

HRA tower blocks refurbishment and retrofit programme

Overview and Scrutiny Panel	16 February 2023
Report Author	Sally O’Sullivan, TLS Manager
Portfolio Holder	Cllr Jill Bayford, Cabinet Member for Housing
Status	For Information
Classification:	Unrestricted
Key Decision	No
Ward:	All

Executive Summary:

In November 2022, cabinet considered a report proposing a tower block refurbishment and retrofit project. The project takes a combined funding opportunity to deliver works to 5 of the 6 tower blocks owned and managed by the council. The works include:

- Replacement of the external wall insulation (EWI)
- Retrofit measures to improve the energy efficiency
- Cyclical and refurbishment works to the communal areas

This report invites members of the Overview and Scrutiny Panel to review the detailed proposals for letting the contract to commence this project, ahead of seeking approval at Cabinet.

Recommendation(s):

Members of the Overview and Scrutiny Panel are asked to:

1. Note and scrutinise the following document:
 - Tower block refurbishment and retrofit programme

Corporate Implications

Financial and Value for Money

This report details the works and costs associated with completing this project which is estimated to cost around £20 Million in total. It also proposes to let a contract to Mears through a method of direct award using a procurement framework. The contract is estimated to be in the region of £18.7 Million.

We have a unique opportunity to use a couple of funding streams to deliver the project, thus providing greater value for the council and the tenants and leaseholders in these blocks. By

tapping into this funding, we can deliver this work within the budgeted amount allocated to the tower blocks - which is £11 million.

Legal

The Climate Change Act, as amended in 2019, commits the UK to 'net zero' by 2050. As the owner of social homes and a Registered Provider, the Council has a responsibility to deliver against this target by reducing carbon emissions from its social housing stock.

As a social housing landlord, the council has a regulatory responsibility to ensure their properties meet the decent homes standard. This includes providing warm, comfortable and safe homes for residents to live in.

The leaseholder Section 20 statutory consultation process will not be able to be followed and this report proposes how to deal with this.

Corporate

The council's agreed Corporate Statement includes a priority to improve the standards and safety in homes across all tenures.

Risk Management

By not taking action to reduce carbon emissions in council owned homes, there is a risk that we will not meet the governments legally binding targets.

The Government has committed to a £3.8 billion Social Housing Decarbonisation Fund (SHDF) over a 10-year period to improve the energy performance of social rented homes, on the pathway to Net Zero 2050. As the government's net zero target is legally binding, the council would have to carry out this work regardless of funding. Therefore, not taking advantage of this funding would put the Council under further financial pressure to fully fund the measures required.

There is a reputational risk to not seeking ways to reduce tenants' utility bills.

Equality Act 2010 & Public Sector Equality Duty

Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to the aims of the Duty at the time the decision is taken. The aims of the Duty are: (i) eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, (ii) advance equality of opportunity between people who share a protected characteristic and people who do not share it, and (iii) foster good relations between people who share a protected characteristic and people who do not share it.

Protected characteristics: age, sex, disability, race, sexual orientation, gender reassignment, religion or belief and pregnancy & maternity. Only aim (i) of the Duty applies to Marriage & civil partnership.

This report relates to the following aim of the equality duty:

- To eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act.

The council's tenants and leaseholders include residents that have protected characteristics as set out in the Public Sector Equality Duty.

This work carried out through the delivery of the proposals in these reports will seek to improve the homes for all residents, including those with protected characteristics.

CORPORATE PRIORITIES

This report relates to the following corporate priorities:

- *Communities*

1. Background

1.1. In November 2022, the cabinet considered a proposal on how to take advantage of 2 types of government funding to carry out a full retrofit and refurbishment project on 5 of the Councils tower blocks.

1.2. The works include the following:

- Replacement external wall insulation
- Retrofit measures to improve the energy efficiency of the blocks
- Refurbishment works to improve structural and fire safety
- Cyclical works to improve the communal areas of the blocks

1.3. The government funding that has been applied for is:

- Social Housing Decarbonisation Fund (SHDF)

The Government has committed to a £3.8 billion Social Housing Decarbonisation Fund (SHDF) over a 10-year period to improve the energy performance of social rented homes, on the pathway to Net Zero 2050.

- Building Safety Fund (BSF)

Funding provided for addressing fire risks associated with cladding and external wall insulation on high rise residential buildings

2. Bid and delivery of works

2.1. The external wall insulation has already secured grant funding from the BSF for pre-tender works and we anticipate receiving further funding to cover the full cost of replacement EWI

2.2. We submitted a bid to the SHDF at the end of November 2022 for £4.25m, which requires 50% match funding by the council. The outcome should be announced by the end of March 2023.

- 2.3. The council has £11.4m approved in the Housing Revenue Account capital programme for the Tower blocks, across the three financial years from 2023/24 to 2025/26.
- 2.4. We propose to carry out the full range of works laid out within this report, even if we are not successful with the SHDF as the total cost will still be within budgetary constraints.
- 2.5. Members of the Overview and Scrutiny Panel are invited to review and scrutinise this report

Contact Officer: Sally O'Sullivan, (Tenant and Leaseholder Services Manager)
Reporting to: Bob Porter (Acting Corporate Director of Place)

Annex List

TDC Tower Block Refurbishment and Retrofit Programme

Background Papers

None

Corporate Consultation

Finance:

Legal: