

Report of Director of Environment and Housing

Report to Executive Board

Date: 4th September 2013

Subject: Sustainable Communities Investment Programme – Cross Green Group Repair Phase 2 and 3

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): Burmantofts and Richmond Hill	Yes
Are there implications for equality and diversity and cohesion and integration?	Yes
Is the decision eligible for Call-In?	Yes
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	No

Summary of main issues

1. On the 15th February 2013, Executive Board agreed a programme of investment for the Sustainable Communities Investment Programme (SCIP). This investment will enable a programme of improvements to address housing conditions, energy efficiency, environmental conditions and highway improvements. In addition it will create a Community Fund in Cross Green and the Nevilles in the East of the city.
2. One of the projects to make up the programme is the provision of further group repair phases in Cross Green. This will improve up to 180 properties by providing new roofs, improved energy efficiency, new boundary walls and yards, new windows and doors. Currently a contractor is being procured to deliver the scheme. As part of the contract local labour clauses will be included to ensure that wherever possible local labour and supply chains are used. There will also be an expectation for training opportunities to be provided as part of the scheme. This will compliment earlier investment in group repair within the area totalling £2.6M and the building of 21 new affordable homes by Chevin Housing Association, directly adjacent to both the previous and the proposed group repair areas
3. The Executive Board 15th February 2013 agreed to inject £5m from the Economic Initiatives Capital Programme into the SCIP, including £3.75m for group repair in Cross Green. The purpose of this report is to request the injection of the anticipated £0.3m in private sector contributions towards the schemes and to authorise a spend totalling £4.05m to undertake the further phases of group repair in Cross Green

Recommendations

4. Executive Board are requested to authorise the injection into the capital programme of £0.3m from owners' contributions and to give authority to spend a total budget of £4.05m on the group repair element of the SCIP as part of the overall investment in the Cross Green and Neville's.
5. That the management of the project within the agreed budget be delegated to the Director of Environment and Housing, including ensuring that wherever possible local labour, training and supply chains are used by the chosen contractor as part of the delivery of the schemes

1 Purpose of this report

- 1.1 The purpose of this report is to request the Executive Board to authorise the injection of £4.05m into the capital programme for Cross Green Group Repair Phase 2 and 3. This total includes the approval to inject £0.3m into the capital programme for contributions from the owner occupiers and the £3.75m agreed by the Board in February 2013.

2 Background information

- 2.1 The Executive Board in February 2013 gave approval to create a SCIP to help to regenerate areas of housing need. The programme consists of improvements to the fabric of properties through retrofitting and facelifts, energy efficiency measures, environmental improvements, highway improvements and a Community Fund in the Cross Green area of the city.
- 2.2 Prior to the current Government spending review in 2011 funding was available to improve the private sector stock via the Private Sector Renewal Grant (PSRG). Using monies from this grant via the now defunct West Yorkshire Regional Housing Board a phase of group repair in the Cross Green area between 2010 and 2012 was undertaken. This led to the retrofitting of 80 properties with some additional facelift works undertaken to a further 40 properties.
- 2.3 It had been anticipated that further PSRG would be available to undertake additional phases in Cross Green to complement other regeneration activities in the area including the building of 21 properties by Chevin Housing Association as part of the Affordable Housing Programme. However the Government spending review ended the PSRG.
- 2.4 The SCIP will allow a second phase of group repair to be undertaken. Works to the properties will include new roofs, windows, doors, energy efficiency works rainwater goods, repointing of external walls, new boundary walls and yards. As part of the additional energy efficiency funding via Green Deal it is proposed to enhance the energy efficiency works to include solid wall insulation to the properties.

2.5 Group repair schemes have a number of benefits to the community. The scheme uplifts the physical appearance of the area and increases confidence within the community. In previous schemes this has led to owners investing further in their homes to improve their overall living conditions. Works have included new kitchens and bathrooms. A Health Impact Assessment of Group Repair showed that not just the participants but the general community felt better as homes in the area had been improved and the community felt the neighbourhood was safer. Part of the scheme involves visiting all potential owners in the target area. This allows officers to discuss other issues and signpost owners and occupiers to other services. On previous schemes such signposting has included benefit checks, help with adapting properties, income help via the Leeds Credit Union and health checks. All of this added value will form part of this new scheme.

3 Main issues

- 3.1 As part of the SCIP it is proposed to continue the programme of retrofitting properties undertaken in phase 1. It is proposed to deliver two further phases, Cross Green Phase 2 and 3, of improvements to approximately 180 mixed tenure properties in Cross Green.
- 3.2 The total cost for both phases has been calculated at £4.05m. This is made up of £3.75m from the SCIP and £0.3m made up of private sector house owners' contributions towards the cost of the works. To complement the SCIP investment work will also be undertaken to try to maximise funds which may be available from Green Deal, Energy Company Obligations and other similar funding sources to contribute to the energy efficiency works. It is expected that this may cover some of the works proposed under the SCIP and provide enhanced works such as external or internal wall insulation. It is anticipated that up to £1.1m extra could be made available through this mechanism. If this additional funding provides saving to the Council own £3.75m investment then additional properties will be added to the schemes..
- 3.3 Owners will be offered works to their properties based on the Private Sector Housing Assistance Policy 2009. This was the basis of the offer to owners in the first phase with Cross Green and elsewhere. All owners will be entitled to 75% of the cost of the eligible works. Landlords will be expected to contribute the remaining 25% towards the cost of works on their properties. Owner/occupiers will be offered the opportunity to have a Test of Financial Resources which will determine their ability to pay their contribution. This test will produce a fixed figure that the applicant will be deemed to be able to afford. They will, following completion of the work be billed either this amount or 25% of the eligible works, whichever is the lower of the two figures.
- 3.4 A condition of the offer of at least 75% of the costs of works is that should the property be sold within a 5 year period, other than by an exempt disposal as defined in the Housing Act, the full Council contribution towards the cost of the works will be fully repayable. Exempt disposals can include having to sell your property for medical reasons, to move for employment or to have to move to be a primary carer or into a care home full time.

- 3.5 Officers have commenced the procurement of a Contractor to deliver the scheme. This will be undertaken under the Council Procurement Rules. A Contractor will be appointed early in 2014 with a proposed commencement on site at the beginning of the next financial year. The Contract will contain requirements to provide opportunities for training and apprenticeship schemes for local workers. Previous schemes of group repair have provided opportunities to create apprenticeship schemes for bricklayers, joiners, roofers and scaffolders as well as local employment opportunities for builders, joiners and Quantity Surveyors.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Ward Members for Burmantofts and Richmond Hill have been consulted on the specific projects within their ward. They are supportive of the project.
- 4.1.2 The Community have previously been consulted on the group repair scheme as part of the original phase in 2010. It was agreed then that following on from the original area the next areas to have this type of investment would be those proposed for these new phases.
- 4.1.3 More recent Community Consultation took place at a local event on the 25th April 2013 at St. Hilda's Church Hall. This was attended by 30 individuals from the local community. The outcome of the consultation was that the Group Repair schemes in the area were seen as the highest priority for the community, along with the additional proposed energy efficiency works.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 A full Equality, Diversity, Cohesion and Integration Assessment for HIA:Group Repair has been completed and is attached as part of the appendices. It is an equality and diversity objective that every owner of property within the target area is given the opportunity to participate; The key players in achieving this are the Council staff within the group repair team, who will knock on the door of every property to speak to the occupants and will either visit or telephone the owners to discuss the scheme with them. If, as occasionally happens, there is a problem with the property owner not understanding English, for example, then either arrangements will be made for a suitable friend or relative to assist, or an interpreter will be called in. The driver of this objective is that, to ensure that the scheme achieves maximum impact; as many owners as possible need to be signed up to take part and have their properties improved

4.3 Council policies and City Priorities

- 4.3.1 The project meets the Housing and Regeneration City Priority Plan priorities. It will improve the housing conditions within the area as well as improving the energy efficiency of the existing housing stock.

Parent Scheme Number : 16500/BEI/000
Title : Sustainable Communities Investment Fund

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 The report is eligible for call in.
- 4.5.2 The Private Sector Housing Assistance Policy 2009 allows the Council to offer financial assistance to private sector owners. This policy has been adopted by the Council as its response to the Government's Regulatory Reform Order (Housing Assistance 2002 – Private Sector Housing Policy).
- 4.5.3 The SCIP is supported by the general power of competence provided for in Sections 1 to 8 of the Localism Act 2011. This gives the Council "the power to do anything that individuals generally do" subject to acting within the law Therefore the power of general competence supports the programme as a whole, of which this project forms part.

4.6 Risk Management

- 4.6.1 Officers are experienced in the delivery of group repair and the risks associated with the process as a whole. The project is managed using the Council's Delivering Successful Change methodology. A Risk Log for the project has been developed and is reviewed at project meetings. The risks associated with the project will be managed along with the overall SCIP via a Programme Board, chaired by the Director of Environment and Neighbourhoods.

5 Conclusions

- 5.1 On the 15th February 2013 the Executive Board agreed to the creation of the SCIP for Cross Green and The Nevilles. This programme covers a number of projects to continue the previous work in the area to ensure its long term sustainability.
- 5.2 Further phases of group repair form part of the programme to continue the previous investment of £2.6m in the area. It is proposed to be on site following the procurement of a contractor in April 2014. To allow this to occur, Executive Board permission to spend £4.05m is required. This is made up of £3.75m from the Sustainable Communities Investment Programme agreed in February 2013 and £0.3m from private sector contributions which require the Board permission to inject into the capital programme.

6 Recommendations

- 6.1 Executive Board are requested to :-
- 6.2 Authorise the injection of £0.3m in owner's contributions towards the overall cost of the group repair scheme in Cross Green as part of the Sustainable Communities Investment Programme.
- 6.3 Authorise scheme expenditure of £4.05m on Cross Green Phase 2 and 3.

6.4 Delegate management of the project within the agreed budget to the Director of Environment and Housing, including ensuring that wherever possible local labour, training and supply chains are used by the chosen contractor as part of the delivery of the schemes.

7 Background documents¹

Executive Board 15th February 2013 – 16500/BEI/000 – Sustainable Communities Investment Programme – Cross Green and Nevilles. This report details the location of the street which will be targeted for Cross Green Phases 2 and 3.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.