

Agenda Item:

Originator: M.Rutherford

Tel: 24 75635

Report of THE DIRECTOR OF NEIGHBOURHOODS AND HOUSING

To Executive Board

Date: 13th December 2006

Subject:	Design & Cost Report							
	Scheme Title Capital Scheme Number	BU	JRLEY LODGE - GROUP REPAIR 13239 000 000					
	al Wards Affected:			Specific Implications For:				
Kirkstall				Equality and Diversity				
				Community Cohesion				
				Narrowing the Gap				
Eligible for	r Call In			Eligible for Call In tails 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 $\mathfrak{L}7.18$ million has been secured from the Regional Housing Board to be spent during the financial year 2006/7 together with an in principle allocation of $\mathfrak{L}6.39$ m in 2007/08. The proposals set out in this report will utilise $\mathfrak{L}2.15$ m of this allocation over the two years which will extend the life of approximately 50 properties in the Burley Lodge area by 30 years. Executive board are requested to inject $\mathfrak{L}2.372$ m into the capital programme and authorise scheme expenditure of $\mathfrak{L}2.372$ m as outlined within this report.

1.0 Purpose of this Report

1.1 A capital grant of £7.18m has been allocated by the Regional Housing Board (RHB) for a long term housing market renewal programme. It is anticipated that a further £6.39m will be allocated to the Leeds Housing Partnership in 2007/8. Burley Lodge Group Repair is an external enveloping scheme whose purpose is to extend the life of 50 properties by 30 years.

2.0 Background Information

2.1 The Burley Lodge Renewal Area was declared by Leeds City Council on 27th June 1995. The Renewal area comprises in total some 723 through terrace and back to back houses. A Neighbourhood Renewal Assessment carried out prior to the renewal area declaration identified 70% of properties as potentially unfit for human habitation, with a further 12% in substantial disrepair. The area is of mixed tenure, 38% are Council owned, 35% private rented, 25% owner occupied and 2% registered social landlords.

2.2 As part of the regeneration of the area a rolling programme of Group Repair Schemes have taken place since 1997. To date approximately 500 properties of all tenures have been improved under such schemes. There are 723 properties in total in the area.

3.0 Main Issues

- 3.1 The next stage of Group Repair is proposed to include numbers 136 222 Burley Road and 1 3 Hyde Park Road; 49 properties in total comprising 28 Privately Rented houses, 12 Owner occupiers and 9 Leeds North West homes properties. The vast majority of these properties are substantial 5/6 bedroom properties. 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 leaning 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 entrances as required. New rainwater goods and soil/vent pipes as required.

The existing front garden boundary walls, which face on to a busy main road through the area, were renewed on an earlier phase to provide a readily visible indicator of the regeneration work that was taking place in the area. (The local community was involved in designing individual tiles that were incorporated as a mosaic within these new boundary walls). New gates and railings are to be provided to rear boundaries, including new rear gates as required .

3.3 Individual properties have been surveyed and cost sheets have been drawn up. The overall cost of the scheme has been estimated at £2,071,164 giving an average works cost per property of just over £42k. Fees set at 14.5% have to be added to this giving a total cost for fees of £300,318.78. These fees are to be apportioned between Property Services (10.2%) and Environmental Health Services (4.3%).

4.0 Consultations

Consultations have taken place with Ward Members, Tenants, Owner Occupiers, and the Acting Chief Officer of Leeds North West Homes 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 Programme

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

Start on Site January 2007
Practical completion September 2007

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

7.0 Scheme Costs

- 7.1 This report seeks approval to provide sufficient funds for improvements to 49 properties, at an average cost of approximately £42,000 works per property, totalling £2.071m. As well as the cost of works, fees will be charged pro rata to all parties involved. 40 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.
- 7.2 It is anticipated that work will also be carried out to improve 9 Council owned properties within this area as part of this scheme but this will be the subject of a separate report to the board of Leeds North West Homes ALMO.
- 7.3 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 £42,000 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.
- 7.4 The total estimated cost of the works to the 49 properties is £2,071,164.55 construction works, and £300,318.86 fees, totalling £2,371,483.41.
- 7.5 This will be funded as follows; £221,483 is estimated to be received in contributions from Owner Occupiers towards works and fees, and a £2,150,000 contribution from SHRP.
- 7.6 Each grant is subject to a condition which requires full repayment of the grant in the event of sale within a 5 year period, following completion of the works.

8.0. CAPITAL FUNDING AND CASHFLOW

Previous total Authority	TOTAL	TO MARCH	FORECAST				
to Spend on this scheme		2006	2006/07	2007/08	2008/09	2009 ON	
	£000's	£000's	£000's	£000's	£000's	\$'0003	£000's
LAND [1]	0.0						
CONSTRUCTION [3]	0.0						
FURN & EQUIP [5]	0.0						
DESIGN FEES [6]	0.0						
OTHER COSTS [7]	0.0						
TOTALS	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Authority to Spend	TOTAL	TO MARCH	FORECAST				
required for this Approval		2006	2006/07	2007/08	2008/09	2009 ON	0
	£000's	£000's	£000's	£000's	2000's	s'0003	£000's
LAND [1]	0.0						
CONSTRUCTION [3]	2071.2		800.0	1271.2			
FURN & EQUIP [5]	0.0						
DESIGN FEES [6]	300.3		100.1	200.2			
OTHER COSTS [7]	0.0						
TOTALS	2371.5	0.0	900.1	1471.4	0.0	0.0	0.0

Total overall Funding	TOTAL	TO MARCH	FORECAST				
(As per latest Capital Programme)	£000's	2006 £000's	2006/07 £000's	2007/08 £000's	2008/09 £000's	2009 ON £000's	0 s'000 <u>3</u>
RHB Grant Private Owner Contr	2150.0 221.5		900.1	1249.9 221.5			
Total Funding	2371.5	0.0	900.1	1471.4	0.0	0.0	0.0
Balance / Shortfall =	0.0	0.0	0.0	0.0	0.0	0.0	0.0

9.0 REVENUE EFFECTS

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

10.0. 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.

11.0 RECOMMENDATIONS

The Executive Board is requested to:

- 1. Approve the injection into the Capital Programme of £2,150k of Regional Housing Board money and £221.5k from owner occupiers.
- 2. Authorise Scheme Expenditure to the amount of £2,371.5k
- 3. Instruct officers to report back in future on the progress of the scheme.