The main improvements required relate to the network of paths and roads (and their associated lighting), of which the majority are adopted by the Highways Authority and, therefore, maintainable at public expense by Essex County Council.

5. Notwithstanding this fact, there are still a number of paths, landscaping and other aspects (e.g. estate signage and waste disposal arrangements) that are the District Council's responsibility and would benefit from improvement. The Housing Portfolio Holder therefore intends to recommend to the Cabinet that the District Council spends £200,000 towards the cost of improvements on the Estate over the next two years (i.e. £100,000 per annum in 2014/15 and 2015/16).

6. However, the Housing Portfolio Holder has written to Cllr Rodney Bass, the County Council's Cabinet Member for Highways and Transportation, to request that he gives consideration to the County Council match-funding the District Council's contribution of £200,000, in order to undertake the required repairs and improvements to the adopted paths and roads on the Estate that are the responsibility of the County Council. A response is awaited.

7. Separately, County Cllr Chris Pond (who is also a Loughton Town Councillor) has put forward a request to Loughton Town Council that it also considers making a modest financial contribution towards the proposed environmental improvement scheme. Cllr Pond has advised that this has been agreed in principle, subject to the Town Council's budgetary processes.

8. If the Cabinet agrees to the proposed allocation of funding, it is the Housing Portfolio Holder's intention to establish and chair a Member/Officer "Task Force", including senior housing officers, ward members and the ECC divisional member, as well as other representatives from the Oakwood Hill Estate Residents Association (OHERA), the Oakwood Senior Citizens Club and Essex CC Highways.

Recommendations:

(a) That £100,000 per annum be allocated in 2014/15 and 2015/16 (£200,000 in total) to fund an Estate Enhancement Scheme at the Oakwood Hill Estate, Loughton;

(b) That the Housing Portfolio Holder's request to the County Council's Cabinet Member for Highways and Transportation that the County Council provides match funding for the Enhancement Scheme be noted; and

(c) That a Member/Officer "Task Force" be established, chaired by the Housing Portfolio Holder, and including senior housing officers, ward members, the ECC divisional member, and representatives from the Oakwood Hill Estate Residents Association (OHERA), the Oakwood Senior Citizens Club and Essex CC Highways.

(3) Refurbishment of Communal Kitchens in Sheltered Housing Schemes

One-off cost(s): £140,000 (£70,000 p/a in 2014/15 and 2015/16)
Annual cost: Nil
Form of expenditure: Capital

1. All of the Council's sheltered housing schemes benefit from communal facilities, including a laundry room, lounge and kitchen - which are all used regularly, although the communal kitchens tends to be used the most. With the exception of Jessopp Court, Waltham Abbey, none of these kitchens have been refurbished since the schemes were first built, and they therefore now look very tired and dated, with the cupboards and worktops having reached the end of their operational life and in need of replacement.

2. The sizes of kitchens vary from scheme to scheme, so it is difficult to properly estimate the cost of refurbishing each kitchen. However, based on the cost of the recently-refurbished kitchen at Jessopp Court, Waltham Abbey, it is estimated that a total budget of £140,000 would be sufficient to fund the refurbishment of the remaining 12 kitchens. It is proposed that the work be programmed over 2 years, with funding of £70,000 per annum allocated each year.

Recommendation:

That £70,000 per annum be allocated in 2014/15 and 2015/16 (£140,000 in total) to refurbish all 12 remaining communal kitchens at the sheltered housing schemes that now require renewal.

(4) Provision of Mobility Scooter Stores at Sheltered Housing Schemes

One-off cost(s): £50,000
Annual cost: Nil (funded from fees)
Form of expenditure: Capital

1. Increasing numbers of residents at the Council's sheltered housing schemes are purchasing electric mobility scooters, which has led to an increasing problem of where residents can store them. Some stand-alone scooter stores have been provided at a small number of sheltered schemes but, in many cases, residents have no option but to park/store them in communal lounges or corridors - which not only causes a nuisance for other residents, but also raises health and safety concerns.

2. There has therefore become a desperate need to provide additional scooter stores at a number of sheltered housing schemes. The proposed budget of £50,000 would be sufficient to provide around 25 scooter stores across the District, with those schemes with the greatest demand and sufficient space to provide the stores given the greatest priority.

3. Users would pay a weekly charge for the rental and electricity charge usage, which is reviewed annually by the Finance and Performance Management Cabinet Committee as part of the Housing-Related Fees and Charges.

Recommendation:

That £50,000 be allocated in 2014/15 to fund the provision and installation of around 25 electric mobility scooter stores, with those schemes with the greatest demand and sufficient space to provide the stores given the greatest priority.

(5) Extension of Mow and Grow Scheme

One-off cost(s): £40,000 (£20,000 p/a in 2014/15 and 2015/16)
Annual cost: Nil
Form of expenditure: Revenue

1. A full report on this proposal is included elsewhere on the Scrutiny Panel's Agenda

Recommendations:

The recommendations relating to the proposal are included in the full report.

(6) Provision of Wi-fi at Norway House, North Weald

One-off cost(s): £8,000
Annual cost: £500 per annum
Form of expenditure: Capital/Revenue

1. The Chairman of the Housing Scrutiny Panel, Cllr Stephen Murray, has put forward this proposal for the Scrutiny Panel to consider, which has been evaluated and is supported by officers.
2. Cllr Murray has drawn attention to the difficulties brought to his attention by residents of Norway House of them and, more importantly their children, being unable to access the internet from their personal PCs, laptops and tablets in their rooms to undertake school and college work, as well as for domestic, leisure and other uses.
3. Since Norway House only provides temporary accommodation for around 4-6 months, it is not worth residents paying to have a landline installed in their rooms for broadband, and it is understood that the use of dongles is unreliable in this location.
4. Cllr Murray has therefore suggested that the Council provides Wi-Fi at Norway House that residents can use. The Council's ICT Service has been consulted, which has confirmed that the installation of Wi-Fi at Norway House would be technically possible and that ICT has the capacity to arrange the installation in 2014/15 and support the system on an ongoing basis. An on-site Wi-Fi survey would be required to ensure that the expected coverage can be received, and network cabling and wireless access points would need to be purchased and installed in the areas identified by the survey. Configuration for the access points would be controlled by the Council's wireless system.
5. The ICT Service has advised that, subject to survey, the maximum cost of implementation would be around £8,000, with on-going costs no more than £500 per annum.
6. For a variety of reasons, not least the bureaucracy that would be involved, it is proposed that residents would not be charged for the Wi-Fi usage, and that the cost of access is included within their room charge. An appropriate level of regulation of internet access would be applied, through the use of filters, in a similar way to the Council's Wi-Fi system at the Civic Offices.
7. Having assessed the proposal, officers are of the view that the installation would provide an essential service for the residents of Norway House and their children and is therefore supported.

Recommendations:

- (a) That a Wi-Fi system be provided and supported by the Council at Norway House, North Weald, funded by an allocation of one-off funding of £8,000 in 2014/15 and an ongoing support cost of £500 per annum;
- (b) That an appropriate level of regulation of internet access be applied, through the use of filters; and
- (c) That residents not be charged for the Wi-Fi usage, with the cost of access considered to be included within their room charge.

(7) Initial Feasibility Study for Chalet Replacement Project at Norway House, North Weald

One-off cost(s):	£6,000 – 2014/15
Annual cost:	Nil
Form of expenditure:	Revenue

1. In 1992, 5 pairs of chalets (10 chalets in total) were erected in the grounds of Norway House, the Council's Homeless Person's Hostel in North Weald, in order to respond to an increasing demand for temporary accommodation at that time. Each chalet comprises a lounge and two bedrooms, with pairs of chalets sharing a kitchen and bathroom. The total cost of supplying and erecting the chalets in 1992 (including fees) was around £235,000 (£47,000 per pair of chalets).
2. At the time of erection, temporary planning permission was provided for a period of 10 years. Permanent planning permission was granted in 2003.
3. The chalets have provided essential supplementary accommodation to the temporary accommodation provided within the main building at Norway House over the past 21 years. Indeed, in recent years, the need for temporary homeless accommodation has increased, if the Council is to continue to comply with the statutory requirement to not use bed and breakfast accommodation for families in excess of 6 weeks.
4. However, the chalets will soon be reaching the end of their usable life and are already experiencing maintenance and operational problems. The construction of the chalet comprises stud walls. The cavities under the floor of the chalets are accessible to small animals/rodents and, due to the construction of the floor, dampness has entered a number of chalets from the ground, causing the floors in some areas to rot and warp. Therefore, sections of the kitchen and lounge area floors in some chalets have had to be replaced. Dampness within the chalets is a common problem, and mould can often be found on walls, furniture and clothing belonging to the occupants.
5. The PVCu glazed windows are in need of replacing; many do not open properly or have broken locks and handles which are difficult to replace given the age and design of the windows. Problems have also arisen with drainage in some of the bathrooms.
6. Families share a small kitchen (around 3.3 square metres) with one sink and one cooker. A space is provided for each family to have a fridge freezer, and each family have two a wall cabinet and a base unit. There is very little worktop space for preparation of meals.
7. In each chalet, two families share a small bathroom (comprising a bath and toilet and communal cupboard); the size of the bathroom is just 3 square metres, so there is no space

to install a shower, which is more appropriate to modern living. Families find the sharing of a bathroom particularly problematical, with cleanliness and hygiene cause sometime causing arguments between families. Even with two families sharing harmoniously, with, potentially, up to 9 people sharing a bathroom or all needing to use this facility within a short time frame (e.g. before school or work) problems occur, causing residents and their children to be late for work or school.

8. In addition, most of the rooms within the main building of Norway House now have the use of their own bathroom and only share a kitchen – following a programme of bathroom installations over a number of years - which provides a more appropriate and suitable living environment for residents. Residents still need to have some element of sharing, otherwise secure tenancies would be created instead of licences – which is the Council's preferred form of occupancy for Norway House. It would therefore be preferable if the chalets also had their own bathrooms, and only shared kitchens (but of a larger size than presently).

9. It is felt that there is therefore a need to start planning for the renewal of the existing chalets within the next five years or so. The first stage in such a process would be to undertake an initial feasibility study to assess the design, planning and other issues associated with the provision of replacement chalets. This could include an assessment of the potential to provide an increased number of chalets in the grounds of Norway House. The feasibility study would also assess the costs of supply, erection and fees for different numbers of chalets.

10. Officers have sought a quote from Keegans, one of the Council's Framework Consultants, to undertake the feasibility study, which is £6,000 and is considered to be acceptable.

11. It is therefore proposed that the Fund initially meets the cost of the feasibility study in 2014/15, with a view to the cost of a Chalet Replacement Project being met from the Major Capital Projects Reserve at some time in the future, which would be considered by the Housing Scrutiny Panel and agreed by the Cabinet at the appropriate time.

Recommendations:

(a) That £6,000 be allocated in 2014/15 to fund an initial feasibility study to assess the design, planning and other issues – together with the costs - associated with the provision of replacement chalets at Norway House, North Weald;

(b) That the feasibility study includes an assessment of the potential and costs to provide an increased number of chalets in the grounds of Norway House; and

(c) That, in principle, the costs of the Chalet Replacement Project be met from the Major Capital Project Reserve held within the Fund, at an appropriate time in the future, subject to the approval of the Cabinet.

(8) In-Year Housing Improvements and Enhancements Fund

One-off cost(s):	Nil
Annual cost:	£50,000
Form of expenditure:	Capital / Revenue

1. For the last two years, a small part of the Housing Improvements and Service Enhancements Fund has been set aside as an In-Year Fund for small additional projects of benefit to tenants that may be identified during the course of the year by members and officers. This has enabled the projects to be undertaken quickly, rather than having to wait

until the commencement of the following financial year. Individual one-off projects costing in excess of £10,000 have to be formally authorised by Housing Portfolio Holder.

2. Last year, the Cabinet agreed the Scrutiny Panel's recommendation to include an annual provision of £50,000 for the In-Year Fund, within the main Housing Improvement and Service Enhancements Fund – which has been included within the Fund Programme accordingly.

**Housing Improvements and Service Enhancements Fund - 2014-15
Programme Costs (One-off and Ongoing)**

No.	Proposal	Responsible Officer	£000's						Cap. or Rev.		
			2014/15		2015/16		2016/17				
			One-off	Ongoing	One-off	Ongoing	One-off	Ongoing			
Outstanding Projects from 2013/14											
13/14 A	On-Line Rents System for Tenants	D. Clifton	Latest								R
			Original	15							
13/14 B	Repairs Management Contract - Additional Key Deliverables	P. Pledger	Latest								R
			Original	31							
13/14 C	Marden Close (Feasibility Estimate - inc. fees)	P. Pledger	Latest								C
			Original	388							
13/14 D	Faversham Hall Conversion	P. Pledger	Latest								C
			Original	120							
TOTALS (Outstanding Projects from 2013/14)			Latest								
			Original	554							
Proposed New Projects for 2014/15											
1	Front Door Fire Safety Replacement Programme for Leaseholders in Flat Block	H. Thorpe	Latest								C
			Original	125		100		100			
2	Oakwood Hill Estate Enhancement Scheme	P. Pledger	Latest								C
			Original	100		100					
3	Refurbishment of Communal Kitchens - Sheltered Schemes	H. Thorpe	Latest								C
			Original	70		70					
4	Provision of Electric Mobility Scooter Stores	H. Thorpe	Latest								C
			Original	50		50					
5	Extension of Mow and Grow Scheme	R. Wilson	Latest								R
			Original	20		20					
6	Provision of Wi-Fi at Norway House	R. Wallace	Latest								C
			Original	8							
7	Norway House Chalet Replacement Project - Feasibility Study	P. Pledger	Latest								C
			Original	7							
8	In-Year Housing Improvements and Enhancements Fund	A. Hall	Latest								C / R
			Original	50							
9	Other Schemes - Major Capital Project Reserve	A. Hall	Latest								C
			Original	220							
TOTALS (Agreed Projects for 2013/14)			Latest	0	0	0	0	0	0	0	
			Original	650	0	340	0	100	0		
GRAND TOTALS (Outstanding & Agreed New Projects)			Latest	0	0	0	0	0	0	0	
			Original	1,204	0	340	0	100	0		
Savings from 2013/14 Out-Turn						0					
Anticipated savings/slippage from 2014/15						0					
Amount expected to be available for HRA Budget for new Enhancements in year						850		850			
Total amount of budget available to spend in year						850		850			
Available to allocate to new enhancements in year (after previous year's commitments - i.e. Original Grand Totals above)						510		750			

