

**THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA
HOUSING AND PROPERTY SCRUTINY COMMITTEE
8 JANUARY 2014**

REPORT BY THE DIRECTOR OF HOUSING

HOUSING REVENUE ACCOUNT BUSINESS PLAN 2014/15-2018/19

This report provides the Housing Revenue Account Business Plan for 2014/15 to 2018/19. It sets out the need to spend and considers the sources of funding available over the next 5 years.

FOR COMMENT

1. BACKGROUND

1.1 Attached is a Business Plan for Capital and Revenue Expenditure on the HRA Housing Stock covering the period 2014 to 2019.

1.2 The purposes of this Plan are:

- (a) to set out the priorities and investment requirements for the Council's housing stock over the next 5 years, but with a view to establishing a template for a business plan that can be delivered over a 30 year period. The aim of the Business Plan is to protect and maintain the Council's housing stock to the highest of standards within available resources
- (b) to set out opportunities to regenerate the stock and provide additional units
- (c) to set out the potential sources of funding to deliver the Business Plan over the medium term.

FOR COMMENT

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Background papers used in the preparation of this Report:

None

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Housing Revenue Account

Business Plan 2014/15-2018/19

1. Purpose

The purpose of this document is:

- (d) to set out the priorities and investment requirements for the Council's housing stock over the next 5 years, but with a view to establishing a template for a business plan that can be delivered over a 30 year period. The aim of the Business Plan is to maintain the Council's housing stock to the highest of standards within available resources
- (e) to set out opportunities to regenerate the stock and provide additional units
- (f) to set out the potential sources of funding to deliver the Business Plan over the medium term.

2. Introduction

- 2.1 The first HRA Business Plan was presented to the Housing and Property Scrutiny Committee on 16th January 2013. This was a short term plan with the intention that over the year research and detailed work was undertaken to better understand the condition and investment opportunities for the stock.
- 2.2 The Savills option appraisal work has now been completed and concluded that the Council can retain ownership of its stock and resource its investment needs through a range of activities which include borrowing, reprofiling the capital programme, using future HRA surpluses, rent increases, conversions and disposals.
- 2.3 The stock options work that the Council and the TMO undertook with Savills showed that there were many opportunities available to the Council in terms of maintaining, improving and growing the assets. It looked in detail at values, funding requirements, repairing liabilities and responsibilities both legislatively and to residents.
- 2.4 This information has been used to inform this HRA Business Plan and produce the emerging Asset Management Strategy. The first business plan gave an overview of the stock in light of the introduction of self-financing but this business plan takes the outcomes of the research on the stock condition, the understanding of the new financial environment and uses good practice and industry and peer learning in order to provide a

comprehensive and strategic approach to protecting and developing the assets.

3. Objectives and Strategic Links

3.1 Housing Strategy

The Royal Borough of Kensington and Chelsea's Housing Strategy sets out how we as a borough want to improve both the quality of accommodation and lives of people who live here by:

- **Resources** - Developing effective asset management and longer term business planning, taking advantage of the new regime for Council Housing finance (Self-Financing).
- **Regeneration and Development** – Regenerating, renewing and developing new affordable housing where opportunities arise.
- **Housing Options** - Providing a service that enables people to make informed decisions about their housing options.
- **Vulnerable Residents** - Supporting people who are vulnerable with appropriate accommodation and advice services.
- **Employment and Training** – Enabling people in social housing to access employment and training opportunities.

3.2 RBKC is currently considering draft Strategic Objectives, which underpin this document. They include:

- To continue to meet the long term housing needs of RBKC
- To invest in these homes to a locally agreed standard (K&C standard)
- To actively manage the housing assets to ensure a robust HRA business plan that ensures the Council can deliver its housing objectives
- To support the regeneration of estates and neighbourhoods

4. Achievements

4.1 Hidden Homes

The Council has been looking for opportunities to increase its housing stock through the redevelopment of existing spaces that are not currently being utilised and has successfully delivered the following schemes:

- Greaves Tower, World's End Estate - the scheme completed on time and has resulted in three 2 bedroom residential units for general use which meet the Lifetime Homes requirements.
- Holmefield House, Hazelwood Crescent W10 - three 3 bedroom general need flats built to Lifetime Homes standards. The scheme has now been completed.
- Grenfell Tower regeneration options are being progressed. The contract is currently out to OJEU; planning issues are being discussed and further resident consultation is taking place.

A feasibility study is also being undertaken to identify further opportunities at Whistler Walk and Tavistock.

4.2 Repairs Direct

Repairs Direct Company was launched on 2 September 2013 as part of the TMO growth strategy. It is a separate commercial company with its own Board, resident director and Business Plan.

The Company took over the repairs service following performance issues with several previous providers. There was a TUPE transfer of 45 staff. As well as extensive customer service training, there were new monitoring and IT solutions introduced to ensure service standards were achieved.

Early indications are positive including 97% satisfaction rating (from 40% of telephone surveys undertaken), and 2000 jobs completed in the first five weeks. Given the increase in demand for repairs, the budget for responsive repairs remains a key risk within the HRA and will need to be closely monitored.

4.3 Investment

Capital Investment of £8.7m was delivered in 2012/13, it provided 230 bathrooms, 300 kitchens, 371 rewires and the replacement of 421 boilers, plus lift renewals at Trelick Tower and Treverton Estate.

The budget for day to day repairs, including most repairs that tenants report to the TMO, was £3,9m.

The planned and responsive repairs budget for most mechanical and electrical works was £4,1m, and this included responsive works to estate lighting, communal and domestic electrics and boilers; and planned maintenance to properties including lift and boiler servicing, and an external decorations programme.

5. The Council's Stock and its Asset Management Strategy

5.1 The Profile of the Council's Stock

The total tenanted stock is 6,928 properties with a further 2,548 leasehold properties. This includes 44 hostel places and 176 sheltered units. The stock is predominately flatted, with a small number of houses. The majority are post war construction built during the boom in Council Housing. The Council's stock has a disproportionate number of studio and one bedroom properties. It also includes 12 listed buildings in TMO management, which covers 330 properties, and has almost 1400 properties in conservation areas.

The breakdown of the age of the stock is as follows:

| Pre 1919 | 1919-44 | 1945-64 | 1965-74 | Post 1974 | Total |
|-----------------|----------------|----------------|----------------|------------------|--------------|
| 1,662 | 706 | 2,844 | 2,272 | 1,992 | 9,476 |
| 18% | 7% | 30% | 24% | 21% | |

5.2 The Stock Options Appraisal

The Housing Department commissioned an options appraisal which assessed the available opportunities to meet investment needs for the housing stock. This was based on several assumptions including a continuing role for KCTMO and residents, the Council retaining the freehold of the stock and that the options took into account the freedoms introduced under the Localism Act.

The appraisal concluded there is no compelling financial case for a major change in asset ownership and there are a suite of options available which can be used together both to invest in our stock to the desired standard and to realise ambitions for developing more housing, improving the housing estates and supporting KCTMO to develop as an organisation.

Following the options appraisal we decided to do further work on:

- Rents Policy review (undertaken through a Member's Sub-Group;
- Active asset management;
- Options for using of underlying capital value through disposals of a small number of social housing units; and
- Exploring the funding, delivery and ownership options to achieve more wholesale regeneration and renewal.

5.3 Asset Management Strategy

This Plan marks another interim year in the HRA business planning process as we work with the TMO to finalise the Asset Management

Strategy and agree the new Investment Standard. These two pieces of work will enable us to then develop a more comprehensive business plan based on the performance of the Council's housing stock and regeneration priorities.

The Asset Management Strategy will set out the expected standard that the Council's housing should meet; a framework for prioritising investment within this standard within agreed budgets; and provide a framework for identifying and progressing options for non-performing assets.

The strategy will also set out how we intend to improve the energy efficiency of the stock, within the constraints of affordability and practicality. The strategy will then enable the Council and the TMO to develop a five year capital investment plan, setting out where the Council intends to invest in the short to medium term.

5.4 The Kensington and Chelsea Investment Standard

All social housing providers have to meet the current regulatory standard for social housing set by the regulator the Homes and Community Agency (HCA). As well as setting out standards for design, quality, maintenance and repair the standard includes the Decent Homes standard covering the modernity of facilities, health and safety, state of repairs and degree of thermal comfort.

The Council is therefore working with the TMO to agree an investment standard that is aspirational but affordable and will be delivered locally. The proposed standards of investment are based on six categories of work:

- Your health and safety
- Keeping homes wind and weather tight
- Inside your home
- Improvements to communal areas
- Improvements to neighbourhood
- Accessibility.

The standard will be designed to fit within budgets available in the HRA Business Plan. Where short term resources are insufficient to deliver the standard, works will be prioritised based on cost and deliverability on the following basis:

- Statutory Compliance - Your health and safety
- Physical structure - Keeping your home wind and weather tight
- Modern facilities - Inside Your Home
- Improvements to communal areas and neighbourhoods.

A specific budget for disabled adaptations will be agreed with the Council to address the accessibility element of the standard.

5.6 Older People's Housing

There is a large portfolio of sheltered housing schemes in the borough managed by both the TMO and Registered Providers. Following a review of all of the schemes it was established that almost none of the schemes meet current day design and service standards or provide the density of units that would be required to meet strategic housing objectives for the future.

At these sites there is an opportunity to develop the accommodation for older people to a much higher standard that meets current and future users' needs and expectations and the regulatory and industry standards. A project was started in late 2012 to identify opportunities to increase the number and quality of accommodation for older people through redevelopment. The outcome of this work will be finalised during 2014.

5.7 Greener Housing

The Council has a responsibility to promote greener housing and has committed itself to the Climate Change Project. Greener housing can also be viewed as one of the 'spend to save' projects especially around better use of resources and greater efficiency which give rise to savings for the Council, TMO and residents.

The TMO is currently considering the Council's Energy Strategy – how this it can link into day to day works and overall asset management. As indicated earlier the TMO is proceeding with several projects aimed at improving energy efficiency and producing savings to the borough and residents.

6. Regeneration

6.1 Regeneration and Investment Needs

Regenerating the Council's housing estates is one the Council's ambitions to improve the Council's housing, to cater for the diverse needs of the household's in housing need (including housing for older people) and to deliver more housing of all tenures.

Further modelling has been carried out on the financial performance of all the housing stock. The results of modelling the stock's financial performance over time show that 75 per cent of the stock (5217 units)

has strong net present values (NPVs¹) of over £10,000 per unit. However, six per cent (438 units) have negative NPVs. A group of marginally performing assets in regards to NPVs have also been identified.

The key objectives of regeneration are:

1. To replace obsolete or uneconomic stock with new assets that are better designed to meet future needs and maintain a balanced portfolio
2. To identify opportunities to build additional homes and increase the number of intermediate homes available, with no net loss of socially rented homes.
3. To ensure that specialist housing continues to cater to the needs of particular groups, including housing for older people and supported housing.

Over the life of this HRA Business Plan, we will:

- Establish an approach to assessing housing assets which are identified as marginal assets or poorly performing for regeneration opportunities;
- Continue with the Hidden Homes Programme
- Deliver new homes at Silchester Garages and Edenham Way
- Explore the feasibility of regeneration in other areas, for example Pembroke Road.

To fund any regeneration activity, the Housing Department has developed proposals to establish a Council owned company (CoCo) to deliver and help finance development. In addition, we will use, where appropriate and only when additional affordable homes will be delivered, money collected through commuted sums from planning gain.

6.2 Edenham Way and Trellick Tower

This is a vacant site currently made up in part as a temporary car park on Edenham Way and in part of the site at the rear of Trellick Tower (including the unused former garages, ballpark and garden). The site is owned partly by the General Fund (60%) and partly by the Housing Revenue Account (40%).

The Core Strategy states the site will be used for at least 60 new homes.

¹ Net present value (NPV) in this form is used in the report to help us understand the future cash flows for each asset group in terms of surpluses and deficits over a 30 year period.

A Cabinet decision was taken in March 2013 for a housing development made up of 50% affordable housing (of which 70% would be intermediate and 30% would be social rent) and 50% market housing.

An architectural and massing study was completed earlier this year and provided options for the development of the site.

Over the next 12 months, architects will be appointed to put together a planning application for the site, and a draft Supplementary Planning Document for the area will be completed in the new year to compliment this.

No decision has been made about how the new housing will be delivered, but it is anticipated the development of this site (given it is a vacant plot with no decant requirements) could be the first site developed through the Council owned company.

As this site is vacant, it also provides a limited opportunity for a decant site for other projects contained within this paper.

7. Need to Spend/Priorities for Capital Expenditure

7.1 Need to Spend

The estimated cost over the next 5 years to deliver the proposed investment standard to all tenanted properties is £87.2 million which can be broken down over the 6 investment categories as follows:

| Category | Cost £ million |
|-------------------------------|----------------|
| Your Health And Safety | £17,8 |
| Wind and weather tight Total | £23,6 |
| Inside Your Home Total | £35,4 |
| Improving Your Communal Areas | £ 4,4 |
| Improving Your Neighbourhood | £ 5,0 |
| Adaptations Total | £ 1,0 |
| Grand Total | £87,2 |

Once fees and inflation are added the total funding requirement over 5 years increases to £100 million. This estimate excludes the extensive works to needed to Trellick Tower.

Provision of £61 million has been assumed within the HRA Capital Programme over this 5 year period. It is anticipated that some revenue maintenance funding will be redirected to the Capital Programme, thereby increasing the resources available, although a shortfall of at least £30 million would remain.

7.2 Capital Programme Priorities

- 7.2.1 The 2014/15 Business Plan will focus on priorities identified in the stock condition survey and on what is deliverable over the next year, whilst avoiding investment in stock that is not performing well. Investment will focus on kitchen and bathroom replacements and works to roofs and windows; both of these areas will be subject to further survey work to validate the stock condition data, before works are commissioned.
- 7.2.2 £2 million will initially be allocated to roof renewals, although this could increase as the survey work is completed. Reprogramming of other work areas may be necessary so that the overall capital programme of £10m in 2014/15 is not exceeded.
- 7.2.3 Energy efficiency improvements include the replacement of communal boilers at Grenfell Tower and Lowerwood Court - this will result in more efficient central plant, and the ability for residents to have individual control over their heating and hot water (this is subject to on-going consultation with residents in these buildings). In addition, where roof replacements are carried out this will include improvements to insulation where this is applicable.
- 7.2.4 Given the level of investment needed in the HRA stock, it is important to ensure the capital programme is fully spent in 2014/15. However, slippage can often arise on capital schemes, and it is therefore planned to over programme (up to £12m) and slow down or scale back schemes later in the year, should this be required.
- 7.2.5 A key constraint of the emerging asset management strategy is that investment need is greater than resources in the short term, although the Council's recent stock options appraisal has demonstrated that long term surpluses are possible.
- 7.2.6 This means that in order to produce a fundable strategy it will be necessary to prioritise investment. The emerging strategy sets out a framework to be used for this prioritisation and sets out how the TMO can support the Council to increase resources available.
- 7.2.7 The current draft budget for 2014/15 is attached at appendix 1.

8. Revenue Budget – Financial Outlook

- 8.1 The Self Financing regime for Council housing finance was introduced in April 2012. It provides more certainty over HRA resources, in particular rental income, and enables authorities to plan over a longer timescale. However, authorities must take full responsibility for costs attributable to the HRA including capital financing and depreciation.

- 8.2 The Royal Borough therefore needs to ensure that robust financial planning is embedded into its processes and is closely aligned with its business planning.
- 8.3 The Business Plan presented to Scrutiny Committee in January 2013 set out various ways of increasing capital resources including raising additional income from rents. In particular, the concept of moving to target rents more quickly than under the current rent regime was identified.
- 8.4 The Scrutiny Sub-Group on Self-Financing considered options to increase rental income through changing the convergence period. As a result, it has been proposed locally that rents are set to converge with their target/formula rent over the five year period 2014/15 to 2018/19. To protect households from high rent increases, the maximum increase for any individual property will be limited to 10% in each of the 5 years.
- 8.5 This change in the calculation of rents will generate an additional £7m over 5 years, when compared to the current rent restructuring regime. This additional income can be used to increase capital resources and thereby enhance/develop the funds available to invest in the Council's housing stock.
- 8.6 The gross budget for 2014/15 is £56 million and can be summarised as follows:

| | 2014/15 Budget £ Million |
|--------------------------------------|--------------------------------|
| Management Fee | 10.5 |
| Maintenance – planned and responsive | 13.3 |
| Capital Charges | 11.4 |
| Contribution to Capital Programme | 9.4 |
| Various Smaller Budgets | 11.4 |
| Total | 56.0 |

- 8.7 There is a close link between revenue maintenance budgets and the Capital Programme. Spending on revenue through planned and reactive maintenance programmes will extend the life of a property, thus minimising the capital spend on major works. It is anticipated that in future year's revenue maintenance budgets will reduce as revenue and capital budgets are realigned.
- 8.8 The key risks to the HRA revenue budget over the medium term are:

- Inflation, particularly relating to employee costs (have been very low in recent years) and maintenance contracts;
- Interest charges on HRA debt ;
- Responsive repairs due to the increase in repairs being requested from the new service;
- Leaseholder contributions towards capital schemes (contributions depend upon the works undertaken) and
- Bad debts arising from the welfare reform changes.

8.9 Based on a number of assumptions (see the rent report, elsewhere on this agenda), the HRA working balance is estimated to be £37.5 million at the end of the next 5 years (March 2019). This balance has allowed for £61 million to be transferred to the HRA Capital Programme, £25 million more than has previously been assumed.

8.10 There will always need to be a working balance to allow for both known and unknown risks to the HRA (see above). At this early stage of the new self-financing arrangements, it would not be considered prudent to reduce the working balance below £10 million. However, there clearly is further scope to draw down additional funds for capital purposes over the medium term.

9. Capital Resources

9.1 The work undertaken by Savills has helped to determine the level of investment needed to maintain the current stock to an agreed standard. As a result, an additional £25 million has been added to the main HRA Programme over the next 4 years (see 8.9 above), taking the overall 5 year Programme to £61 million.

9.2 A number of new developments/regeneration projects are anticipated over the next 5 years. Each scheme will be considered separately to determine both the short and long term financial implications that could arise. Any implications for other service e.g. Adult Social Care will need to be determined.

9.3 The capital funding arrangements for each scheme will need to be identified prior to any scheme being approved. Funding sources are likely to include:

- Contributions from the revenue budget/working balance
- the use of capital receipts;
- S106 contributions (some of which are ring fenced to older people's housing) and
- Borrowing.

9.4 The potential sources of funding are considered further below:

a) Contributions from the revenue budget/working balance

The annual budgeted revenue contribution to the HRA Capital Programme is £7m, the financial modelling within the HRA rent report assumes this level of contribution will continue over the medium term. However, in addition a further £25 million is being made available from the working balance to supplement the main HRA Capital Programme over the next 4 years.

As indicated above, there remains further scope to draw down from the working balance for capital funding purposes.

b) Use of Capital Receipts

- I. The number of Right to Buy sales has significantly increased following the increases in discounts available to tenants. The intention is that the additional capital receipts available to Councils are used to replace properties on a one for one basis.
- II. Some authorities sell a number of their properties each year in order to fund capital works to their stock.

It is not proposed that the Royal Borough adopts such an approach. However, there are a number of properties in the stock where sale on the open market may be the most effective course of action. It is therefore proposed that consideration is given to a small number of sales thereby releasing capital receipts which could be used to increase the Capital Programme.

Any properties sold in this way would be replaced on a one for one basis so that the overall stock level would be maintained.

c) S106 Contributions

As part of Planning considerations, commuted sums are often lodged with the Council in lieu of developing on site affordable housing. Some of these funds can be ring fenced e.g. to Older People's housing. Use of such funds can be determined on a scheme by scheme basis.

d) Borrowing

Despite the aim of HRA's becoming self-financing, local authorities have been set a borrowing cap for their HRA which cannot be exceeded. Authorities can borrow up to their cap provided they can afford to finance the loans.

The Royal Borough's cap is £221m, given our current debt our headroom for borrowing is only £11.4m.

Some of the current external debt is at fairly high rate, the loans were taken out a number of years ago. The penalties arising from early redemption mean that refinancing the loans is not cost effective.

Given, the limited scope for additional borrowing, the intention is to not use it to fund maintenance work but to invest in future regeneration or development of affordable housing.

e) Development of Private Housing Schemes

Opportunities could be taken to develop housing schemes where market or Affordable Rents are charged. The surpluses could then be used to support other HRA capital projects.

f) Housing Company

The Council is considering establishing a Housing company to undertake development work. One of the key advantages from such an arrangement is that a higher level of borrowing could be achieved, as the HRA Debt cap would not apply to the Company.

10. Delivery

10.1 Implementation of the Capital Programme Business Plan will be a joint workstream which sits in both the Council's and the TMO's Business Plans and features in the on-going Performance Agreements written as part of the governance requirements under the Modular Management Agreement.

10.2 The TMO's Asset and Regeneration team has recently been restructured as part of the TMO's Business Plan and it will work closely with the Housing teams on delivery. Processes and monitoring are in place to ensure:

- the on-going procurement timetable is met
- the Keystone Asset Management system is updated
- monthly review of capital programme spend requirements is undertaken
- quarterly and annual reporting of capital spend is undertaken.

10.3 The development of a Council owned company would provide a vehicle for delivering future investment and regenerations options.

11. Resident Engagement

11.1 The TMO is responsible for the day to day management of the stock and as a resident led structure, leads on consultation with tenants and

leaseholders as they involved in decision making from the board down to area review boards and resident associations.

11.2 As programmes are planned the TMO consults with residents on the proposals, including the practicalities of how the works will be delivered. Where more significant changes to estates are considered, the TMO will carry out detailed consultation with residents on their aspirations for their home and neighbourhood, before reviewing with residents the best option for their home.

11.3 In developing the asset management strategy, the TMO has consulted widely with the board and taken feedback from residents. This has led to the establishment of the Asset and Regeneration Investment Panel, which the TMO will use to refine and review the investment standard and test out policies and specifications with a broad group of residents.

12. Procurement

12.1 The TMO is working on the programme for 2014/15 and is developing a procurement strategy designed to deliver the programme for 2015 – 20.

12.2 The TMO is proposing to deliver the main programme as set out below:

- A M&E package that is geared specifically to specialist works in the common areas (rather than within each dwelling), excluding the lifts which will be procured separately as they are a specialist area
- A general works package that includes internal refurbishment to units and the external/common area repairs. The TMO will have the discretion of creating a package that includes both external and internal works if a block requires it but can also decide to specifically exclude the external elements and develop a cyclical programme. By creating a general works package, the TMO will also have the option of including work under the Hidden Homes or other future initiatives.

12.3 In delivering the procurement strategy the TMO will ensure that there are effective mechanisms in place for consulting with both tenants and leaseholders.

13. Conclusions

13.1 The recent stock condition survey has identified capital expenditure requirements of £1.4bn over the next 30 years. The estimated cost over the next 5 years to deliver the agreed investment standard is approximately £100 million. There currently remains a funding gap of at least £30 million although a decision could be taken to draw down further funds from the working balance.

- 13.2 Short term solutions to address the funding gap are unlikely to be found and investment needs will have to be prioritised.
- 13.3 This HRA Business Plan is a short to medium term plan to determine the level and priorities of the Capital Programme over the next 5 years. It will be further updated when the asset management strategy is finalised.
- 13.4 Current debt will not be refinanced as the financial penalties arising from the early redemption of current loans would not be cost effective.
- 13.5 By effectively maintaining the stock through planned and reactive repairs the need to spend larger sums on major works is reduced. Repairs Direct is one of the components that will be key in achieving value for money in terms of both revenue and capital budgets going forward over the next 5 years.

14. Recommendations

- 14.1 To allocate capital resources of £10m to the 2014/15 capital programme.
- 14.2 The borrowing headroom is not used to fund maintenance works, including the backlog but to fund regeneration or the development of affordable housing.
- 14.3 Consideration is given to selling a small number of properties on the open market thereby releasing capital receipts which could be used to increase the Capital Programme to fund new and additional units.
- 14.4 The focus is ensuring the statutory minimum standards of decency are maintained.

Appendix 1

| Draft Capital Programmes 2014-15 | | |
|---|--|-------------------|
| Category | Description | Total |
| Trellick Tower | Concrete Repairs and scaffolding | 200,000 |
| Aids and Adaptations | Adaptation works to homes | 200,000 |
| Domestic Electrics | Rewiring and wiring upgrade to tenanted properties. | 160,000 |
| Communal Electrics | Testing and Upgrade of communal electrical supplies. | 160,000 |
| Door Entry System | Various Door Entry Systems following feasibility studies | 100,000 |
| Domestic Heating & Energy Improvements | Planned Boiler Renewal & associated energy improvements | 150,000 |
| Environmental | Various Environmental Improvements | 100,000 |
| Elemental Renewals (Kitchen & Bathroom) | Completion of existing renewal programme and beginning of new programme, including rewires in kitchens | 2,651,546 |
| Lifts | Lift replacement | 306,000 |
| Communal Heating | Communal Heating Replacement at Lowerwood Court and work at Lancaster West | 1,000,000 |
| Fire Safety / Fire Risk Assessments | Essential works identified through FRA's | 200,000 |
| Roof Renewal & external elemental renewals | Continuation of existing roof renewal programme to priority blocks | 3,550,000 |
| Design Fees Future Years Programme | Fees for planning and design work on future programmes | 250,000 |
| Commercial Properties | | 100,000 |
| Capitalised Salaries | | 525,000 |
| Capitalised Repairs & Minor Repairs | | 350,000 |
| Adjustment to meet provision | | (2,546) |
| Total | | 10,000,000 |

| Revenue Budgets Planned Programmes | | |
|---|---|------------------|
| | Description | Total £ |
| Estate Lighting | Lighting on HRA land/buildings | 370,000 |
| Rewiring Works | Periodic Testing and associated Work | 750,000 |
| Standby Generators | | 10,000 |
| Door Entry & CCTV Maintenance | Servicing Programme | 245,000 |
| Fire Safety | Testing and Servicing Programme | 240,000 |
| Lighting Protection | Testing and Servicing Programme | 84,000 |
| Individual Heating | Testing and Servicing Programme | 810,000 |
| Lifts | Planned Maintenance to lifts | 260,000 |
| Disabled Lifts | Planned Maintenance to lifts | 10,000 |
| Car Parks Gates | Planned Maintenance to Gates | 5,000 |
| Communal Heating | Testing and Servicing Programme | 1,050,000 |
| Water Quality | Testing and Servicing Programme | 100,000 |
| External Decorations | Completion of 13/14 programme and new 14/15 programme | 2,688,000 |
| Elderly Persons Decorations | | 92,500 |
| Drainage Works | | 87,000 |
| Uncommitted | | 294,500 |
| Total | | 7,096,000 |