

Agenda Item	8.
Report No	N/05/16

HRA Capital Programme Update

Report by the Director of Community Services

Summary

This report provides information to Members on the status of the Housing Revenue Account Capital Projects for 2015/16 and 2016/17 within the Nairnshire Area.

1. Background

- 1.1 At the Area Committee on 18 March 2015 Members agreed that arrangements be made for progress reports on housing capital projects in the Area to be submitted to future meetings of the Committee. The status of the 2015/16 capital projects for the Area is given in **Appendix 1** as provided by colleagues in Development & Infrastructure. The approved work is targeted in order to meet the Council's commitment to achieving the Scottish Housing Quality Standard.
- 1.2 The HRA Capital Programme for 2015/16 was approved by the Community Services Committee in February 2015. The bulk of the programme is committed to completing contracts to achieve the Scottish Housing Quality Standard (SHQS). The programme also includes additional resources for Adaptations for disabled tenants and other priority work. This has been allocated pro-rata by housing stock, with £47,040 for Nairn. For other projects the allocation is £94,000 for Nairn. The total HRA Capital Programme which relates to projects for Nairn for 2015/16 is £15,518,500. Members will note that Areas other than Nairn are being dealt with by these projects.
- 1.3 Everything is being done to ensure that in particular the SHQS programme is completed as quickly as possible and before the end of March 2016.

2 Current 2015/16 Capital Projects

- 2.1 As mentioned in 1.1 an update for Members on the 2015/16 programme is given in **Appendix 1** which provides detail on the status of the projects along with Spend to Date in 2015/16, Estimated Outturn in 2015/16 and the Approved Project Cost.
- 2.2 At the Nairn and Badenoch and Strathspey Area Committee on 10 June 2015 the proposed projects for Area Priority for Discretionary Spend for 2015/16 were approved. These will take up the £94,000 for Nairn and are included in **Appendix 1**.

3 Capital Programme 2016/17

- 3.1 On 5 November 2015 the HQ Community Services Committee approved the Highland wide HRA Capital Programme for 2016-17. The total budget allocation for Nairnshire is £589,729. The outline of the programme is given in **Appendix 2** and is in accordance with the Briefing Note provided for Members for the Consultation meeting that took place on 22 October 2015.
- 3.2 Members will recall that the elements of the programme are:
- 3.3 **Major Component Replacement**
Prioritising kitchens over 30 years old, bathrooms over 30 years old, windows and doors over 30 years old, rewiring over 30 years old.
Representing 45% of annual programme.

3.4 **Heating / Energy Efficiency**

External wall insulation. Install on suitable properties.

Prioritise all heating systems over 20 years old and all low performing electric heating systems and replace with renewable systems from our heating options approach. Solar panels/district heating. Based on individual feasibility studies and availability of external funding.

Representing 45% of annual programme.

3.5 **External fabric (major component replacement)**

Major component works/disrepair e.g. re-roofing. Replace where Health and Safety issue or identifiable damage to property over long-term period.

Representing 5% of annual programme.

Work put forward informed by recommendations from local Maintenance Officers.

3.6 **External fabric (environmental improvements)**

Undertake local priority projects to improve the environment of HRA housing estates.

This section is Member led representing 5% of annual programme.

Liaison with Members is underway to identify local issues previously raised by local communities. Budget allocation permitting for any new projects, community consultation, led by the Tenant Participation Officer will be undertaken.

3.7 **Equipment and Adaptations**

At a set overall budget for the NBSL Area of £180,000 per year for the five years with clients identified via Occupational Health Advisor. This budget divided pro-rata by % of Council housing stock by Ward.

3.8 **Programme status**

Colleagues from Development and Infrastructure have been provided with addresses across Highland and are considering how projects should be packaged. It may be necessary for projects to span a number of Council Wards.

Members had requested address lists for the projects. It is considered that it is not appropriate for these to be released onto the Council's Internet with this report and consequently these will be provided to Members separately after Project Management colleagues have packaged the projects.

4. **Implications**

4.1 **Resources:** There are ongoing resource implications for future capital works which are subject to formal approval by the Community Services Committee of these budgets for future financial years.

4.2 **Legal:** There are no known legal implications.

4.3 **Climate Change / Carbon Clever:** Investment in heating and energy efficiency through the HRA Capital Programme contributes to Council policy objectives.

4.4 **Rural:** there are challenges in achieving the Scottish Housing Quality Standard in rural areas which do not have access to mains gas supply.

4.5 There are no known specific equality, Gaelic or risk implications arising from this report.

5 Recommendation

5.1 Members are invited to note the current position of the Capital projects for 2015/16 and 2016/17.

Designation: **Director of Community Services**

Date: 13 January 2016

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Project	Project Title and Location	Comments	Contractor	Status	Spend to date £k 2015/16 (13/1/2016)	Estimated Outturn 2015/16 £k	Approved Project Cost £k 2015/16
HCC0422	Heating upgrades, Lochaber, Badenoch & Strathspey, Nairn and Inverness. Upgrade heating systems to air source, stoves and quantum electric from Total Heating Total Control, solid fuel and electric boilers.	44 properties completed by UKFM, residual 22 no. transferred to existing Scape-Kier project HC0461.	UKFM Group	UKFM part of the contract complete	707.4	1,080	1,192.7
HCC0461	Inverness and Nairn installation of biomass heating originally 142 no. properties.	Original contract complete in December 2015. 22 no. transferred from HCC0422	Scape-Kier	Transferred properties to complete by end February 2016.	1,612	2,115	2,344.9
HCC0424	Heating upgrades Lochaber, Badenoch & Strathspey, Nairn and Inverness. Upgrade heating systems to air source, biomass, stoves and quantum electric from Total Heating Total Control, solid fuel and electric boilers.	19 Nairn properties of the 229 in the project. 87 in the project to complete.	Easy Heat Systems	Integrated into HCC0462 – Lochaber (same contractor). Performance review being undertaken with a view to completion, by end March 2016.	1,730.6	1,900	1,503
HCC0462	Heating upgrades, Lochaber Upgrade heating systems to air source, biomass, stoves and quantum electric from Total Heating Total Control, solid fuel and electric boilers.	199 properties. 137 complete Contract Administrator, Pick Everard	Easy Heat Systems	Performance review being undertaken with a view to completion, by end March 2016.	1,105.5	3,267	3,485.4
HCC0459	Heating upgrades, Badenoch & Strathspey, Nairn Upgrade electric and solid fuel systems with predominantly Stoves and Quantum Electric and some Biomass	Number reduced from 129 to 58 no. (exemptions/ tenants declining).	Scape- Kier	Programme for completion by end February 2016.	573	2,200	2,983.7

Project	Project Title and Location	Comments	Contractor	Status	Spend to date £k 2015/16 (3/9/2015)	Estimated Outturn 2015/16 £k	Approved Project Cost £k 2015/16
HCC0460	Heating upgrades, Nairn and Inverness. Upgrade electric to gas.	314 properties, 20 Nairn at McLean Court. Also added in 29 properties from HCC0497- Inverness gas heating upgrades, from Moss-side Brae and Claymore Gardens, King Street.	Everwarm Limited	Original contract works completed in December 2015. With the additional 29 properties from HCC0497 completion by February 2016.	812.1	977	918.4
HCC0463	Heating upgrades, Lochaber Badenoch & Strathspey, Nairn and Inverness. Upgrade heating systems to air source, biomass, stoves and quantum electric from Total Heating Total Control, solid fuel and electric boilers.	4 Badenoch & Strathspey properties, 2 Nairn properties of the 180 in the project.	Scape- Kier	Project progressing on programme within budget for completion end March 2016.	848	2,440	2,996.4
		Area priorities for discretionary spend (Housing Managed)					
	Upgrade of electric heating systems to gas. Upgrade from old gas back boiler to wall mounted gas boiler where previous tenant declined upgrade.	13 number. 2,3,7,9 Glebe Cottages, Auldearn 12,16,17,18,20 Shiel Square, Nairn.7,15,19,21 Woodside Crescent, Achareidh (7 Woodside Crescent now via insurance work due to fire) 22 Lochdhu Gate, Tradespark, Nairn		Gas connections via utility company needed - may result in project running into 2016/17, budget will be carried forward.	0	74	74
	One-off items such as replacement kitchens, heating etc arising during course of the year.			Works completed via local Maintenance Officer – kitchen and bathroom improvements.	19	19	20
				Total	7407.6	14,072	15,518.5

Nairnshire HRA Capital Programme 2016/17			
Equipment & adaptations			
Project title	Number of units	Project budget	Comments
Equipment & adaptations	On demand	£46,800	Individual addresses
Major Component Replacement			
Project title	Number of units	Project budget	Comments
Replacement bathrooms (11 no.), kitchens (9 no.), window and doors (9 no.) & rewiring (19 no.)	48	£208,470	Individual addresses
Heating/energy efficiency			
Project title	Number of units	Project budget	Comments
Heating replacements (24 no. new gas heating, 15 other)	39	£281,073	Individual addresses
External fabric (major component replacement)			
Project title	Number of units	Project budget	Comments
Roof works (2 no.)	Subject to survey	£26,693	Individual addresses
External fabric (environmental improvements)			
Project title	Number of units	Project budget	Comments
Environmental improvements	Subject to survey	£26,693	Footpath improvements
Overall Programme Budget		£589,729	