



**Service Delivery  
Committee**

**13 October 2015**

**Matter for  
information and  
decision**

Title: **New Build Programme/Refurbishment**

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## **1 Introduction**

This report is to provide Members with an update on the ongoing discussion around providing new Council Homes and capital investment in refurbishment of existing stock / assets in delivering the wider aspects of asset management.

## **2 Recommendations**

Members are asked to note the contents of this report and give approval to the continued purchase of existing properties to replace homes sold under the Right to Buy; to be let at 80% of market rent.

## **3 Information**

### **Capital Programme**

#### **Customer Contact Centre - Bell Street - Building Works**

This project is coming to successful conclusion having run to a tight programme and within budget. Detailed snagging took place on 25 September followed by handover on 30 September. By this time furniture was installed and fitting of IT and other infrastructure underway. At time of writing work to install signage and hand rails to the ramp at the entrance and some minor finishing details are being completed ready to open to the public on Monday 12 October 2015.

#### **Huts demolition**

This project was substantially completed earlier this year when the car park was remodelled and resurfaced. The rear boundary fence has now been erected by the builder carrying out the development behind the offices. The side fence will now be replaced by the Council; quotes have been obtained for the work but unfortunately there will be a delay as a planning application is required.

#### **Boulter Crescent – Full strip out and refurbishment – 136 Homes**

This contract continues to run well and to budget. The contract is due to complete in June 2016 but is now running a few weeks behind programme. This is in part because of the tight timetable to complete each block and has been addressed by adjusting the timetable and working on three blocks at a time. In the main this has worked well however we have experienced our first significant

delay as result of issues related to a tenant decanting. This was successfully resolved and it is a credit to the staff involved and very positive response from residents that the decanting programme has worked brilliantly with only this one delay. A meeting was held on 22 September with the consultants, contractor and property team and we are confident the slight slippage can be recovered.

Tenant Satisfaction – remains very positive – update to be provided at meeting.

### **Boulter Crescent - Community Flat**

Work to the block containing the Community Flat took place much earlier than originally scheduled. This was because the overall works programme allowed for any blocks where significant vacancies occurred being brought forward to help minimise rent loss. This meant early decanting of the community facility before the designs and preparation for the work to that facility were ready. This has unfortunately caused concern amongst residents that the Council is not committed to improving and maintaining this facility.

The design process also identified the need to obtain structural engineers reports and designs to if we are to meet the preferred layout of service users. This work is now nearing completion and the full refurbishment works will shortly go on site with a programme to complete the project before Christmas. A planning application is being prepared to cover continued change of use from residential to community facility and some changes to the external areas to provide a buggy shelter and revised access ramps/paths.

Residents have been assured of the Councils continued commitment.

### **King Street – Whole home refurbishment of 19 homes and estate works**

This is the first project using the 'refurbish the whole home at one time' approach without full decanting of tenants taking place. This has been achieved by having one vacant ground floor flat available at the scheme and by using guest rooms in sheltered schemes where suitable. These are used for temporary occupation at the most intense stage of the works without the need full decant. This has worked well though one flat is to be omitted from the contract due to the age and health of the resident. The flat in question has been checked and meets all legal requirements for the immediate future and will be fully refurbished at later date, as and when it becomes vacant.

The contract commenced in January 2014 and was due for completion in August but will now conclude in October. While the disruption to residents has been significant, the homes have been rewired and kitchens, bathrooms, boilers and entrance doors replaced (all except where already renewed) and in two instance level access shower rooms provided to meet residents needs. Some minor structural cracking to brickwork has also been repaired.

A second phase is currently out to tender to rebuild and landscape an area with structurally defective retaining walls of a drying area cut deep into a steep grass

bank. This civil engineering work includes re laying and improving drains that have displaced or been damaged by tree roots and are prone to blockage.

### **Queen Street – balance of decent homes work, improved layouts and external insulation – 11 Homes**

This project started in August 2015 and is due to be completed by March 2016. A further project to 'refurbish the whole home at one time', in this instance to address internal layout (primarily bathrooms and toilets) plus decent homes failures, that vary from property to property. Overall work includes bathrooms, kitchens, boiler replacement and full heating systems, electrical upgrades, replacing decayed timber, dam proofing, plastering, flooring etc. Some major tree works/landscaping was carried out in rear gardens prior to letting the contract

One home is in such poor condition a full decant has been necessary. This particular property had one tenant from the 1950's until 2011 when it was let after being empty for only one week without improvements being undertaken that clearly would have been necessary at that time. Current practice is to fully improve all homes that come available after long tenancies where these have not already been maintained to current standards.

A second phase to provide external insulation will shortly go out to tender.

### **William Peardon Court – Kitchen Replacements 36 homes**

Contract commences 28 September and is due to finish by Christmas. Most of the kitchens at the scheme are original and therefore around 27 years old. They are very dated and tired despite being well looked after by residents. Prior to work commencing we have fitted individual shut off valves so that each flat can have its heating system isolated from the common heating system while work is carried out. This has addressed a problem as old as the scheme and needed to be carried out in summer as the work required full draining down and flushing of the communal system taking it out of action for days.

Some residents have stated they would have preferred the bathrooms to be done first. These are programmed to be done but under the decent homes rules kitchens are reviewed for replacement from 20 years old and bathrooms from 30 years. The residents however made a good point in that new bathrooms will enable better access to bathing e.g. level access showers. Previously as there is a communal shower these have not been provided individually. As it is intended to make this provision when the bathrooms are replaced we have now advised residents where there is an OT recommendation these adaptations will be carried out on an individual basis.

### **Works to properties with major structural defects**

#### **Falmouth Drive – 3/4 Bedroom House - works completed and property let**

To correct the major structural defects to this home the complete structure was supported on jacks to separate it from its original foundations and to allow the

original floor slab to be broken up and removed. Piles were then driven into the ground to the point where sufficient load bearing capacity was measured at around five meters below ground level. Each of the 15 piles were driven in precise locations that had been calculated to support building loads and, onto these, a new concrete floor slab (complete with insulation) was cast supporting the walls of the structure. Finally the jacks were removed transferring the load to the new foundation leaving the original foundation detached and redundant in the ground.

Demolition had not been an option as the property is the middle house of a row of three. Both the other two homes are privately owned having been sold in the past under the right to buy and apparently stable on existing foundations. Party wall act notices were served on both owners and surveys carried out before and after the works to demonstrate no damage had been caused by the works.

As all the internal walls were rebuilt (apart from the stair well) the house was completely remodelled / rebuilt inside to new house standard to provide four bedroom accommodation.

### Bungalows at St Peters Path

There are four bungalows (2 pairs of semi detached properties) at this location on a plot that faces St Peters path fronted by a row of mature poplar trees.

One pair of bungalows has had piled foundations and new floor slab inserted (similar process to Falmouth Drive – see above) only in this instance the piles are sleeved to ensure ground movements do not affect stability of the building. One of the properties was vacant and the second required temporary decanting. Both homes have been remodelled internally to current / as new standards. One is currently being let and the other is nearing completion and will be re-occupied by the decanted tenant.

The second pair of semis is to be left and monitored as the sitting tenant has declined to have this work undertaken despite significant, but not dangerous, movement of the structure. The work is better carried out to both homes at the same time so the adjoining property which is vacant and far less damaged will be let and monitored – the incoming tenant being made aware of the situation.

The damage in this instance has been caused by a combination of design and trees much too close to the buildings. Negotiations have taken place and trees have been removed in rear gardens on Cartwright Drive and Wigston Road and a programme of reduction / removal is needed over a period of years with regard to the poplar trees.

### **Structural Survey of properties at Churchill Close Oadby**

Earlier this year a structural survey was carried out primarily focussed on the condition of the structural concrete and to remove any loose material. Further details will be provided in future reports but the outcome was that the concrete

was basically sound and could be maintained for the foreseeable future at a reasonable cost when compared to the income generated by the buildings.

### **Junction Road – requiring full refurbishment and feasibility study to convert to two flats**

A three bedroom maisonette has become vacant in such poor condition it needs complete rebuilding internally including walls and floor structures (cost in the region of £30k plus. As the home actually has four large rooms on its upper floor (one designated as a store with window since it was built) this has prompted a feasibility study to see if the property could be converted to two smaller homes that would be in greater demand and bring almost twice the rental income for similar works cost. Preliminary design plans indicating conversion is potentially possible have just been received.

### **Purchase of first Council House**

In July 2014 Members approved the purchase of (a yet to be identified) house that would also meet the specific needs of a family with a disabled child. After a long and extensive search a suitable house (that already has a ground floor bathroom plus bedroom extension provided by way of a DFG around 2005) was identified on Ravensthorpe Road and its purchase completed in September 15. The house was well within budget but does need bringing up to decent homes standard and further adaption work within the existing structure will be needed.

### **Future Development and Purchase Opportunities**

#### **Feasibility study to commence**

Place shaping Group at their meeting of 17 September have given authority to carry out a feasibility study.

The Council owns an enclosed two storey car park on land adjacent Chartwell House, Churchill Close, Oadby. Its purpose was originally for residents of the adjoining council owned housing development to park their cars however it is very much underused for this purpose. Currently, the enclosed part of the car park building is used by the Council for storage. The open part is currently in use by residents who rent a parking space there. Budget has been identified for a remote control door to the car park and plans are in place to order and install this due to an identified demand.

Structural Engineers have recently been engaged to report on the condition of Chartwell House and other properties at the development. The report identified that the property is in reasonable condition and can viably be brought up to standard within the scope of housing revenue capital budgets.

There is an opportunity to undertake a feasibility study relating to the entire Churchill Close estate. This could establish opportunities to:

- Refurbish and upgrade existing properties

- Review parking requirements and opportunities
- Redevelop the car park for additional residential properties
- Consider relationships to adjoining uses (e.g. scout hut, cemetery)

The feasibility study could also advise on delivery options which could include:

- Partnership with registered providers
- Partnering with private sector developers (e.g. for specialist housing)
- Council operating independently

### **New build Kirkdale Road/Station Road**

In partnership with Westleigh Construction and Waterloo Housing who are developing a site at the old Shoe Fayre site in South Wigston and opportunity has arisen to include a strip of housing land and consider a joint development with a potential of Council building their own homes

Initial plans have been drawn up and there is a potential of 8 one and two bedroom flats and to move this project an Employers Agent (EA) from Ridge Property and Constructions has been appointed to work with Westleigh to apply for grants from the Homes and Communities Agency (HCA).

Meetings have been held with HCA and the initial support is there for grant provision. HCA have also highlighted other funding opportunities and there is a close working relationships built through both the Community and the Planning and Regeneration teams.

Further verbal update will be provided at the meeting.

### **Purchase of Former Council Properties via Right of First Refusal and open market negotiations**

Members will know that this Council have signed up to an agreement under the Localism Act 2011 under which the authority would be able to retain receipts from Right to Buy provided it put this towards providing one for one replacement of homes sold, providing the Authority ensures that such resources are spent on provision of social housing within a set period of time (three years from 2012).

As completion of new build homes is still some way away Members are asked to authorise the purchase of further homes that are either offered on the right to first refusal when being sold in the first few years after exercising RTB or are former council homes on the open market (or their equivalent in terms of cost and facilities) in order to continue to work towards honouring this commitment.

Future purchases would be within the Borough, selected to best meet general need, allocated/let in the normal way via Housing Options at 80% of market rent (the maximum allowable).

This produces a rent of £130 per week for Ravensthorpe Road (RICS valuation of market rent if brought to decent homes standard and decorated throughout is £650 per calendar month, x 12 months, divided by 48 weeks, x 80% = £130).

This compares to traditional Council house rents of between £101.53 (4 bed end terrace) and £105.02 (4 bed semi) in lower market value areas.

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Implications	
Financial (PL)	CR1 Risk of having to repay capital receipts in short term CR1 Impact of raising remaining funds on BP, long term
Risk (APM)	CR 3 Political, not meeting 1:1 replacement commitment
Equalities (VQ)	As far as possible maintains available housing stock to meet need, potentially not cause further disadvantage
Legal (CA)	CR6 Regulatory – failing to comply with agreement