

<b>17 June 2015</b>		<b>ITEM: 6</b>
<b>Housing Overview and Scrutiny Committee</b>		
<b>Investment and Development Programme 2015/16</b>		
<b>Wards and communities affected:</b> All	<b>Key Decision:</b> Non Key	
<b>Report of:</b> Kathryn Adedeji, Head of Housing		
<b>Accountable Head of Service:</b> Kathryn Adedeji – Head of Housing – Investment and Development and Commercial Services		
<b>Accountable Director:</b> Barbara Brownlee – Director of Housing		
<b>This report is Public</b>		

## **Executive Summary**

This report provides members with an overview of key deliverables achieved in 2014/15 and key priorities for 2015/16 related to Housing Investment and Development programmes. These are Transforming Homes including Tackling Damp and Mould and Thermal Efficiency programmes; Planned and Preventative Maintenance Programmes; Responsive repairs service; Development and our emerging Regeneration programme.

The keys deliverables that make up the work programme for 2015/16 are derived from the recently approved Housing Strategy and Corporate Plan 2015/16.

### **1. Recommendation(s)**

**1.1 That the contents of the report be noted.**

**1.2 That the key housing programmes and objectives for 2015/16 be noted (as detailed in section 3), outlining the key benefits that will be delivered by each work stream in the Housing Investment and Development team work plan.**

### **2. Introduction and Background**

**2.1** Two key principles have been central to delivery across all programmes of work, the first, to ensure investment is targeted at maximising improvements to the Councils assets and the second, to ensure our internal processes support a mechanism for challenging our contractors to deliver the best

service for our residents. With these two key principles in mind, the Council has embarked on a range of ambitious Housing programmes improving the Councils assets, the lives and opportunities for our residents while also driving efficiency savings through a progressive procurement and stringent contract management strategy.

- 2.2 Housing staff are constantly aiming to improve the quality of the services provided to residents. The service continues to be strive to be the best in what it does, providing our residents with high quality services that are good value for money. The teams 2014/15 journey, ambitions and achievements are captured in Appendix 1 – Housing Investment and Delivery Annual Review 2014/15 and Key priorities for 2015/16.

### **Repairs & Maintenance**

- 2.3 In 2014/15 we successfully completed the procurement and implementation of a new responsive repairs and maintenance contract. This contract will support the new repairs policy framework approved by Cabinet in December 2014. Key features of the new contract include focusing on improved efficiency in asset management as well as substantial commitments for a range of offers for local economic and community initiatives – offering apprenticeships, training and supply chain programmes. Efficiency and contract savings of over 30% further mean an increase in the range and scope of planned maintenance programmes delivered in the year.
- 2.4 In the second half of 2014/15 the service achieved at least an 80% good to excellent rating from residents who used the service. The end of year outturn was a year-end high of 84% good to excellent. This is a result of clear contractual mechanism reinforced in this new contract and being realised through clear governance and a partnership approach with Mears. resident satisfaction with the delivery of the repairs service. For more details please Appendix 1.

#### **Key deliverables for 2015/16:**

- Driving value out of the contract through strong performance and financial monitoring
- Undertaking more planned programmes to deliver long-term savings.
- Implementing new technologies: under the new repairs & maintenance contract, a number of developments will be made with regard to improved use of technology, including use of online and mobile repairs reporting, and the use of improved data analysis for the development of efficient and effective planned repairs programming

## **Transforming Homes Programme**

- 2.5 The Transforming Homes programme is now entering its third year, having commenced on site in July 2013. The programme commenced following cabinet approval in February 2013. In line with the agreed targets for the delivery of this programme. By the end of the second year of the programme over 40% of Council homes are now at the New Thurrock Standard for Council homes. A significant social and economic feature of the programme is to work with delivery contractors, private and charity organisations to create apprenticeship and job opportunities and maximise spend in the local economy.
- 2.6 In 2014/15 this programme achieved a 76% good to excellent rating which is four percentage points lower than 2013/14 outturn. Whilst the issues were addressed through the year - this included a reduction in the contract value of the underperforming contractor. The key challenge for this year will be to ensure emerging issues are addressed as quickly as possible to minimise disruption to residents.
- 2.7 In year three the transforming homes – beyond decency strand is set to ensure that up to 6,000 of the 10,100 Council homes will be at the New Thurrock Standard. A key priority in 15/16 will be the commencement of the comprehensive external upgrades part of the Transforming Homes programme. See Appendix 1 for more details.

### **Key deliverables for 2015/16:**

- Undertaking internal and external improvements works to 62% of the council housing stock, helping to improve long term viability of council properties while improving the wellbeing of residents and creating social and economic opportunities.
- Resident focused delivery: continue resident engagement in choice in internal works, and extend this to consultation and engagement regarding external works programmes where appropriate;
- Extending strong partnerships: with contractors delivering works, ensuring ongoing improvement in performance and partnership working, underlying the ability of the Council to bring additional tangible benefits to local residents.

## **Tackling Damp and Mould**

- 2.8 The second key strand of the Transforming homes programme involves taking a comprehensive approach to addressing underlying factors for Damp and associated mould within Council homes. To date, £1.4m spent on addressing Damp and Mould in year 2 over 362 homes had remedial work

carried out to address damp identified from surveys. The range of measure included:

- Mechanical and passive ventilation, insulation, heating, proprietary decorative treatments and on-going advice to residents.
- Resolution of building defects such as leaks, damage to structures etc.
- Provision of chemical or physical damp proof courses.

2.9 This programme together with the thermal efficiency programme with EON and undertaking external works including replacement windows and front entrance doors, new insulated roof coverings, cavity wall insulation, will significantly improve the long term viability of assets and the living conditions our residents.

**Key deliverables for 2015/16:**

- Targeted resourcing: continued addressing of damp & mould issues through tailored approach – surveys through both maintenance and capital works, and remedial works or residents guidance where required;
- Innovative programmes: working with delivery partners, development of works programming using new technologies, including for example infrared heating, to improve conditions in properties susceptible to damp & mould.

**Thermal Efficiency Programme**

2.10 The thermal efficiency programme is one of the key components that underpins Housing capital programmes. The Council's housing capital improvement programme has already undertaken a number of measures that will improve the energy efficiency of homes, including but not limited to roof insulation, boiler replacement, and cavity wall insulation and window replacements.

2.11 As part of the completion of the Green Study on Council homes in 2013/14. The Council was able to identified and categorise the level of energy efficiency of its housing stock using standardised measures. The study found that a range of homes that were the most inefficient could be supported with extensive measures to improve the efficiency by funding under the Energy Company Obligation. The first phase of this strand was successfully completed in 2014/15; this resulted in a total of 161 homes in Grays and Tilbury having external wall insulation works carried out. In 2015/16, we are aiming to expand its offer in the private sector as part of its key objectives for 2015/16 to expand the programme.

- 2.12 In addition to this as part of an overall plan improve the energy efficiency as many homes as possible. We are currently exploring a range of new technologies and funding streams such as new heating systems to replace current off gas heating requirements along with Solar PV installations. For more details please see Appendix 1.

### **Planned and Cyclical Maintenance Programmes**

- 2.13 In the April 2014 Cabinet Report, Planned & Cyclical Maintenance Programme, the report clearly set o the Councils the principles for developing the programme using both primary and secondary drivers which essentially looked at the Councils continued compliance with statutory obligations, assessing the availability and reliability of assets, and assessing the relationship with other programmes. In summary, the programme has been developed through a combination of driving value through procurement and exploiting synergies between different Capital Housing programmes delivering improved outcomes to as many tenants as possible within the agreed budget. For more details please see Appendix 1.

#### **Key deliverables for 2015/16:**

- Programming methodology: dovetailing maintenance, capital and regeneration, ensuring efficiencies are realised;
- Planned & Cyclical Maintenance: prioritising essential servicing and maintenance works for estate, communal and commercial assets;
- Delivering 2015/16 programme which includes – upgrading Door Entry systems and Lift Refurbishments

### **Development Pipeline.**

- 2.14 2014/2015 saw two schemes starting on site Seabrooke Rise & Derry Avenue completion of both schemes is November 2015. Together with the first site transfer to Gloriana - St Chads, which also achieved planning consent this year. Furthermore Bracelet Close, Corringham has now commenced on site with target completion due in July 2016.
- 2.15 In 2015/16 we are seeing further sites moving from development feasibility to detailed design these sites include another HAPPI scheme at Calcutta Road Tilbury, with general needs housing being designed on Kings Walk Grays Tops Club Grays, Claudian Way Chadwell St Mary, alongside the second Gloriana scheme at Belmont Road Grays.

## **Strategic Procurements of New Contracts**

- 2.16 The Housing team have undertaken a considerable amount of work to consolidate a number of service contracts to delivering substantial efficiency savings in 2014/15. Through the development robust contract specifications and tighter performance measures, the team has delivered substantial real term savings and continues to carry on this work into 2015/16. One such example is the procurement and award of the Councils new Repairs & Maintenance contract in October 2014. At the core of developing and shaping the contract, has been resident engagement helping to focus the service on resident requirements. Responses to thousands of independent customer satisfaction surveys have shaped the contract. This together with the Repairs Policy, signal an improved targeting of resources delivering both improvements in the equality of service to our residents while also delivering efficiency savings. For more details please see Appendix 1.

### **Key deliverables for 2015/16:**

- Extending strategic programming: taking forward the approach developed to date, extending this to the full portfolio of asset management, consolidating programmes and contracts where appropriate;
- Improved contract & performance management: using improved governance and management reporting, as well as improved business processes, to further drive improved performance across the programme portfolio

## **Delivering Social Value**

- 2.17 Delivering Social Value frames how Housing Investment & Development deliver key benefits to Thurrock residents using our Social Value framework. Underlying this is a commissioning, contract management and partnering approach – ensuring Thurrock is working across sectors to support training and employment opportunities for all segments of our communities.
- 2.18 Across the range of housing programmes, a number of developments have been made in 2014/15. There has been the development and implementation of a range of programmes delivering pathways programmes for local residents, and these have been developed through partnerships with a range of local and private sectors organisations. Through these pathways, we are increasing the range & number of opportunities available, ensuring offers match the needs for all Thurrock residents. For more details please see Appendix 1.

**Key deliverables for 2015/16:**

- Apprenticeships: delivery of 20-25 apprenticeships across all programmes in 2015/16
- Local contract spend: maintaining 30% minimum spend in the local economy;
- Jobs creation and retention: 150 jobs created or retained;
- 50 Residents to complete a pathways programmes: the programmes maximize value for local residents through provision of training, work experience, and job opportunities.
- Developing partnerships: extending programmes to work with other local, third and private sector partners to maximise tailored benefits to local residents.

**3. Issues, Options and Analysis of Options****3.1 Key deliverables for the year will be:**

- Asset Management plan
- Refresh of Rolling five year capital programme
- Tackling Damp and Mould
- Transforming Homes Programme
- Strategic Programme and Savings
- Review of Repairs Policy
- Continued Service Enhancements for Responsive Repairs service.
- Delivering Social Value

**3.2 The table below details for each of the key housing programmes and objectives the key deliverables for 2015/16:**

Programme	Key Deliverables
Asset Management plan	<ul style="list-style-type: none"><li>• Housing Asset Management Plan – develop an overarching strategic plan that brings together all existing programmes and shows demonstrably delivers against the range of key strategic objectives and agreed programme principles. The Plan would set out a range of specific actions to deliver each strategic objective, along with desired outcomes and the associated cost.</li></ul>
Planned & Cyclical Maintenance 5 year programme.	<ul style="list-style-type: none"><li>• Programming methodology: dovetailing maintenance, capital and regeneration, ensuring efficiencies are realised;</li><li>• Planned &amp; Cyclical Maintenance: prioritising essential servicing and maintenance works for estate, communal and commercial assets;</li><li>• Delivering 2015/16 programme which includes – upgrading Door Entry systems and Lift Refurbishments</li></ul>

Tackling Damp and Mould	<ul style="list-style-type: none"> <li>• Targeted resourcing: continued addressing of damp &amp; mould issues through tailored approach – surveys through both maintenance and capital works, and remedial works or residents guidance where required;</li> <li>• Innovative programmes: working with delivery partners, development of works programming using new technologies, including for example infrared heating, to improve conditions in properties susceptible to damp &amp; mould.</li> </ul>
Transforming Homes Programme	<ul style="list-style-type: none"> <li>• Undertaking internal and external improvements works to 62% of the council housing stock, helping to improve long term viability of council properties while improving the wellbeing of residents and creating social and economic opportunities.</li> <li>• Resident focused delivery: continue resident engagement in choice in internal works, and extend this to consultation and engagement regarding external works programmes where appropriate;</li> <li>• Extending strong partnerships: with contractors delivering works, ensuring ongoing improvement in performance and partnership working, underlying the ability of the Council to bring additional tangible benefits to local residents.</li> </ul>
Strategic Programme and Savings	<ul style="list-style-type: none"> <li>• Extending strategic programming: taking forward the approach developed to date, extending this to the full portfolio of asset management, consolidating programmes and contracts where appropriate;</li> <li>• Improved contract &amp; performance management: using improved governance and management reporting, as well as improved business processes, to further drive improved performance across the programme portfolio</li> </ul>
Repairs and Maintenance contract	<ul style="list-style-type: none"> <li>• Driving value out of the contract through strong performance and financial monitoring</li> <li>• Undertaking more planned programmes to deliver long-term savings.</li> <li>• Implementing new technologies: under the new repairs &amp; maintenance contract, a number of developments will be made with regard to improved use of technology, including use of online and mobile repairs reporting, and the use of improved data analysis for the development of efficient and effective planned repairs programming</li> </ul>
Delivering Social Value	<ul style="list-style-type: none"> <li>• Apprenticeships: delivery of 20-25 apprenticeships across all programmes in 2015/16</li> <li>• Local contract spend: maintaining 30% minimum spend in the local economy;</li> <li>• Jobs creation and retention: 150 jobs created of retained;</li> </ul>



	<ul style="list-style-type: none"> <li>• 50 Residents to complete a pathways programmes: the programmes maximize value for local residents through provision of training, work experience, and job opportunities.</li> <li>• Developing partnerships: extending programmes to work with other local, third and private sector partners to maximise tailored benefits to local residents.</li> </ul>
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### **Delivering Improvements in Programme Delivery**

3.3 A key focus across all streams of work will be to drive improvement by continuing to monitor the satisfaction and ensure robust challenge of contractor performance. Resident feedback allows for the identification of areas of poor performance and ensures that the services that are delivered reflect our residents' needs and wants. This is in addition to continuing to fulfil the Council's corporate and statutory obligations. In order to ensure that this aim can be consistently achieved, key aspects, which are integral to the performance in delivery, have been identified and addressed to facilitate the continual improvement of the service and to build on the work from previous years. In addition to this, the Housing team will continue to review and implement processes and procedures in response to residents feedback and contractor performance gaps. This will ensure effective management and control of processes for managing programmes.

#### **4. Reasons for Recommendation**

- Maximising current capital funding expenditure to extend the range and extent of investment in our homes.
- Investment in Thurrock council's capital assets.
- Help to reduce fuel bills for local residents through access to new sources of revenue to deliver reductions in fuel poverty.
- Support for wider local strategic priorities (better health outcomes, Carbon reduction).
- Support investment in the local community through the provision of increased training and opportunities for jobs .

#### **5. Consultation (including Overview and Scrutiny, if applicable)**

Not applicable.

#### **6. Impact on corporate policies, priorities, performance and community impact**

6.1 The improvement of the Council's assets is linked to key corporate priorities:

- Creating a great place for learning and opportunity

- Encourage and promote job creation and economic prosperity
- Building pride, responsibility and respect
- Improve health and well-being

The different housing programmes will support strategic and local opportunities, investing in the long-term integrity of the Councils assets, new homes and new opportunities for our residents, contributing to their wellbeing and the long-term regeneration of Thurrock.

## **7. Implications**

### **7.1 Financial**

Implications verified by: **Michael Jones**  
**Strategic Resources Accountant**

There are no financial implications arising from this report.

### **7.2 Legal**

Implications verified by: **Assaf Chaudry**  
**Major Projects Solicitor**

There are no Legal implications arising from this report

### **7.3 Diversity and Equality**

Implications verified by: **Karen Wheeler**  
**Head of Strategy & Communications**

There are no equality implications arising from this report. An Equality and Community Impact Assessment would be completed for specific elements of the programme where appropriate. The programme seeks to benefit the community through new training and employment opportunities which would have a positive impact on health and wellbeing.

### **7.4 Other implications (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)**

Not applicable.

**8. Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- 17HRA Base Estimates Report, February 2014.
- Housing Programme Update and Scheme Approvals, June 2013
- Housing Capital Programme Procurement February 2013
- Housing Planned & Cyclical Maintenance Programme, April 2014
- Award Repairs and Maintenance contract, November 2014

**9. Appendices to the report**

- Appendix 1 – Annual review 2014/15 and Key Priorities for 2015/16

**Report Author:**

Kathryn Adedeji

Head of Housing – Investment and Development and Commercial Services

Housing