

Meeting of:	Homes and Safe Communities Scrutiny Committee
Date of Meeting:	Wednesday, 10 November 2021
Relevant Scrutiny Committee:	Homes and Safe Communities
Report Title:	Housing & Building Services 2021/22 Housing Improvement Work
Purpose of Report:	To inform the Homes and Safe Communities Scrutiny committee of the intended Investment programme and current market conditions affecting the delivery of the programme
Report Owner:	Cabinet Member for Housing and Building Services
Responsible Officer:	Miles Punter - Director of Environment and Housing
Elected Member and Officer Consultation:	As this report is not ward specific no elected members have been consulted. Officers Consulted – Head of Housing and Building Services, Policy Officer (Procurement).
Policy Framework:	The report is a matter for consideration by the Scrutiny Committee
Executive Summary:	<ul style="list-style-type: none"> • This report brings to the attention of Committee the proposed investment programme works for the improvement and maintenance of the Council's Housing Stock • This report provides early notification of the current market conditions and impact upon the delivery programme.

Recommendation

1. That Committee notes the proposed investment programme and the difficulties currently being experienced in the construction sector.

Reason for Recommendation

1. To apprise Committee.

2. Background

- 2.1 This report follows what has been a very difficult year, where withdrawal from the European Union, the blockage of the main shipping lanes through the Suez Canal, and the global pandemic have had a significant impact on the movement of goods and materials and the delivery of major projects
- 2.2 As a consequence of the pandemic, much of the investment programme proposed for delivery last year was affected as the Country went into lockdown, contractors furloughed their staff, and some materials became difficult to obtain.
- 2.3 During the pandemic, the Council made every effort to protect residents and staff and consequently, improvement works undertaken to Council properties concentrated on the external fabric of our homes. Whilst there was recognition internal works increased the risk of spreading infection, the Health and Safety Executive gave no leeway in relaxing essential inspections and consequently, electrical and gas safety inspections continued as necessary.
- 2.4 The withdrawal of the UK from the European Union had no immediate noticeable impact; however, subsequent events, such as the lorry driver shortage and lack of supplies of materials, such as timber and cement, may have contributed to the delays to our capital programmes. Materials costs have also significantly increased with some building products now being twice as expensive. Because of these significant price increases, contractors are now unable to hold costs on a number of projects, which were tendered before lockdown.
- 2.5 Due to the Furlough Scheme provided by the UK Government to support businesses and workers during the pandemic, some construction companies are now reopening activity to find they have accumulated large debts during the lockdown and the Council has experienced at least one construction company going into liquidation. This has unfortunately led to delays in programme delivery whilst the project is retendered.

3. Key Issues for Consideration

3.1 Whilst Wales is now at the lowest risk rating, precautions and risk strategies are still being followed to reduce the risk of infection, though tenants are starting to demonstrate greater confidence in allowing workers inside their homes. Below is the current programme of works being delivered by the Investment team and more recently it has been possible to begin work programmes which require access into tenants' homes.

3.2 Since the start of the 21/22 the following projects have been completed:

PROJECT	Nr of Properties	Nature of work	Approximate Value
6-8 Castle Ave	1	Provision of Assisted living accommodation	£215k
Awbery House Asbestos removal & fire door install	23	Communal area upgrades and fire prevention	£20k
S20 Leaseholder Blocks	104 flats Vale wide	External work to flatted blocks with leaseholder interest	£1,000k
1-3 Georges Row	2	External Wall Insulation, widening footpaths to accommodate additional thickness of the insulation	£35k
Garage Demolitions	3 Garage sites in Penarth	Demolition of dangerous and redundant garages	£150K

3.3 The Projects Team currently has the following projects onsite or are shortly due to start:

PROJECT	Nr of Properties	Nature of work	Approx' Value	Status
Loft Insulation	145 Houses Vale wide	Energy efficiency	£80k	Delayed on completion
GRP shed and outhouse doors	281 Houses Vale wide	External door replacements	£125k	Nearing completion
31 Hywel Crescent	1	Major Void works to WHQS standards	£42k	Nearing completion
Flat Roofing	117 Homes across the Vale	Aimed at repairing outbuilding and extension roofs	£220k	One third complete
Longmeadow Court		New roof, new windows, improved	£810k	Awaiting start

PROJECT	Nr of Properties	Nature of work	Approx' Value	Status
		scooter store, energy improvement works.		
Severn Avenue		Roof replacement, EWI installation, main entrance upgrades and communal garden provision	£1,190k	Awaiting start
Painting Programme	65 Properties around walker Road	External painting to render systems and woodwork.	£200,000	Midway complete
IHP Project	57 Mainly Rural Vale	Provision of Hybrid Air source Heat pumps and monitoring equipment.	£160,000	Just started

3.4 The following projects are in the procurement stage

Project/Scheme	Property No's.	Nature of the Work	Cost Estimate	Duration No. Weeks
Security Doors	24 Penarth and Barry	Replacement of Communal entrance doors and communal entrance control.	£310k	16
EWI and Rendering Contract Houses	61 Vale wide	Energy efficiency improvements to external walls.	£1,384k	26
Buttrill's Environmental Estate Improvement Scheme	40 Homes at the Buttrill's, Barry	Environmental improvements and fencing.	£600k	26
Awbery House Internal and External upgrade (inc Sprinklers)	23 Homes at the Buttrill's, Barry	Fire suppression system and environmental improvements and fencing.	£735k	26
Project 1 -EWI External Refurbishment of 20 Blocks of Flats	80 Homes in Barry (Glanmore)	Energy efficiency improvements to external walls of flats.	£1,260k	46
7 Heol St Cattwg	1 property in Pendoylan	Void improvements to WHQS and installation of Ground Source Heatpump.	£70k	16

Project/Scheme	Property No's.	Nature of the Work	Cost Estimate	Duration No. Weeks
1 Bedlington Terrace – structural	1 property in Barry	Structural works to repair major building defects .	£50k	12
7 Edmund Place fire damage	1 property in Barry	Refurbishment works following Fire damage	£55k	12
7 St Pauls Children's Home	1 property in Penarth	Conversion of existing property for Social Services to provide Children's Home	£200k	16
Voids, reactive repairs and minor works Framework	N/A	Framework tender to appoint contractor to support Responsive Repairs, Voids and other projects to speed the turnaround times.	N/A	N/A
Plasley House roof/Project 3	8 flats in Penarth	Re-roofing works	£150k	10

3.5 The following projects are currently being designed for a proposed start within this financial year.

Project/Scheme	Property No.	Nature of the Work	Duration Weeks No.
Dale Court Underpass.	Gibbonsdown	Tackling problems identified in the road underpass.	4
Environmental Improvements Owens, Irving, Williams	Gardens to all 3 storey flats off walker Road	To investigate to improve the slopping gardens, storage provision and parking to the flats.	60
Communal Upgrades Project - LOT 1	76 All Housing Owned	Works to decorate, improve some aspects of the corridors/stairs, upgrade services and relay flooring.	56
Communal Upgrades Project - LOT 2	115 Council and leasehold interest	Works to decorate, improve some aspects of the corridors/stairs, upgrade services and relay flooring.	52

4. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

- 4.1** Looking to the long term - As a result of the investment works planned and in progress above, our housing stock will be maintained to ensure the life and quality of our properties. As well as providing compliant WHQS home for our tenants into future years.

Taking an integrated approach - The Planning and design of many of the projects above are identified through Housings Asset database, after which tenants and residents are involved in the design and development of the projects.

- 4.2** Involving the population in decisions - During the validation and vetting of contractors, a representative of the Housing Quality Design Forum will be kept abreast of the tender process and at interview stage will be able to question the contractor(s) about issues that are important to tenants when contractors work on, in and around their homes.
- 4.3** Understanding the root causes of issues and preventing them – Engaging contractors at present is providing mixed levels of interest. At present some of the works being offered are not generating interest and the team is working hard to understand the reasons for this lack of interest, this includes contacting some companies to discuss their reasons for not submitting a tender. In some instance these projects are being reduced in size to attract contractors capable of delivering smaller projects.
- 4.4** This investment programme will assist in delivering a number of corporate objectives such as:
Objective 3: To support people at home and in their community.
Action: 11 – increase the Increase the supply of good quality, accessible & affordable housing by working in partnership to address housing need.

5. Resources and Legal Considerations

Financial

- 5.1** The Financial resources are likely to have less purchasing power which and as projects become more expensive the delivery programme will have to be reviewed to priorities those works which promote WHQS compliance, building safety and climate change.
- 5.2** The previously approved capital and revenue budgets are likely to come under pressure due to the increased costs currently being experienced. These pressures will be closely reviewed as the year progresses with significant issues and changes being reported to Cabinet and this Committee through the current update reports or as appropriate, should there be exceptional circumstances.

Employment

- 5.3** There are opportunities for increased employment in the construction sector, although some investment in training will be necessary to increase skills and retrain some operatives.

Legal (Including Equalities)

- 5.4** All successful contractors will be assessed to ensure they meet the Modern Slavery requirements and have processes in place to satisfy GDPR requirements. All works will be carried out in accordance with Building Regulations and the Construction Design and Management Regulation 2015.

6. Background Papers

None.