

**The Highland Council**  
**Lochaber Area Committee**  
**21 May 2015**

Agenda Item	7
Report No	LA 17/15

**HRA Capital Programme Update**

**Report by the Director of Community Services**

**Summary**

This report provides information to Members on the status of the Housing Revenue Account Capital Projects within the Lochaber Area.

**1. Background**

- 1.1 At the Area Committee on 26 February 2015 Members were presented with a report giving the status of capital projects for the Area as detailed in **Appendix 1** of that report. Members will recall that the approved work is targeted in order to meet the Council's commitment to achieving the Scottish Housing Quality Standard.
- 1.2 The HRA Capital Programme for 2015/16 was approved by the Community Services Committee in February 2015. The bulk of the programme is committed to completing contracts to achieve the Scottish Housing Quality Standard. The programme also includes additional resources for Adaptations for disabled tenants and other priority work. This has been allocated pro-rata by housing stock, with £94,950 for adaptations and £189,000 for other projects in Lochaber. The total HRA Capital Programme for Lochaber for 2015/16 is £11.131m.

**3 Current and Proposed Capital Projects**

- 3.1 An update for Members on the 2015/16 programme is given in **Appendix 1**. At this stage full spend is anticipated, but more detailed information on actual spend and projected outturn against budget will be provided in future reports.
- 3.2 Members will recall that in order to take advantage of the funding provided by E.on a second phase of external insulation work is proposed to 38 Properties in Caol and Corpach with the Council needing to make a contribution of £140,000. This therefore leaves £49,000 of the capital allocation to be assigned.
- 3.3 At the February 2015 Area Committee, Members welcomed the fact that the Swedish Timber houses at Caol were being prioritised. The work involves removing rotten and damaged timber cladding and replacing with new. The local Maintenance Officer has identified ten properties where there is no adjoining owner. It is considered prudent to carry out as a pilot work to these properties to avoid any complications that may arise in dealing with adjoining private owners. However it is recognised that in future the issue of dealing with properties adjoining private owners will need to be addressed. A pilot property has therefore been identified where the condition is such that action needs to be taken without delay. Currently a working estimate of £10,000 is being allowed for per property and consequently a sum of £110,000 is needed. In order to progress these eleven properties it is proposed that a sum of £61,000 from the revenue Planned Maintenance budget allocation be used. The number of properties which will be completed will depend on the final cost which may vary depending on the level of work. The number of properties will be adjusted up or down as need be to fit

the proposed allocated budget.

- 3.4 Members previously raised some issues regarding Air Source Heat Pumps in Lochaber. Work is ongoing to pull together information on tenant satisfaction with completed systems and further details will be reported to the next Area Committee.

#### **4. Implications**

- 4.1 **Resources:** There are ongoing resource implications for future capital works and planned maintenance works which are subject to formal approval by the Community Services Committee of these budgets for future financial years.
- 4.2 **Legal:** There are no known legal implications.
- 4.3 **Climate Change / Carbon Clever:** Investment in heating and energy efficiency through the HRA Capital Programme contributes to Council policy.
- 4.4 **Rural:** there are challenges in achieving the Scottish Housing Quality Standard in rural areas which do not have access to mains gas supply.
- 4.5 There are no known specific equality, Gaelic or risk implications arising from this report.

#### **Recommendation**

Members are invited to note the status of current capital projects contained in this report.

Designation: **Director of Community Services**

Date: 7 May 2015

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## Lochaber Housing Capital Projects 2015/16

## Appendix 1

Project	Project Title and Location	Comments	Contractor	Status	Approved Project Cost £k
HCC0422	Heating upgrades, Lochaber, Badenoch and Inverness.  Upgrade heating systems to air source, biomass, stoves and quantum electric from Total Heating Total Control, solid fuel and electric boilers.	47 Lochaber properties of the 126 in the project.	UKFM Group	Contractor mobilised and preliminary house surveys in progress with a programme for installations beginning in June 2015. To be completed before end December 2015.	1,374.9
HCC0424	Heating upgrades Lochaber, Badenoch, Nairn and Inverness.  Upgrade heating systems to air source, biomass, stoves and quantum electric from Total Heating Total Control, solid fuel and electric boilers.	45 Lochaber properties of the 229 in the project.	Easy Heat Systems	Contractor on site. Previous anticipated completion date of June 2015 amended due to technical issues with biomass boilers impacting on function and reliability. Most issues resolved by contractor and design consultancy and work anticipated to resume early June with completion before end of December 2015.	2,341.5
HCC0462	Heating upgrades, Lochaber  Upgrade heating systems to air source, biomass, stoves and quantum electric from Total Heating Total Control, solid fuel and electric boilers.	265 properties.	Easy Heat	Contract awarded, contractor mobilised and installation work programmed to commence in early June with completion before end of December 2015. Increase of project cost from £3,372.6k to £3,880k approved by Community Services Committee on 5/2/15.	3,880
HCC0463	Heating upgrades, Lochaber and Inverness.  Upgrade heating systems to air source, biomass, stoves and quantum electric from Total Heating Total Control, solid fuel and electric boilers.	115 Lochaber properties of the 180 in the project. This is a proposed "Scape" project. Scape is a procurement framework owned by four Local Authorities used exclusively to achieve efficiency in public sector works. The Council's Scape		Project was held pending evaluation of cost and increase in budget allocation. Amended project cost from £2,169k to £3,200k approved by Community Services Committee on 5/2/15. Tenders due on 15 May 2015 with anticipated start	3,200

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		partner is Kier Construction Ltd.		on site early June with completion before end of December 2015.	
HCC0464	External insulation, Lochaber and Inverness.	Government scheme, Home Energy Efficiency Programme Scotland, Area Based Schemes (HEEPS ABS). Joint funding with utility company E.on and Highland Council. 52 Lochaber properties of the 60 in the project.	E.on	2014/15 Phase 1- 20 Properties in Caol completed March 2015 with Council contribution revised from £81,000 to £85,054.  2015/16 Phase 2 – 38 Properties in Caol and Corpach with Council contribution of £140,000. Surveys in progress.	225
New Project 2015/16	Remedial work to Swedish Timber houses	Part funded from capital allocation of £49k and planned programme allocation of £61k. Current estimated cost of £10,000 per property provides for work to 11 pilot properties. 10 of which are chosen where there is no adjoining private owner. These are 1 & 2, 9 & 10, 13 & 14, 19 & 20 Cameron Place Caol and 1 & 2 Arkaig Crescent Caol. At some point we will need to tackle the Swedish Timber properties that adjoin private owners. In this respect, due to its poor condition 20 Glenpane Street, Caol is being piloted.		Investigation reveals deterioration of external timber cladding with remedial work to remedy this disrepair. Cost per property will vary due to extend of work required, local Maintenance Officer leading on obtaining costings.	110
				<b>Total</b>	<b>11,131</b>

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