

APPENDIX 5

HOUSING REVENUE ACCOUNT BUDGET REPORT –

INCREASES AND DECREASES ON CAPITAL SCHEMES

1. **Thornhill Better Homes – Budget Increase of £751K**
The final phase of the NDC is nearing completion and as such an exercise was undertaken to ensure that any properties missed or refusing this work (eg., where there has been a change of tenancy) were given one last opportunity to be refurbished. The outcome was that the uptake was higher than anticipated and the proposed budget increase will cover this.
2. **Crime Reduction and Safety – Budget Increase of £544K**
Crime reduction and safety is a top priority for the Council in trying to reduce anti-social behaviour and vandalism within its housing estates. In order to help achieve this the Council has allocated increased funds to provide new door entry systems, new doors to replace wooden doors that have been vandalised and increased lighting where possible to increase safety and reduce crime. Therefore, it is proposed to increase funding by £544K (£44K in 08/09, £250K in 09/10 and £250K in 10/11). This funding will allow for new door entrance systems, increased lighting and additional CCTV to be installed.
3. **Programme Management Fees – Budget Increase £352K**
The increase in charges to the capital programme reflects the scale of investment and new structure of the Asset Management Team within the Decent Homes Division. There are now dedicated programme managers responsible for ensuring the increased programme is delivered.
4. **Water tanks and pump replacement – Decrease £70K**
The original programme of works for this year included addressing the legionella risk at Kinloss Court (shared bath facilities with water storage issues). As this sheltered block is now being totally refurbished as a separate project with individual bathrooms, the risks have been removed and the works are no longer required.
5. **Structural Works – Decrease £55K**
As a result of the planned maintenance on our concrete structures across the city, the amount of urgent concrete repairs has reduced significantly. Therefore, a reduction in budget is proposed accordingly.
6. **Sheltered Accommodation Bedsit upgrade – Orpen Road Decrease £43K**
The final cost for the completed project was lower than estimated, without reducing either the standard or quality of the works or the number of properties receiving the work. This was mainly due to co-operation between all parties reducing the necessity for temporary decants, reducing timescales and good planning.
7. **Thornhill NDC Communal – slippage £289K**
The communal works were subject to lengthy consultation with local residents

which led to detailed designs prior to planning applications being submitted. The majority of works will now start in early April 2009.

8. **Concierge – slippage £1,030K**

Due to problems with the original wireless network proposals we had to research alternatives causing a delay which has an effect on spend profiles. SCC has now entered into an agreement with NTL for line connections ensuring that data info will be secure.

9. **Lift Refurbishment – slippage £1,117K**

As previously highlighted there has been a delay in the lifts programme. The reasons for this include the lack of interest from potential contractors in the initial procurement phases. A framework of lift contractors is now in place. The proposed works at Castle House have now started with 1 lift being completed this year. Millbank House has been tendered for and we are now looking to tender three lift refurbishments in Itchen. The proposed works to sheltered housing are being reviewed as the blocks only have 1 lift and tenants depend upon this for access. We are currently reviewing the options as to whether we can provide temporary lifts or if we need to decant residents while lifts are refurbished.

10. **Shirley Towers windows – slippage £500K**

Works on a trial flat are progressing to ascertain what the actual problem is (i.e. window manufacture, fixings, structural etc). Until these works are completed the specification cannot be written or tendered and therefore a slippage has occurred.

11. **Castle House Balconies – slippage £100K**

Tenders were returned for this project in November 2008 and there have been various legal and contractual queries with regard to the replacement of the balconies. We are dealing with these queries and we expect to start work shortly, approximately one month behind programme, and this accounts for the slippage in funds spent.

12. **Decent Neighbourhoods – Slippage £994K**

The Housing Management teams have been consulting with residents to identify priority projects as part of the Decent Neighbourhoods programme. The amount of consultation taking place has had a knock-on effect with regard to planning and execution of work which has caused slippage in the programme.

13. **Adaptations For Disabled People – Budget Increase £200K**

This budget was increased by Cabinet to £200k for 2008/09 to meet increased demand for critical cases.

14. **Energy Saving Programme - Decrease £500K**

The budget for this work has been reduced by £500K. This is in part due to a potential mini Combined Heat and Power unit being proposed for piloting which we have been unable to develop due to the technical nature of the scheme proposed. The other programme of work planned for this budget was a topping up of cavity wall insulation and loft insulation to properties as part of the Decent Homes programme. Many of our homes already met the prescribed level and

so did not need this work.

15. **Improvement To Stores Facilities – Decrease £150K**
This reduction is in accordance with the report approved by Cabinet on 29 September 2008 (item A08).
16. **Mobile Working Programme – Budget Increase £200K**
The outline business case for mobile working shows that the capital investment needs to be increased by £200K. This project is expected to show a payback within 3 years and deliver annual revenue savings of £275,000 thereafter.
17. **Estate Regeneration – Budget Increase £960K**
This increase is in accordance with the report approved by Cabinet on 24 November 2008 (item A14).
18. **Digital TV - £2,600K Budget Increase**
This is a new scheme that has been added to the capital programme and is necessary to accommodate the switch over from Analogue to Digital TV allowing tenants to continue to receive their television signal via a communal TV system from the changeover date in 2012. The paper outlining the proposed budget for this scheme was submitted to cabinet on 22nd December 2008 (Item A07).
19. **Decent Homes Contingency – Budget Increase £3,000K**
Recent experience has shown that there have been cost pressures within the Decent Homes programme because either the number of homes that do not meet the Decent Homes Standard has been higher or the percentage of residents taking up the offer of Decent Homes works has been greater than anticipated. Therefore, it is considered prudent to include a contingency for potential budget pressures in areas where surveys of works required have yet to take place.
20. **Decent Homes – Peartree/Sholing – Budget Increase £239K**
Due to increased works in Peartree/Sholing which involved structural issues and a total re-design of the ground floor to 60 properties additional costs have been identified within this project.
21. **External Improvements – walk-up Blocks – Budget Increase £163K**
Works were late starting on all individual sites due to procurement issues and the identification of asbestos on some of the sites. This led to increased costs which will be met by the proposed budget increase.