

Committee(s):	Date(s):	Item no.
Housing Management Sub and Community and Children's Services Projects Sub-Committee Joint meeting of the Energy and Performance Sub and the Resource Allocation Sub Committee	8 July 2011 September 2011 October 2011	
Subject: HOUSING REVENUE ACCOUNT (HRA) - CAPITAL PROJECT BIDS AND PROPOSALS: 2012/13 and 2013/14.	Public	
Report of: DIRECTOR OF COMMUNITY AND CHILDREN'S SERVICES	For Decision	
<p style="text-align: center;"><u>Summary</u></p> <p>This report outlines the Housing Revenue Account's capital project bids and proposals covering 2012/13 and 2013/14. It seeks your Committee's approval to submit them for approval to the Projects Sub-Committee and subsequently the joint meeting of the Efficiency and Performance Sub Committee and the Resource Allocation Sub Committee, for final ratification.</p> <p>The projects and proposals and their estimated 2011/12 costs, which are to be funded from the ring-fenced Housing Revenue Account (HRA), are presented in two priority groups and ranked in order of priority within the groups. The projects proposed are for works that are necessary to ensure that the City as a landlord meets its statutory repair obligations, as well as to plan for the continuing maintenance of the housing stock to the Government's Decent Homes Standard, which was met by December 2010. In order to be decent a home should meet the statutory minimum standard (for health & safety), be warm, weatherproof and have reasonably modern facilities. The Annexe to this report provides a summary of the Decent Homes Standard.</p> <p>The project groupings and projects in priority order by and within the groups are as follows:</p>		

Group A - 2012/13 Capital contingency budgets: that apply across all the City's estates, to deal with (i) replacing old central heating boilers, and (ii) works to modernise kitchens, bathrooms and install central heating primarily to vacant dwellings that have not had modernisation in previous phases of works, due to previous tenant opt outs. These are:

1. Decent Homes Planned Boiler Replacements Contingency Ph2 (tenanted dwellings only) - £350,000 (works £335,000; staff costs £15,000, including £500 for evaluation)
2. Decent Homes Central Heating Installation Programme (CHIP 2) Contingency (tenanted dwellings only)- £70,000 (works £63,000 staff costs £7,000, including £500 for evaluation)
3. Decent Homes Kitchen and Bathroom Modernisations Contingency Ph2 (tenanted dwellings only) - £92,000 (works £80,000; staff costs and fees £12,000, including £500 for evaluation)

Group B - Estate specific project options appraisal budgets: a 30 year asset management strategy is presently being developed and will be a key component in addressing the long-term viability of the City's HRA following the Government's implementation of self-financing in April 2012. Initial condition surveys indicate that some blocks' building components have either failed or are at or near the end of their economic life, or additional facility improvements are advised for estates management. Following the initial condition surveys, a first group of projects have been identified in priority order for options appraisal in advance of the final asset management strategy. At this stage the recommendation is for approval to staff costs and fees budgets to undertake options appraisals only. The potential affordability/timing of implementing the Group B projects, including the impact on the HRA reserves and likely long lessee reimbursements, will be addressed in the development of the HRA asset management strategy and business plan. The proposed project appraisals (detailed in the Annex) are:

1. Avondale Square Estate Door Entry Replacement of failed and failing 20-25 year plus old door entry installations - £8,000 staff costs for options appraisal for works at an estimated £586,000.
2. Golden Lane Estate Door Entry Replacement of failed and failing 20-25 year plus old door entry installations - £7,000 staff costs for options appraisal for works at an estimated £458,000.
3. Holloway Estate, Electrical Rewiring of 35 to 45 year old Tenants' and Landlord installations - £7,000 staff costs for options appraisal for works at an estimated, £360,000.
4. Avondale Square Estate Windows Replacement of 60 year old single glazed metal (Crittall) windows at George Elliston House and Eric Wilkins House - £12,000 for staff costs and fees for options appraisal for works at an estimated £400,000.

5. Housing Estates CCTV (Avondale Square, Dron House, Golden Lane, Southwark, William Blake) - £12,000 for staff costs and consultant fees for options appraisal (including resident consultations), for works estimated £255,000.
6. Avondale Square Estate Kitchens, Bathrooms and Central Heating Replacement Phase 2 - £10,000 for staff costs and consultant fees for options appraisal for works at an estimated £1,439,000.
7. William Blake Estate Kitchens and Bathrooms Replacement - £6,000 for staff costs and consultant fees for options appraisal for works at an estimated £360,000.

The Group A projects are 2012/13 capitalised works contingency budgets totalling £512,000 (£478,000 for works and £34,000 for staff costs and fees to be funded from the HRA's Major Repairs Reserve. As at 31 March 2012 the balance on the Reserve is estimated to be £10.4m. The evaluation costs estimated at £500 per project are included in the staff costs. As the estimated cost of each of the individual Group A projects is below £400,000 I have delegated authority, under Standing Orders, to approve the evaluations.

The Group B proposed projects are for options appraisal budgets totalling £62,000 (£41,000 for staff costs and £21,000 consultant fees). The £21,000 consultant fees are to be funded initially from the HRA's Fees for Feasibility Studies budget - £8,000 from the £40,000 approved budget in 2011/12 and £13,000 in the 2012/13 estimates. Staff costs will be contained within existing HRA budgets.

There are sufficient resources within the HRA to fund its share of the total cost of £574,000 for these projects and proposals which is estimated to be £560,000 after allowing for estimated contributions of £14,000 due from long leaseholders affected by projects 1 to 4, and 5 in Group B.

Recommendations

It is recommended that Members:

- a) approve the three Group A capital contingency project bids totalling £512,000 (including evaluation costs of £1500 - £500 per project), which are to be funded from the ring-fenced Housing Revenue Account's Major Repairs Reserve;
- b) approve the Group B project proposals totalling £62,000 for options appraisals comprising staff costs of £41,000 (to be met from existing budgets), and an estimated £21,000 for consultant fees to be funded from the Housing Revenue Account's Feasibility Studies Budgets in 2011/12 (£8,000) and 2012/13 (£13,000) with relevant costs being recovered from long lessees; and

- c) submit their decision to the Projects Sub-Committee and subsequently the joint meeting of the Efficiency and Performance Sub Committee and the Resource Allocation Sub Committee, for concurrence.

Main Report

Introduction

1. This report sets out the Department of Community and Children's Services Housing Revenue Account (HRA) project bids and project proposals for housing projects covering 2012/13 and 2013/14. The bids and proposals are to be funded from the Housing Revenue Account (HRA) and contributions from long lessees where relevant. The projects contribute towards meeting the City's landlord repair obligations as well as continuing to maintain the City's social housing to the Government's Decent Homes Standard, which are complementary.
2. In order to be a decent home, a property should meet the statutory minimum standard, be warm (with programmable heating and reasonable insulation), weatherproof (in a good state of repair), and have reasonably modern facilities (kitchens, bathrooms and services), as outlined in Annex A. The City has already met the Government's target for all its social housing to meet the Decent Homes standard by December 2010, with the exception of the 120 dwellings at Great Arthur House on the Golden Lane Estate. At Great Arthur House, which is a listed building, the replacement of the cladding and windows is to be completed by 2012/13. This is due to the complexity of designing a replacement that complies with the building regulations, and with the planning and listed building requirements. The Government Office for London has agreed an extension of the deadline to 2012/13 for Great Arthur House. The project's options appraisal process has already been completed and is proceeding to the next stage.
3. Beyond 2010 social housing is expected to be maintained at the Decent Homes Standard. This will be achieved by a combination of planned and programmed maintenance projects (revenue, supplementary revenue and capital), which the project bids and proposals in this report address.

HRA Self Financing System from April 2012

4. The planned implementation of a self financing system from April 2012 should enable local authorities, including the City, to more effectively plan long-term for the management and maintenance of their housing stock and estates. This is extremely difficult under the current system whereby subsidies are only agreed year to year. To manage this process effectively a long term HRA business plan and a long term HRA asset management strategy will need to be in place by April 2012. These are being developed for approval later in 2011. However, the on-going maintenance of the stock is still necessary in the meantime. The project bids and proposals outlined below are intended to fulfil this requirement by prioritising (A) contingency capital budgets for 2012, and (B) staff costs/fees for project proposals to deal with estates' facilities that are failing or may fail, and for CCTV security improvements. These can be appraised with reference to the business plan and asset management and maintenance strategy.

The Proposed HRA Project Bids and Project Proposals - Summary of the Evidence of Need

5. **Group (A) Capital Contingency Budgets** - The majority of the City's housing stock has met the required standard by 2010 following decent homes works. However there will still be some properties that would not have had kitchen and bathroom modernisation, or that would be without programmable central heating or have older electric storage heating near the end of its useful life. This is because, at the time the original Decent Homes projects for these works were being undertaken, the tenant refused access and/or did not want the works (for medical-age-frailty-not wishing disturbance, type reasons). Alternatively, it may be that at the time, the facilities were assessed as decent, but are now approaching the end of their useful lives and becoming beyond economic repair. Nevertheless, local housing authorities must be able to demonstrate that every effort is being made to maintain the required standard by, for instance, annual or periodic programmes of work.
6. In addition, where there is gas central heating, under the Decent Homes Standard, the life expectancy of gas central heating boilers is 15 years. Annual safety checks of the gas heating and hot water installations are undertaken and any boilers around 15 years old that are in a poor condition and not economically repairable will require replacement to ensure that the standard is maintained.
7. Therefore provision of contingency budgets will ensure that as and when tenancies change, or kitchens and bathrooms previously assessed as meeting the standard fail, or gas boilers require replacement, there is funding to ensure the dwellings are brought up to the standard.

8. **Group (B) Project Proposals for options appraisal** - On some of the estates, projects are already under way to remedy building component failures, undertake modernisations and improvements to ensure the properties are maintained to the Decent Homes Standard. **A 30 year asset management strategy is presently being developed and will be a key component in addressing the long-term viability of the City's HRA following the Government's implementation of self-financing in April 2012.** Initial condition surveys indicate that some blocks' building components have either failed or are at or near the end of their economic life, or additional facility improvements are advised for estates management.
9. Having regard to these factors, a 10 year preliminary assessment of the housing stock prior to the formulation of the 30 year asset management strategy, indicates that in the short term option appraisals for works are necessary to the building components on several estates' blocks. As such it is good practice to consider options for their major repairs or replacement in order to programme works in a planned manner, so that the City as landlord meets its statutory repair duties, as well as continuing to maintain the housing stock to meet the Government's Decent Homes Standard, so that there are projects (that take time to develop) "in the pipeline". The options appraisals proposed will be undertaken with reference to the 30 year asset maintenance strategy mentioned above and, therefore, whether they proceed or not to the next stages. The potential affordability/timing of implementing the Group B projects, including the impact on the HRA reserves and likely long lessee reimbursements, will also be considered as part of this process.

The Bids and Proposals - Categories, Priority and Financial Implications Summary

10. **Group (A) Capital Project Bids** - The three capital project bids, which are detailed in the annexes, but summarised here with their category and in order of priority are:

Group A Capital Projects	Total (£)	Works (£)	Staff costs (including evaluation - £500 per project). (£)
1. Decent Homes Boiler Replacements Contingency Ph2. Category 2 (Statutory- Landlord repair obligation), Priority: Essential.	350,000	335,000	15,000
2. Decent Homes Central Heating Contingency (CHIP2).	70,000	63,000	7,000

Category 2 (Statutory- Landlord repair obligation), Priority: Essential.			
3. Decent Homes Kitchens & Bathrooms Contingency Ph2. Category 7a (asset enhancement/improvement - capital), Priority Essential.	92,000	80,000	12,000
Totals	512,000	478,000	34,000

The projects are planned to be implemented in financial year 2012/13. The works will only be carried out on tenanted properties and will therefore be funded in full from the Major Repairs Reserve. As the estimated cost of each of the individual Group A projects is below £400,000 I have delegated authority, under Standing Orders - 51(5), to approve the evaluations (within the budget approved at bid stage).

11. Group (B) Project Options Appraisals Proposed - Staff Costs & Fees:

There are seven estate project proposals for consideration, which are detailed in the annexes, but summarised here with their category and in order of priority:

Group B Projects - Options Appraisal Budgets	Total Staff costs/fees (£)	Fees	Staff Costs
i. Avondale Square Estate Door Entry Replacement. Category 2 (Statutory- Landlord repair obligation), Priority: Essential.	8,000	0	8,000
ii. Golden Lane Estate Door Entry Replacement. Category 2 (Statutory- Landlord repair obligation), Priority: Essential.	7,000	0	7,000
iii. Holloway Estate, Electrical Rewiring. Category 2 (Statutory- Landlord repair obligation), Priority: Essential.	7,000	0	7,000
iv. Avondale Square Estate Windows Replacement. Category 2 (Statutory- Landlord repair obligation), Priority: Essential.	12,000	6,000	6,000
v. Housing Estates CCTV (Avondale Square, Dron House, Golden Lane, Southwark, William Blake). Category 7a (asset enhancement), Priority: Essential	12,000	7,000	5,000
vi. Avondale Square Estate Kitchens,	10,000	6,000	4,000

Bathrooms and Central Heating Replacement Phase 2 Category 7a (asset enhancement): Advisable			
vii. William Blake Estate Kitchens and Bathrooms Replacement. Category 7a (asset enhancement): Advisable	6,000	2,000	4,000
Totals	62,000	21,000	41,000

The projects, when agreed, are planned to be implemented in financial year 2012/13 to 2013/14, subject to the options appraisal process. The £21,000 consultant fees for the options appraisal will be funded initially from the HRA's Fees for Feasibility Studies budget - **£8,000 from the £40,000 approved budget in 2011/12 and £13,000 in the 2012/13 estimates. Staff costs are to be met from existing budgets.** The total cost will be partly offset by estimated service charge contributions of £14,000 from long leaseholders for projects (i) to (v).

Legal Implications

- The City has a statutory duty under section 11 of the Landlord and Tenant Act 1985 (as amended) where it has let residential premises on short term tenancies to keep in repair the structure and exterior of the dwelling (including the drains, gutters and external pipes); to keep in repair and proper working order the installations in the dwelling for the supply of water, gas or electricity and for sanitation (including basins, sinks, baths and sanitary conveniences, but not other fixtures, fittings and appliances for making use of the supply of water, gas or electricity) and to keep in repair and proper working order the installations in the dwelling for space heating and heating water. The City has a statutory duty under the Housing Act 1985 (as amended) where it has granted long leases of residential premises to keep in repair the structure and exterior of the dwelling and the building in which it is situated (including drains, gutters and external pipes).

Resident Consultations

- The Group A projects and the Group B, Kitchen and Bathroom modernisation and Central Heating projects, are Landlord repairing and modernisation projects to rented properties and do not require that tenants be consulted on the principle of undertaking the works, as long as the City as landlord assesses the works are necessary to meet repairing obligations, and continue to meet the decency standard. However, tenants are consulted on the layouts and colour finishes of their kitchens and bathrooms to achieve resident satisfaction and for good housing management practice in involving tenants.

14. For the Group B projects (i) to (v), once the options appraisal has been completed and a recommended option agreed and then developed, then the schemes will be subject to statutory pre and post-tender consultations with long leaseholders under the Landlord and Tenant Act 1985 and Commonhold and Leasehold Reform Act 2002. There will also be consultations with all residents on proposed designs of the replacements, within any local planning requirements (e.g. the type and design of replacement windows).
15. The Estates' CCTV improvements proposed will be subject to resident consultations on the outline proposals and the estimated costs, to determine whether there is majority support to proceed. The consultation results will be included in the options appraisal report.

Corporate Property Implications

16. The various proposed works affect the City's retained housing stock, thus excepting any rent adjustments, residents may apply; tenants will not be facing large expenditure. For those tenants who have purchased their property, the City has hardship provisions in place should they find it difficult to afford the costs which the City would want to recover. In addition to the works being required for the City to meet its statutory obligations, they should ensure that the housing stock is maintained in good order which will be reflected in the value of the properties, particularly if the City receives subsequent right-to-buy applications. In terms of sustainability and the works that are identified, every opportunity should be taken to ensure that homes are fully insulated to achieve maximum benefit from boiler and central heating installations. The replacement of older electric heating systems with efficient modern gas boilers is supported.

Strategic Implications and Project Objectives

17. Contributing towards delivery of The Department Business Plan, The City's Corporate Plan and The City Together Strategy

“Improving Health and Well Being” and **“Increasing Value for Money”** are two of the Department's Business Plan's Key Objectives, with the aim of achieving improved resident satisfaction and realising savings. These objectives support **The City Together Strategy Themes of “The City Together - Supporting our Communities** (To promote appropriate provision of housing and community facilities), plus, **Protection, Promotion & Enhancement of our Environment** (To ensure high standards of energy and resource efficiency in the design and implementation of the built environment and to encourage reduced carbon emissions across all sectors), and supports **the City of London Corporation's Corporate Plan Strategic aim: “To provide modern,**

efficient and high quality local services and policing within the Square Mile for workers, residents and visitors with a view to delivering sustainable outcomes”.

18. It is widely acknowledged that affordable and decent housing has an impact upon health and wellbeing for both adults and children. For the kitchen and bathroom projects, tenants will be provided with a choice of kitchen and bathroom finishes from a range for the modernisation works, as well as customising the layouts. The objective of improved residents’ satisfaction will be achieved by undertaking satisfaction surveys after the various works.

Consultees

19. The Chamberlain, Comptroller and City Solicitor and the City Surveyor have been consulted in the preparation of this report.

Conclusion

20. The three Group A project bid budgets will contribute to the City meeting its landlord statutory repair duties as well as maintaining the social housing stock to the Government’s Decent Homes Standard. This should benefit residents’ quality of life and satisfaction, and so meet the City’s and the Department’s strategic and business plan objectives.

JOY HOLLISTER
Director of Community and Children’s Services

Contact:

Phillip Hawes. 0207 332 1141
phillip.hawes@cityoflondon.gov.uk

Annex A

DECENT HOMES STANDARD

Since the publication of the Government's "*A Decent Home: The definition and guidance for implementation*", published in February 2004", government policy is for all social housing to meet the Decent Homes Standard by 2010 and be maintained to this standard thereafter. The essence of this requirement is to create a minimum standard of housing across all Local Authorities in relation to the Decent Homes Standard (as developed by government).

This standard is broken down into four main criteria (A-D). **A decent Home is defined as one, which meets all of the following four criteria:**

Criterion A: It meets the current statutory minimum standard for housing: At present, under the Housing Health and Safety Rating System, dwellings should be free of Category 1 hazards (i.e. serious faults/failures of building and services elements that are hazardous and may be damaging to health and safety by causing serious harm). NOTE: All of the City's social housing presently meets the statutory minimum standard.

Criterion B: It is in a reasonable state of repair: Dwellings failing on this point will be those where either:

- One or more key building components are old and need replacing (where "key" means external components, electrics and gas heating source); or
- Two or more other building elements are old and need replacing (e.g. windows, roof, walls).

Criterion C: It has reasonable modern facilities and services: Dwellings failing on this point are those that lack three or more of the following:

- A reasonably modern kitchen (20 years old or less)
- A kitchen with adequate space and layout
- A reasonably modern bathroom (30 years old or less)
- An appropriately located bathroom and WC
- Adequate noise insulation (where external noise/neighbourhood noise is a problem)
- Adequate size and layout of common areas for blocks of flats

Criterion D: Provides a reasonable degree of thermal comfort: Dwellings failing on this point are those without effective insulation (e.g. cavity wall/loft insulation), and efficient heating (programmable heating).

Group A Capital Contingency Budgets - Details

Project A1: Planned Boiler Replacements Contingency, Ph2 Category 2, Priority Essential

1. Summary

- 1.1. The Decent Homes criterion of a reasonable degree of thermal comfort requires dwellings to have both effective insulation and efficient heating. Under the standard, the life expectancy of gas central heating boilers is 15 years. Annual safety checks of the gas heating and hot water installations are undertaken in tenants' flats. Any boilers that are around 15 years old, in a poor condition and not economically repairable will require replacement to ensure the required standard is achieved and maintained.
- 1.2. The provision of a contingency to fund the ongoing replacement of gas central heating boilers as and when they reach the end of their useful life will ensure that dwellings are brought up to the required standard.

2. Financial Implications

- 2.1. The average estimated cost of installing a new gas central heating boiler (and associated works, like radiator valves, and modern programmers), is approximately £3,000. A provision of £355,000 (2011 price base), comprising £330,000 for works and £15,000 for staff costs (including £500 evaluation costs), would allow up to 110 flats to be updated over 2012/13. As works would only be carried out to tenanted flats, the capital cost of £335,000 would be met in full by the Major Repairs Reserve.
- 2.2. Following replacement, a reduction in response repairs is expected although this is difficult to quantify.
- 2.3. The anticipated 2012/13 expenditure is as follows:

	2012/13 £,000
Works	335,000
Staff Costs (inch £500 for evaluation)	15,000
Fees	0
Total	350,000

Project A2: Call Backs Contingency for Central Heating Installations Programme (CHIP2)

Category 7A, Priority Essential

1. Summary

- 1.1. The Decent Homes criterion of a reasonable degree of thermal comfort requires dwellings to have both effective insulation and efficient heating. Although the majority of the City's tenanted stock has already been brought up to the required standard under previously approved large scale capital projects there are still some properties that either (a) have no programmable central heating or (b) have older type electric storage heating, near the end of its life expectancy that is no longer economical to repair. These dwellings were omitted from earlier projects either because the tenant refused access or, at the time the original projects were carried out, the heating system was assessed as being decent. Nevertheless, local housing authorities must be able to demonstrate that every effort is being made to achieve and maintain the required standard.
- 1.2. The provision of a call backs contingency will ensure that as and when tenancies change or existing electrical heating systems fail there is sufficient provision to bring the dwellings up to the required standard.

2. Financial Implications

- 2.1. The average estimated cost of installing a new gas central heating system is approximately £4,500. A contingency provision of £70,000 (2011 price base), comprising £63,000 for works and £7,000 for staff costs (including £500 evaluation costs) would allow up to 14 flats to be updated under the call backs programme. As works would only be carried out to tenanted flats the capital cost of £70,000 would be met in full by the Major Repairs Reserve.
- 2.2. There will be additional annual revenue costs of approximately £100 per dwelling to cover annual safety inspections.
- 2.3. The anticipated 2012/13 expenditure is as follows:

	2012/13 £000
Works	63,000
Staff Costs (incl £500 for evaluation)	7,000
Fees	0
Total	70,000

Project A3: Kitchen and Bathroom Modernisation Call Backs Contingency Ph2

Category 7A, Priority Essential

1. Summary

- 1.1. The Decent Homes criterion of reasonably modern facilities and services specifies that a dwelling would fail the standard if it lacks three of the following:
 - a reasonably modern kitchen (20 years old or less);
 - a kitchen with adequate space and layout;
 - a reasonably modern bathroom (30 years old or less);
 - an appropriately located bathroom and WC;
 - adequate insulation against external noise (where external noise is a problem); and
 - adequate size and layout of common areas for blocks of flats
- 1.2. Although the majority of the City's tenanted stock has already been, or is in the process of being, brought up to the required standard there are still some properties that do not meet it. These dwellings were omitted from earlier projects either because the tenant refused access or, at the time the large scale Decent Homes projects were carried out, the kitchens and bathrooms were assessed as being decent. Nevertheless local housing authorities must be able to demonstrate that every effort is being made to achieve and maintain the required standard.
- 1.3. The provision of a call backs contingency will ensure that as and when tenancies change, or kitchens and bathrooms previously assessed as meeting the standard fail, that there is sufficient provision to ensure the dwellings are brought up to the required standard.

2. Financial Implications

- 2.1. The average estimated cost of modernising a kitchen and bathroom is approximately £8,000 per dwelling. A contingency provision of £92,000 (2011 price base), comprising £80,000 for works and £12,000 for staff costs and fees (including £500 evaluation costs), would allow up to 10 flats to be updated under the call backs programme. As works would only be carried out to tenanted flats the capital cost of £92,000 would be met in full by the Major Repairs Reserve.
- 2.2. Following the modernisation of the kitchens and bathrooms a reduction in response maintenance can be expected although this is difficult to quantify.

- Appoint consultant February - March 2012
- Design period April to July 2012
(including statutory pre-tender consultation)
- Tender period (including statutory and post-tender consultation) August to November 2012
- Start on site January 2013
- Finish on site October 2013

Funding and Phasing - The estimated cost for the options appraisal of £8,000 would be funded in full from the ring-fenced Housing Revenue Account's Major Repairs Reserve, with contributions from long leaseholders. The expenditure is anticipated in 2011/12:

	TOTAL (£000)	2011/12
Staff Costs	8	8
TOTAL	8	8

B2: Golden Lane Estate Door Entry Replacement Options Appraisal	Category 2	Priority: Essential	Estimated Cost: £7,000
<p>Summary - Of the nine blocks' old (22+ years), audio only door entry installations that serve 570 dwellings, six are at the end of their useful lives. Three blocks' systems have already been replaced. The same maintenance and service issues as at Avondale Square estate above apply.</p> <p>Proposal - It is proposed that the options for addressing major repair or replacement works to the remaining six blocks are undertaken at an estimated £7,000 staff costs, for works at an estimated £458,000 (affecting 456 flats), for the replacement option.</p> <p>Options to be appraised -</p> <ul style="list-style-type: none"> a) doing nothing to dis-connecting and dis-continuing the service. b) repair/upgrading of the existing audio door entry system, estimate to be provided. c) complete replacement with a new audio-visual system, at an estimated £458,000(based on the blocks already done). <p>Key Dates - the key dates for the programme are anticipated as follows:-</p>			

- Bid Report approvals September 2011 - October 2011
- Options appraisal report approvals November 2011 - January 2012
- Appoint consultant February 2012 - March 2012
- Design period (including statutory pre-tender consultation) April 2012 - July 2012
- Tender period (including statutory and post-tender consultation) August 2012 - November 2012
- Start on site January 2013
- Finish on site October 2013

Funding and Phasing - The estimated cost for the options appraisal of £7,000 would be funded in full from the ring-fenced Housing Revenue Account's Major Repairs Reserve, with contributions from long leaseholders. The expenditure is anticipated in 2012/13:

	TOTAL (£000)	2011/12
Staff Costs	7	7
TOTAL	7	7

B3: Holloway Estate, Electrical Rewire Options Appraisal

Category 2

Priority:
Essential

Estimated
Cost: £7,000

Summary - The estates 1960's and 1970's blocks, a total of 181 dwellings, have the original wiring (tenants' and landlords'), which is between 35 years old (Whitby Court) and 45 years old (Parkhurst blocks). The wiring, which is a mixture of mineral insulated and PVC cables, is well past the Decent Homes guideline 30 year life expectancy. They do not comply with present building regulations (Part P). Regular testing of installations is monitoring the situation for safety.

Proposal - it is proposed that in view of the age of the electrical installations the options for addressing major repairs/upgrading or replacement is undertaken at an estimated **£7,000** staff costs, for works at an estimated £650,000 for the replacement option.

Options to be appraised -

- a) doing nothing.
- b) repairs and upgrading.

c) complete replacement at an estimated £650,000.

Key Dates - the key dates for the for the programme are anticipated as follows:-

- Bid Report approvals September - October 2011
- Options appraisal report approvals April - May 2012
- Appoint consultant June-July 2012
- Design period August to December 2012
(including statutory pre-tender consultation)
- Tender period (including statutory and post-tender consultation) January to March 2013
- Start on site April - May 2013
- Finish on site Sept - October 2013

Funding and Phasing - The estimated cost for the options appraisal of £7,000 would be funded in full from the ring-fenced Housing Revenue Account's Major Repairs Reserve, with contributions from long leaseholders. The expenditure is anticipated in 2012/13:

	TOTAL (£000)	2012/13
Staff Costs	7	7
TOTAL	7	7

B4: Avondale Square Estate, Windows Replacement Options Appraisal	Category 2	Priority: Essential	Estimated Cost: £12,000
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Summary - The 60 year old single glazed metal (Crittall) windows at **George Elliston House and Eric Wilkins House** (with a total of 65 dwellings), are well past the Decent Homes guideline 30 to 40 year life expectancy. The 2010 condition survey indicates that the single glazed metal can be said to be coming to the end of its useful life and obsolete in terms of modern day standards. The windows could be repaired/refurbished to prolong their lifetime, albeit with difficulty in meeting current day standards that exist in respect to security, energy, noise (the blocks face the busy Old Kent Road), operation, safety and resident/tenant perceptions (part of the options appraisal). The next external repairs and redecoration cycle (from the last 2002/03 cycle) would have been from 2010/11. But - so that the option resulting from the condition survey of replacement double glazed windows might be considered, rather than continuing with expensive repairs and redecoration cycle to the old windows, the work has been deferred so that an options appraisal may be undertaken.

Proposal - it is proposed that in view of the age and condition of the windows at George Elliston House and Eric Wilkins House, the options for addressing major repairs/upgrading or replacement is undertaken at an estimated **£12,000** staff costs and fees, for works at an estimated £400,000 for the replacement option.

Options to be appraised -

- a) doing nothing.
- b) continuing with the cycle of external repairs and redecoration.
- c) complete replacement at an estimated £400,000.

Key Dates - the key dates for the programme are anticipated as follows:-

- Bid Report approvals September - October 2011
- Options appraisal report approvals May-June 2012
- Appoint consultant July-August 2012
- Design period September 2012 - March 2013
(including statutory pre-tender consultation)
- Tender period (including statutory and post-tender consultation) April - June 2013
- Start on site July - August 2013
- Finish on site July 2014

Funding and Phasing - The estimated cost for the options appraisal of £12,000 would be funded in full from the ring-fenced Housing Revenue Account's Major Repairs Reserve, with contributions from long leaseholders. The expenditure is anticipated in 2012/13:

	TOTAL (£000)	2012/13
Fees	6	6
Staff Costs	6	6
TOTAL	12	12

B5: Housing Estates CCTV (Avondale Square, Dron House, Golden Lane, Southwark, William Blake)	Category 7a	Priority: Essential	Estimated Cost: £8,000
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Summary - As a result of a review of safety and security on the estates (in conjunction with local crime prevention officers), CCTV has been requested at

vulnerable locations at some of the estates to deter anti-social behaviour like graffiti, parked car damage, muggings and general vandalism, as well as to provide re-assurance for residents' safety and to assist police with detection.

Proposal - it is proposed to obtain outline estimates and consult residents on options to obtain majority agreement on the best way to proceed in the option appraisal report. Staff costs and consultant fees for the exercise are estimated at £12,000. Provision of CCTV cost is estimated at £255,000, across the five estates - Avondale Square - £100,000, Dron House - £9,000, Golden Lane - £40,000, Southwark estate blocks: Pakeman House, Stopher House, Markstone & Bazeley Houses - £78,000, William Blake estate - £28,000.

Options to be appraised -

- a) doing nothing.
- b) alternatives like private security patrols.
- c) installation of CCTV.

Key Dates - the key dates for the programme are anticipated as follows:-

- Bid Report approvals September - October 2011
- Options appraisal report approvals April - May 2012
- Appoint consultant June-July 2012
- Design period August to December 2012
(including statutory pre-tender consultation)
- Tender period (including statutory and post-tender consultation) January to March 2013
- Start on site April - May 2013
- Finish on site Sept - October 2013

Funding and Phasing - The estimated cost for the options appraisal of £12,000 would be funded in full from the ring-fenced Housing Revenue Account's Major Repairs Reserve, with contributions from long leaseholders. The expenditure is anticipated in 2012/13:

	TOTAL (£000)	2012/13
Fees	7	7
Staff Costs	5	5
TOTAL	12	12

	TOTAL (£000)	2011/12	2012/13
Fees	6	6	0
Staff Costs	4	0	4
TOTAL	10	6	4

B7: William Blake Estate, Kitchen and Bathroom Modernisation	Category 7a	Priority: Advisable	Estimated Cost: £6,000
<p>Summary - With the exception of the largest block, Blake House, which has had kitchen and bathroom modernisations undertaken in the 1990's, the kitchens and bathrooms to the remaining 45 rented properties are 30 years old. As such they are over the Decent Homes guideline for modern kitchens of 20 years and for modern bathrooms of 30 years.</p> <p>Proposal - it is proposed that the 45 rented properties are considered for Decent Homes kitchen and bathroom modernisation works for 2013/14, at an estimated £360,000. This will be subject to property surveys and the option appraisals process at an estimated £6,000.</p> <p>Options to be appraised -</p> <p>a) doing nothing.</p> <p>b) continuing with one off repairs or replacements of kitchens, bathrooms.</p> <p>c) replacement and modernisation of kitchens and bathrooms.</p> <p>Key Dates - the key dates for the programme are anticipated as follows:-</p> <ul style="list-style-type: none"> • Bid Report approvals September - October 2011 • Property surveys January - March 2012 • Options Appraisal report April to May 2012 • Design & specification period June to October 2012 • Tender period November 2012 to January 2013 • Start on site April - May 2013 • Finish on site September 2013 to October 2013 <p>Funding and Phasing - The estimated cost for the options appraisal of £6,000 would be funded in full from the ring-fenced Housing Revenue Account's Major Repairs Reserve, with contributions from long leaseholders. The expenditure is anticipated in</p>			

2011/12 and 2012/13:

	TOTAL (£000)	2011/12	2012/13
Fees	2	2	0
Staff Costs	4	0	4
TOTAL	6	2	4