

## **HRA outturn 2010/10- Capital Variances**

### **Decent Homes Plus**

#### **SP 1211 – Digital TV - £220k slippage (14.7%)**

The original programme of works was delayed due to the landlord's electrical supply needing to be upgraded to a number of blocks. Without these works being carried out first, the Digital TV system would not have power to operate. There were also a number of incidents where the new cable systems were vandalised and the contractor had to return to rectify the problems before commencing new works.

Therefore the programme has been revised and the funding slipped into 2011/12.

#### **SP 1417 – Energy Saving Programme - £142k slippage (37.5%)**

A small amount of the originally programmed insulation work to lofts & cavity wall were not completed in 2010/11 due to the contractors inability to gain access. However access is being arranged and these homes are due for completion in 2011/12.

By working with funding partners (and through the CESP & CERT funding routes) the anticipated SCC costs were also reduced. There are still a number of properties requiring insulation works (including non-traditional build which are more costly to insulate) therefore this budget has been combined with the 2011/12 to allow more properties to benefit from such works.

### **Decent Homes**

Due to the complexities and variations of the final accounts across all of the Decent Homes kitchens and bathrooms projects (including Connaught entering administration), Asset Management together with Capita and Finance have been closely monitoring these accounts over the last 3 months.

Although there are individual additions and reductions across all the DH kitchen and bathroom programmes, we have been concentrating on the bottom-line figure across all accounts, the result being that there is a £141K under spend across all of the Decent Homes budget lines mostly due to tenants not being able to take advantage of programmes of work for individual reasons within the period of time that the contractors were in their area.

Variances over £100k on individual projects are as follows:

#### **SP 1186 – Decent Homes Harefield - £125k overspend (6.0%)**

The anticipated refurbishment works were increased with an additional 62 Kitchens & 54 Bathrooms being carried out. The main reasons for this is that once works had commenced in the area tenants who had not previously allowed access contacted Asset Management to have surveys carried out. The result was that more properties were identified as non-decent together with a number of Health and Safety issues having to be addressed. If these works were not carried out in this period they would have had to have been added to the 2011/12 programme.

#### **SP 1201 – Decent Homes Supported Housing - £172k underspend (7.0%)**

The actual final account for the refurbishment of kitchens within supported housing schemes was £29K less than the budget allocated. This was mainly due to Capita and our in house contractor, BCS, re-engineering the processe which resulted in a the average cost decreasing. The balance of £143K was due to lower than expected levels of attendance required by the Pollution and Safety Team, Asset Management Surveyors

and Capita fees throughout all of the Decent Homes projects. (For ease of accounting all the asbestos team's costs and surveyors' costs were kept in one line).

**SP 1415 – Disabled Adaptations - £272k underspend (10.0%)**

This year saw a concentrated effort to reduce the waiting time for a tenant to receive a "major" adaptation from 20 months to an agreed maximum of 9 months. This was achievable by increasing the budget from £1.35m to £2.70m. During this year the number of critical adaptation (those in most need) have been well under this target time and in general have been carried out within 4 weeks. All of the back log of work has generally been achieved but there are a small number of projects that were not fully completed in 2010/11 and are ongoing with completion due in May/June in 2011/12.

In conjunction with this there is a major adaptation which includes the building of an extension which was expected to commence in 2010/11 but due to planning issues has been delayed until 2011/12.

**SP 1482 – Decent Homes Swaythling Ph2 - £121k underspend (10.6%)**

Works were originally commenced by Connaught but following the company's administration order Drew Smith took over the project. The number of Kitchens originally programmed reduced from 136 to 115 with bathrooms also reducing from 135 to 111. The main reason appears to be tenant refusal for works or non-access. An exercise to try and gain access to properties was carried out but without further success.

**Decent Neighbourhoods**

**SP 1243 – Tankerville - £109k slippage (67.3%)**

Work was delayed due to an objection to a stopping-up order by one resident, which took time to satisfy before work could progress - programme revised and now on site.

**SP 1496 – Millbrook Block Improvements - £170k slippage (100%)**

Following resident and member consultation the complexity of the project requires a longer period to draft feasibility with Capita - programme to be redrafted to reflect.

**Estate Regeneration**

**SP 1258 – Exford Parade - £348k re-phased (30.3%)**

The purchase of the Exford Arms was scheduled for 2011/12 . The brewery were able to provide vacant possession in March 2011. The overall budget remains unchanged but the sum of £348k from the budget for 2011/12 is to be brought forward to 2010/11 to facilitate speedier delivery of the Exford estate regeneration project.

**SP 1262 – Hinkler Parade - £174k slippage (24.9%)**

The Co-Op Pharmacy relocation (under Compulsory Purchase Order) was not completed in 2010/11 financial year (due to delays by Plus You Limited negotiating the lease for the new unit) and the claim not yet been settled.

**LA New Build**

**SP 1404 – Cumbrian Way - £352k slippage (45.4%)**

A delay in starting the build was caused by the unexpected scale of initially removing extraneous material from the site, and the unanticipated complexities arising from extensive utilities diversions.