

Report of The Director of Environment and Neighbourhoods

To Executive Board

Date: 17th October 2007

Subject: Design & Cost Report

Scheme Title BURLEY LODGE - GROUP REPAIR (phase 11)
Capital Scheme Number

<p>Electoral Wards Affected: Kirkstall</p>	<p>Specific Implications For:</p> <p>Equality and Diversity <input type="checkbox"/></p> <p>Community Cohesion <input type="checkbox"/></p> <p>Narrowing the Gap <input type="checkbox"/></p>
<p>Eligible for Call In <input checked="" type="checkbox"/></p>	<p>Not Eligible for Call In (Details contained in the report) <input type="checkbox"/></p>

Executive Summary

In line with the objectives of the Vision for Leeds 2004-2020 and the Leeds Housing Strategy an allocation of circa £15 million Single Regional Housing Pot funding is subject to approval from the Regional Housing Board to be spent during the financial years 2008-11. The proposals set out in this report will utilise £2.311m of this allocation and will extend the life of approximately 52 properties in the Burley Lodge area by 30 years. To assist in maximising grant approved in 2006-08 phase 11 will be brought forward to December 2007. Executive board are requested to inject £2.568m into the capital programme and authorise scheme expenditure of £2.568m outlined within this report.

1.0 Purpose of this Report

1.1 The draft Housing Investment Programme 2008-11 presented to the Regional Assembly proposes an allocation to Leeds of £15m to spend on housing related regeneration projects. The final allocation to Leeds will be subject to the Comprehensive Spending Review results expected in the autumn 2007. Burley Lodge Group Repair is an external enveloping scheme whose purpose is to extend the life of 52 properties by 30 years. It is also anticipated that 11 miscellaneous ALMO properties within the area will also be similarly improved and this will be subject to a separate report to WNWH Ltd Board.

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 program of Group Repair Schemes have taken place since 1997. To date approximately 550 properties of all tenures have been improved under such schemes. There are 723 properties in total in the area.
- 2.3 Work is currently still ongoing on phases 9 and 10 of the Group Repair scheme. To date a total of 33 houses have been improved under these phases and it is anticipated that by November 2007 approximately 50 houses in total will have been improved at a total scheme cost of approximately £2.371m.

3.0 Main Issues

- 3.1 The next stage of Group Repair is proposed to include numbers 2 – 28 Carberry Place, 171 – 193 Cardigan Road 42 – 116 Burley Lodge Road and 2A/B Thornville Road. 63 properties in total comprising 29 Privately Rented houses, 12 Owner occupiers 11 West North West homes Leeds properties and 11 properties where the tenure is currently unknown. These properties are shown on the attached map (appendix 1). The majority of these properties are substantial 4 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 and rear 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 and rear 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. Replacement of front boundary walls gates and railings and landscaping to front gardens

New gates are to be provided to rear boundaries as required, and rear boundary walls repaired as required.

- 3.3 Individual properties have been surveyed and cost sheets have been drawn up. The overall cost of construction has been estimated at £2,242,759 giving an average works cost per property of just over £43k. Fees set at 14.5% have to be added to this giving a total cost for fees of £325,200. These fees are to be apportioned between Property Services (10.2%) and Environmental Health Services (4.3%) giving estimated fee income to Property services of £228,761 and £96,439 to Environmental Health.

4.0 Consultations

Consultations have taken place with Ward Members, Tenants, Owner Occupiers, and the Acting Chief Officer of West North West Leeds 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	December 2007
Practical completion	November 2008

It is anticipated that this work will complete the program of Group Repair work to the Burley Lodge area.

7.0 Scheme Costs

- 7.1 This report seeks approval to provide sufficient funds for improvements to 52 privately owned properties, at an average cost of approximately £43,000 works per property, totaling £2.243m. As well as the cost of works, fees will be charged pro rata to all parties involved. 52 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 between 10-20% 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 11 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 West North West Homes Leeds 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 £43,000 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 52 properties is £2,242,759 construction works, and £325,200 fees, giving a total scheme cost of £2,567,959.
- 7.5 This will be funded as follows; £256,796 is estimated to be received in contributions from Owner Occupiers towards works and fees and a £2,311,163 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 to Spend on this scheme	TOTAL £000's	TO MARCH 2007 £000's	FORECAST				
			2007/08 £000's	2008/09 £000's	2009/10 £000's	2010 on £000's	£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 required for this Approval	TOTAL £000's	TO MARCH 2007 £000's	FORECAST				
			2007/08 £000's	2008/09 £000's	2009/10 £000's	2010 on £000's	0 £000's
LAND [1]	0.0						
CONSTRUCTION [3]	2242.8		400.0	1842.8			
FURN & EQUIP [5]	0.0						
DESIGN FEES [6]	325.2		100.0	225.2			
OTHER COSTS [7]	0.0						
TOTALS	2568.0	0.0	500.0	2068.0	0.0	0.0	0.0

Total overall Funding (As per latest Capital Programme)	TOTAL £000's	TO MARCH 2007 £000's	FORECAST				
			2007/08 £000's	2008/09 £000's	2009/10 £000's	2010 on £000's	0 £000's
RHB Grant	2311.2		500.0	1811.2			
Private Owner Contr	256.8			256.8			
Total Funding	2568.0	0.0	500.0	2068.0	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 £2,311,163 of Regional Housing Board funding and £256,959 from owner occupiers.
2. Authorise Scheme Expenditure to the amount of £2,567,959
3. Instruct officers to report back in future on the progress of the scheme.