

North Lanarkshire Council Report

Communities and Housing Committee

approval noting

Ref BL/CB

Date 11/09/19

Housing Capital Programme (HRA) – Replacement of kitchens and bathrooms

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Executive Summary

The purpose of this report is to update Committee on the progress with the replacement kitchens and bathrooms programme within the housing stock.

Since the inception of the programme in 2016/17, the Council has installed 5,813 kitchens and 10,368 bathrooms at a combined cost of £54,212,000.00 (as at 31 March 2019).

The report also notes that 2019/20 is the final year of the kitchens replacement programme and 2020/21 is the final year of the bathroom replacement programme. This means that there will be a vastly reduced investment requirement in future years as only the installations which have previously been refused will be included in any future years programmes.

Recommendations

It is recommended that the Communities and Housing Committee:

- (1) Note the contents of this report.
- (2) Note that the kitchen replacement programme will end in March 2020.
- (3) Note a carry forward of 185 properties for bathroom replacement during financial year 2020/21 which will bring this programme of works to an end.

The Plan for North Lanarkshire

Priority Improve economic opportunities and outcomes

Ambition statement (1) Ensure a housing mix that supports social inclusion and economic growth

1. Background

- 1.1 Committee will recall the requirement on the Council as a social landlord to meet the Scottish Housing Quality Standard (SHQS) by April 2015 (and maintain thereafter) and that during 2014/15, the council undertook a full SHQS condition survey of all its housing stock. This was to both ensure SHQS compliance and to fully map long term investment requirements in line with property condition and need.
- 1.2 Committee will also recall the information from these condition surveys, along with new prioritised standards such as the Energy Efficiency Standard for Social Housing (EESH) was used to present four investment options to Committee in February 2016. Option four was agreed to invest £253m in the housing stock over the five year period to 2020/21.
- 1.3 The current investment programme for kitchen and bathroom replacement is based on asset replacement age. This is 20 years for kitchens and 25 years for bathrooms. On completion of our 2019/20 capital investment programme, there will be very few kitchens and bathrooms within our housing stock which require to be upgraded following the capital investment over recent years.

2. Report

- 2.1 Following successful delivery of the Housing Capital Programme (HRA) in relation to the replacement of kitchens and bathrooms throughout our stock since 2016/17, the annual programme of kitchen replacement will complete by 31 March 2020 and bathroom replacement by 31 March 2021.
- 2.2 The following table shows the installations completed and the total monetary investment each year since 2016/17. (Please note the information for 2019/20 is projected information only).

Year	Kitchens	Bathrooms	Total Investment (£)
2016/17	2900	3856	23,622,000.00
2017/18	2010	2601	18,927,000.00
2018/19	903	2911	11,663,000.00
2019/20*	735	2295	10,000,000.00

- 2.3 During the annual programme of works we have experienced a number of refusals from tenants to participate in works as well as failing to obtain access to some properties. This has resulted in some of our housing stock not benefitting from the improvement works. This amounts to 2934 properties with outstanding kitchen replacements and 2632 properties with outstanding bathrooms.
- 2.4 It is intended to complete the works in any outstanding properties on an adhoc basis when the opportunity arises e.g. properties becoming void.
- 2.5 Based on the current lifespan as detailed within 1.3, we are anticipating significant capital investment from financial year 2025/26 to recommence the kitchen replacement programme and 2032/33 to recommence the bathroom replacement programme.

3. Equality and Diversity

3.1 Fairer Scotland Duty

The end of the programme will not directly impact on this agenda

3.2 Equality Impact Assessment

The end of the programme will not directly impact on equalities

4. Implications

4.1 Financial Impact

4.1.1 It is proposed to utilise a small amount of our capital budget (circa £2m) to fund any future ad-hoc related works on an as required basis e.g. in void properties.

4.1.2 Future investment which was previously utilised for kitchen and bathroom replacements will be requested from Financial Solutions to deliver other capital works to our housing stock, e.g. fire safety works in all stock.

4.2 HR/Policy/Legislative Impact

4.2.1 Continued investment will maintain safe and secure communities and legislative compliance within our housing stock.

4.2.2 There are no HR implications as a result of the reduced programme as staff currently managing the kitchens and bathrooms programmes will be reallocated to other new work streams within the investment team.

4.3 Environmental Impact

4.3.1 The contracts awarded to deliver the capital programme have the following environmental impacts: encourage sustainable construction; promote health and wellbeing; safe removal and disposal of materials.

4.4 Risk Impact

4.4.1 Risk will be minimised and managed by designated Contract Administrators and Managers in accordance with the works specification and in accordance with the Council's agreed approach to Contract and Supplier Management.

5. Measures of success

5.1 Provide safe, improved and sustainable domestic properties for the tenants of North Lanarkshire Council.

5.2 Ensure the domestic properties within North Lanarkshire Council's housing stock continue to meet SHQS.

6. Supporting documents

6.1 Not applicable.

A handwritten signature in cursive script that reads "Brian Lafferty".

Brian Lafferty
Head of Business (Housing Property and Projects)