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Report of Director of Environment and Neighbourhoods

To Executive Board

Date: 22nd July 2009

Subject: BEESTON GROUP REPAIR – PHASE 6

Capital Scheme Number 15556/000/000

Electoral Wards Affected:	Specific Implications For:
City & Hunslet	Equality and Diversity x
	Community Cohesion x
	Narrowing the Gap x
Eligible for Call In	Not Eligible for Call In (Details contained in the report)

Executive Summary

In line with the objectives of the Vision for Leeds 2004-2020 and the Leeds Housing Strategy an allocation of £22.44 million Single Regional Housing Pot funding has been approved from the Regional Housing Board to be spent during the financial years 2008-11. The proposals set out in this report will utilise £1.64m of this allocation on the 6th phase of Group Repair within the Beeston area and will extend the life of a further approximately 40 properties by 30 years. Executive board are requested to inject £149,000 of private sector contributions and authorise scheme expenditure of £1.64m outlined within this report.

1.0 Purpose of this Report

1.1 The Housing Investment Programme 2008-11 presented to the Regional Assembly proposes an allocation to Leeds of £22.44m to spend on housing related projects including group repair. Beeston Group Repair is an external enveloping scheme whose purpose is to extend the life of approximately 40 properties by 30 years. It is also anticipated that any miscellaneous ALMO property within the area will also be similarly improved and this will be subject to a separate report to Aire Valley Homes Ltd Board.

2.0 Background Information

- 2.1.1 The Beeston Hill Renewal Area was declared by Leeds City Council on 25th November 2002. The Renewal area comprises in total some 2,800 through terrace and back to back houses. A Neighbourhood Renewal Assessment carried out prior to the renewal area declaration identified 81% of properties as unfit or potentially unfit for human habitation. The area is of mixed tenure, with approximately one third being owner occupied, one third being privately rented and one third being owned by Social Landlords, the majority of these belonging to Leeds Federated Housing Association.
- 2.2 As part of the regeneration of the area a rolling programme of Group Repair Schemes have taken place since 2004. To date approximately 270 properties of all tenures within Beeston have been improved under such schemes.
- 2.3 This scheme represents the sixth such phase of Group Repair work that has been carried out within the Beeston Hill Statutory Renewal Area: phase 1, in which 68 houses had full scheme works, was completed in April 2004: phase 2 was completed in March 2007 with 62 properties having full scheme works. The total costs of the first two phases being approximately £5m. Phase 3 gave full scheme improvements to 53 properties at a total cost of just over £2m. Phase 4 gave full scheme improvements to 49 properties at a total scheme cost of £2.1m.
- 2.4 Work is currently still ongoing on phase 5 of the Beeston Group Repair scheme. To date a total of 35 houses are undergoing full scheme improvements as part of this phase and it is anticipated that these will be all completed by July 2009 at a total scheme cost of around £1.5m.

3.0 Main Issues

- 3.1 The next stage of Group Repair is proposed to include approximately a further forty properties, the majority of these on this phase being through terraced properties. The target area for the scheme will be the properties shown within the light green shaded area on the attached map (appendix 1). The Construction work on the scheme is to be carried out by Frank Haslam Milan, under the provisions of contract number 503968/3454 under which they were appointed to carry out Group Repair work in Burley Lodge and Beeston.
- 3.2 The Group Repair work will be similar to that done on previous phases and will include:
 - The re-roofing of the main roof and bay roofs to the front façade (including provision of thermal insulation). Re-roofing the rear "extension" and/or additional roofs where required. Renewal of chimney pots as required. Gas safety checks on gas fires. Brick cleaning to the front facades and redecoration. Repairs/reinforcement to brickwork as necessary. Replacement of windows to suit the style of the premises. Replacement of dormers and /or roof windows as required. New high security doors to the front and rear (where present) entrances as required. New rainwater goods and soil/vent pipes as required. New gates and railings are to be provided to rear boundaries (where present), including new rear gates as required.
- 3.3 The proposed works in Beeston Phase 6 will contribute to the energy efficiency of the properties This will be achieved by upgrading insulation to roof voids in all cases where roofs (including main house roofs and any bay or extension roofs) are being replaced. (The vast majority of participating properties are expected to have this work done). The insulation material used is Thermafleece, made from sheep's wool, to provide a sustainable insulation product. There will also be energy efficiency benefits achieved from fitting double glazed window units throughout the property (especially in cases where these are to replace old single glazed units) and also from fitting new external entrance doors which in addition to being highly secure are also more thermally efficient than standard doors. There are also indirect benefits to energy efficiency to be had in that staff administering the scheme may be able to "signpost" participants towards applying for other assistance such as that provided from Warm Front grants. On this particular phase we are also working on a Exemplar Project with the Building Research Establishment (BRE) to investigate and evaluate the most cost efficient ways (including both works currently done under the Group Repair scheme as

described above but also including a range of additional measures) of reducing carbon dioxide emissions from back to back properties.

Individual properties are presently being surveyed and cost sheets are being drawn up. The overall cost of the scheme has been estimated at £1.64m giving an average total cost per property of around £41k. Fees to cover the costs of delivering this scheme have to be included within this amount. These fees will be apportioned between Property Management Services and Health and Environmental Action Services and will be calculated in proportion to time spent by officers of each section on delivering the schemes. It is estimated that Property Management Services will charge £105,000 and Environmental Health Services will charge £100,000. Additional fees will be incurred through asking ADMAS to carry out an asbestos survey on each participating property prior to work starting. Properties also have to be surveyed before work commences to ensure that there is no evidence of bat and bird nesting. The total costs for these surveys for the scheme is anticipated to be approximately £8k. The total amount charged for fees is therefore estimated to be £213,000 or approximately 13% of the overall scheme costs.

4.0 Consultations

Consultations have taken place with Ward Members, Tenants, Owner Occupiers, and the Regeneration Partnership Board for Beeston and Holbeck and there is broad support for the scheme.

5.0 Community Safety

The proposals contained in the report have implications under Section 17 of the Crime and Disorder Act 1998. The properties receiving improvements will be made more secure, with an aim of reducing burglary within the area.

6.0 Equality and Diversity

The proposals contained in the report have implications for Equality and Diversity. All properties within the target area will be visited and all property owners within this area will be encouraged to participate.

7.0 Community Cohesion

The proposals contained in the report have implications for Community Cohesion. As the scheme is targeted at blocks of properties rather then individual houses Community Cohesion would generally be expected to improve.

8.0 Narrowing the Gap

By improving the housing conditions for people living in some of the most deprived areas of the city the scheme will contribute positively towards the Narrowing the Gap agenda.

9.0 Programme

The programme of works will be carried out over the following period:

Start on Site August 2009 Practical completion June 2010

It is anticipated that further phases of Group Repair will then be done within the area subject to additional funding being made available.

10.0 Scheme Costs

- 10.1 This report seeks approval to provide sufficient funds for improvements to approximately 40 properties, at an average cost of approximately £41k per property, totalling £1.64m. As well as the cost of works, fees will be charged pro rata to all parties involved. The majority of the properties are in private ownership and this report assumes that, on the basis of experience of Group Repair initiatives elsewhere in the city, that these private owners will pay between10-20% towards the costs of improvements to their properties. The remaining 80-90% represents the cost to the Council.
- 10.2 It is anticipated that work will also be carried out to improve any Council owned property within this area as part of this scheme but this will be the subject of a separate report to the board of Aire Valley Homes Leeds ALMO.
- 10.3 As the mix of properties in each of the phases is subject to the occupiers agreement, there may be different numbers of Council or Privately owned properties included for improvements. Nevertheless, the cost to the Council will be maintained within budget by ensuring that if the price per property is higher than the £41k estimate, then proportionately less properties will be improved. Also, if the owner occupier contributions are less than the 10-20% assumed, then again less properties will be improved. If savings are made either by a lower level of cost per property or a higher level of owner occupier contributions, there would be an opportunity for additional properties to be included. In the event that scheme costs allow for a significant change in the number of properties to be included in the scheme, a further report will be submitted to Executive Board for approval.
- 10.4 The total estimated cost of the works to the 40 properties is £1.427m construction works, and £213k fees, totaling £1,64m. Each participating property will have to be surveyed prior to work commencing in order to determine the presence of any asbestos within the building and also to determine any bat or bird nesting activity; the total estimated cost for this is £8,000 for the scheme; this amount to be paid from the £213k allocation for fees.
- 10.5 This will be funded as follows; £149,000 is estimated to be received in contributions from Owner Occupiers towards works and fees, and a £1,491,000 contribution from SHRP.
- 10.6 Each grant is subject to a condition which requires full repayment of the grant in the event of sale, other than an exempt disposal, within a 5 year period, following completion of the works.

11.0 Capital Funding and Cash Flow

Authority to Spend	TOTAL	TO MARCH	FORECAST				
required for this Approval		2009	2009/10	2010/11	2011/12	2012/13	2013 on
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
LAND (1)	0.0						
CONSTRUCTION (3)	1427.0		1173.0	254.0			
FURN & EQPT (5)	0.0						
DESIGN FEES (6)	213.0		127.0	86.0			
OTHER COSTS (7)	0.0						
TOTALS	1640.0	0.0	1300.0	340.0	0.0	0.0	0.0

Total overall Funding	TOTAL	TO MARCH	FORECAST				
(As per latest Capital Programme)	£000's	2009 £000's	2009/10 £000's	2010/11 £000's	2011/12 £000's	2012/13 £000's	2013 on £000's
	2000	2000	2000	2000	2000		2000
Private Sector	149.0			149.0			
Government Grant- SRHP/HMR	1491.0		1300.0	191.0			
Total Funding	1640.0	0.0	1300.0	340.0	0.0	0.0	0.0
Balance / Shortfall =	0.0	0.0	0.0	0.0	0.0	0.0	0.0

12.0 REVENUE EFFECTS

As the work approved by this report is in respect of non-Council properties, there are no revenue effects to the Council.

13.0. RISK ASSESSMENTS

There are Health & Safety implications, but these will be dealt with under Health & Safety Plan. In addition all residents and stakeholders have been consulted prior to instigating the project and there is an existing network of communication and dialogue with residents and owners.

14.0 RECOMMENDATIONS

The Executive Board is requested to:

- 1. Approve the injection into the Capital Programme of £149,000 from owner occupiers contributions.
- 2. Authorise Scheme Expenditure to the amount of £1,640,000
- 3. Instruct officers to report back in future on the progress of the scheme

Background Papers

Beeston Group Repair Phase 1&2	Exec Board Report	15/10/03	£4.8m
Beeston Group Repair Phase 3	Exec Board Report	24/01/07	£2.0m
Beeston Group Repair Phase 4	Exec Board Report	14/11/07	£2.3m
RHB Programme 2008/11	Director of resources	04/09/08	£13.9m Injection
Beeston Group Repair Phase 5	Exec Board Report	16/07/08	£1.5m

Appendix 1

