

TF
11-12-14

Asset Management Report



Update for Tenants Forum

December 2014

Kettering
Borough Council

HRA Capital Programme 2014/15

Contents

1. Introduction
2. Financial Update
3. Programme Update
4. Focus on.....10 year capital investment plan
5. Customer involvement
6. A final thought.....



The Empty Homes Team celebrating the re-introduction of 143 St Marys Road into the Council's housing stock

HRA Capital Programme 2014/15

1. Introduction

Welcome once again to the December issue of your Tenants Forum Asset Management Update report. Following the launch of the new format report, I have received some great constructive feedback from members of the Forum, both at the last meeting and since, taking on board all suggestions, which hopefully you will see in evidence as you read through this edition!!

Christmas is once again upon us, and, aside of Black Friday and Cyber Monday rush, along with the task that is Christmas shopping (not one of my favourite things!), the building industry is also on a countdown to a two week festive break. Both the Property and Environmental Care teams are working flat out at present to ensure that as much work is completed before the holidays, to ensure customers are able to relax and enjoy their Christmases, without half finished kitchens or part rendered houses!! The sheer nature of our service means that, if we get it wrong, customers can be significantly impacted, and therefore it is critical that we remain organised and ensure that we keep jobs as tightly to programme as possible.

Following on from the November edition, this report features an amended financial update, a progress update from site and, as promised, the details of the Council's much anticipated 10 year capital investment plan, which aims to map out the capital commitment the Council is looking to make within it's housing stock portfolio over a significant period of time, something that I am sure will make interesting reading for customers!! We also have the resident articles relating to customer involvement, and a final thought for you to go home with.

As always, I hope that you find this report useful, and that it helps to provide a snapshot of the activity relating to the Council's capital programme. It was great to see so many members engaging at the last Forum, and I hope a few more will contribute this time around.

I trust you will all have a peaceful and enjoyable Christmas and I look forward to seeing you all at the next Forum in 2015!!

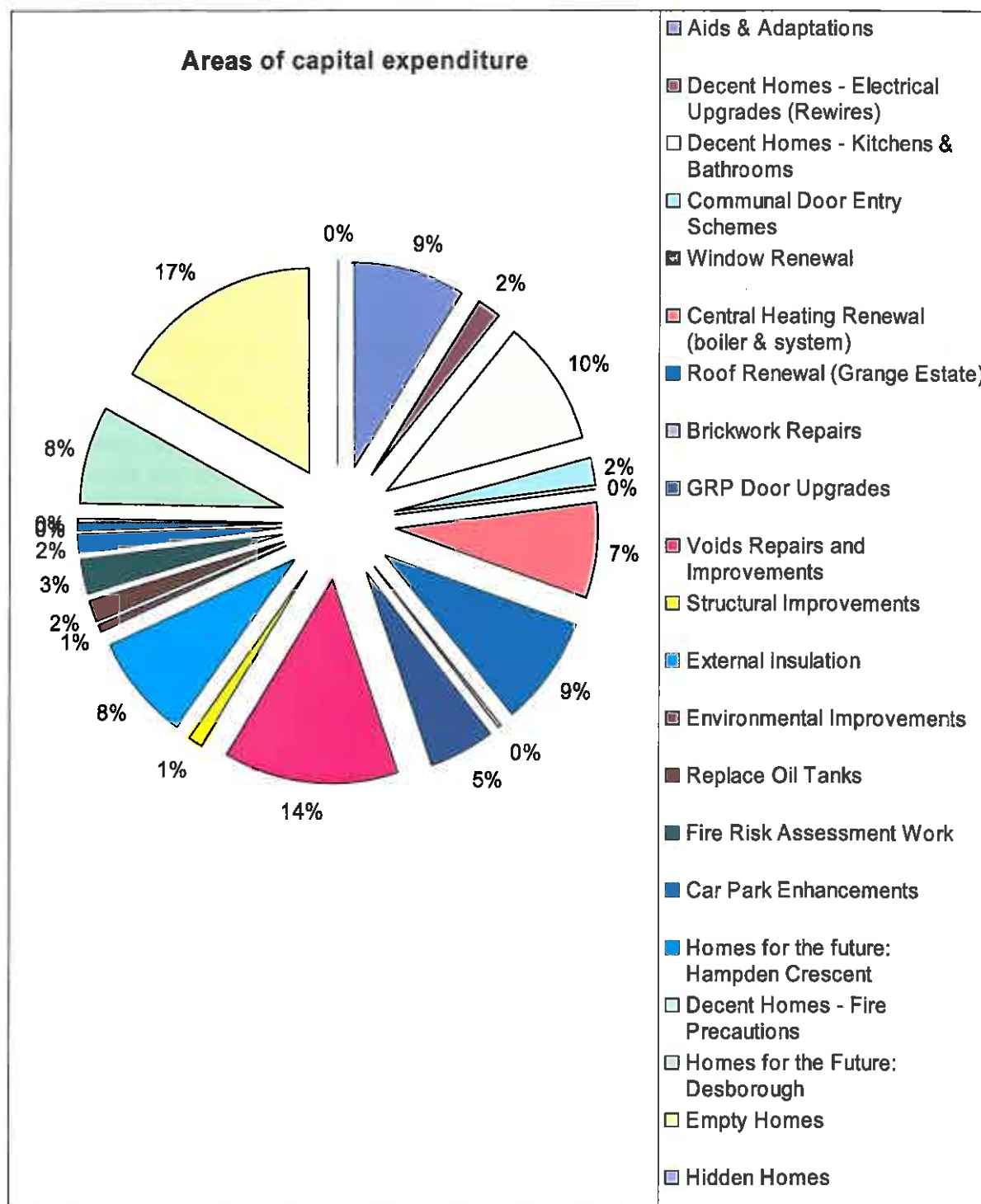
Darren

darrenibell@kettering.gov.uk



2. Financial Update

HRA Capital Programme 2014/15



Total works budget for the 14-15 capital programme is £3.28m.

Presently, 62% of the budget (£2.04m) has been expended.

HRA Capital Programme 2014/15

3. Programme Update

- Communal door entry system upgrade on the Highfield estate out for leaseholder consultation. It is anticipated that work will begin on site early January 2015, pending any issues identified in the consultation period.
- 11 kitchen installs remain from a programme of 30 properties. These outstanding installations have been programmed in to complete by the end of March 2015.
- Homes For The Future Desborough is around 1 week behind on programme. Both 6 & 8 Addison Road are well progressed, however the main contractor, G Purchase, have had some internal issues with suppliers and labour which has created slippage within the programme. It is still anticipated that both properties will be completed before the Christmas break, however customers have agreed to remain in the decant properties until the new year, to ensure disruption is kept to a minimum. Alexandra Road initial customer consultation interviews / surveys have all been completed in readiness for the procurement process, which will commence in the new year; Phase 3. The site office on Alexandra Road has also been established and is now operational.
- The external insulation contract has been completed in Broughton and Kettering town centre, and the snagging process is underway. Supplier issues around the provision of new front doors to the 44 properties that have been worked on under this scheme have been resolved, and the doors are presently being installed, due to complete at the end of January 2015.
- Fire risk assessments are in the process of being reviewed to all 10 of the Council's sheltered schemes, with the first 5 completed and remedial work schedules compiled, ready for issuing to quote before the Christmas break.
- The final three Council "buy back" properties are in the process of being identified and will be progressed in the new year. The Council received positive media exposure through the Evening Telegraph with regards to the most recent buy back project at 143 St Marys Road, which was formally declared lettable at an official opening ceremony, by the Council Leader, Russell Roberts (pictured previously).

HRA Capital Programme 2014/15

4. Focus on..... 10 Year Capital Investment plan

Over the last 12 months, the Council has been working towards establishing a long term capital investment plan for its housing stock. There are a number of advantages in having such a plan in place, namely:

- Better value procurement of key components ie kitchens, bathrooms; economies of scale.
- Provide both new and existing customers with a clear picture of capital investment plans for their homes.
- Move away from ad hoc “knee jerk” reactions and pepper potting investment.
- Establish greater financial control over a longer term period.
- Structure the management, scheduling and budgeting of long-term planning.
- Record long-term plans in adjustable graphical overviews.
- Document the life cycle of assets and use it to schedule repairs and replacements.
- Make informed decisions when planning and budgeting by comparing different scenarios.
- Execute maintenance tasks efficiently.
- Compliant with various industry standards; ie Decent Homes

Presently, the first draft of the investment plan is awaiting presentation to senior management colleagues within the Council, therefore it would not be right at this time to drill into the detail of the plan, however, some of the key overview points to consider are:

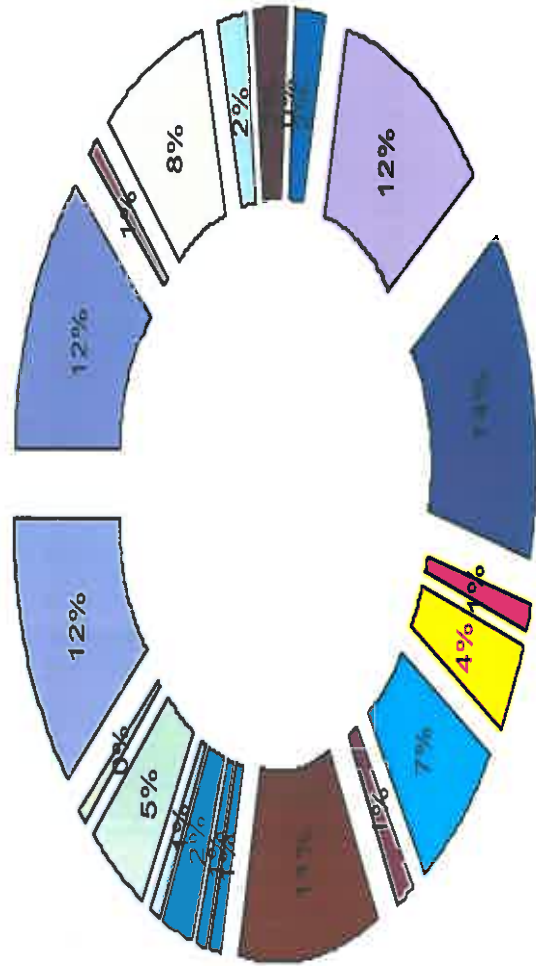
- ✓ The plan proposes around £41m capital investment in the Council’s current housing portfolio over the 10 year period.
- ✓ Key building components such as central heating, electrics, roofs, kitchens and bathrooms form around half of the total investment requirement (48%).
- ✓ 28% investment accounted for within an ongoing Homes For The Future project, which will move through Desborough, Rothwell, and into Kettering town centre during the period. This investment includes a significant amount allocated for External Wall Insulation (EWI), and it is forecast that this programme will result in all Council pre-war constructed solid wall homes having the product applied over this period (depending on the necessary circumstances and restrictions).

- ✓ The overall breakdown of investment is detailed in the chart below:

HRA Capital Programme 2014/15

10 Year Capital Investment Plan

- Decent Homes - Electrical Upgrades (Rewires)
- Decent Homes - Electrical Upgrades (Con Units)
- Decent Homes - Kitchens
- Decent Homes - Bathrooms
- Door Entry Systems
- Window Renewal (8 per property at £300 per window)
- Central Heating Renewal (Heating)
- Central Heating Renewal (Boiler)
- Roof Renewal
- Brickwork Repairs
- External House Doors
- Voids Repairs and Improvements
- Structural Improvements
- External Insulation
- Environmental Improvements
- Decent Homes - Replace Oil Tanks
- Decent Homes -Flats GRP Fire Door Replacement
- Car Park Enhancements
- Homes for the future-Hampden Crescent
- Decent Homes - Fire Precautions
- Homes for the Future



5. Customer involvement / participation

The benefits of customer involvement within the social housing sector have been widely acknowledged for over a decade, however providers continue to have difficulty in establishing a viable participation scheme within their organisations. Barriers to a successful process include:

- Unclear benefits of participation, especially around strategic processes.
- Over reliance on established long term involved customers.
- Customer reluctance.
- Time constraints / commitments.
- Issue is especially prevalent with younger ages groups and ethnic minorities.

So what are the benefits of customer involvement? Why is it so important to KBC?

- Better, more relevant services: Understanding customers needs and requirements, shaping priorities for the future, focusing expenditure for the greatest impact, creating better relationships between the Council and it's housing customers.
- Enhanced accountability to customers and local communities.
- Building social capital and community capacity: Greater community cohesion and regeneration, growth in customers empowerment, choice, confidence and capacity for leadership.



6. A final thought.....

