

EXECUTIVE DECISION RECORD SHEET

Name of decision maker:	Cllr Margaret Griffiths
Portfolio:	Housing
Date of Portfolio Holder Decision:	19 March 2009

Title of Decision: To give retrospective permission to include additional works in the Apollo Strategic Partnership Contract and to include similar relevant works in future years should government funding be made available for such works.

Decision made and reasons: To agree that retrospective permission be given to include additional work in the Apollo Strategic Partnership Contract, as set out in the attached report, and to include similar relevant works in future years, where government funding is made available for such works.
The funding for this work has been through capital grant from the government. The project has been agreed by the Corporate Capital Steering Group and subsequently approved by Cabinet. However, the formal contractual arrangements for the works now need to be confirmed and agreed.

Reports considered: (here reference can be made to specific documents)

Officers report – attached
Original Strategic Partnership Agreement with Apollo
Reports to Capital Strategy Steering Group – attached
Reports to Cabinet re CSSG (18/12/07 & 27/05/08)

Officers/Councillors/Ward Councillors/Stakeholders Consulted:

Senior Repairs and Maintenance Manager (now retired)
Head of Public Protection
Housing Maintenance Manager
Trowers and Hamlins (solicitors advising on the partnership contract)

Monitoring Officer/ Chief Financial Officers Comments:

Monitoring Officer – No further comments

Chief Financial Officer – The Capital Strategy Steering Group recommended approval of the extension of the private sector decent homes work programme following the award of an additional Government Capital Grant of £155,800. The proposed inclusion of additional works within the Apollo Strategic Partnership contract will be met from the approved capital programme.

Implications:

Value for Money: A robust price framework is already in place with economies of scale in the existing contract.

Tendering could have produced increase in costs and would have significantly delayed implementation of the project. This in turn could have jeopardised further

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government funding.

Apollo are currently carrying out work for the council, benefit can be gained from using their existing resources and buying power to get value for money.

Financial: Funding of this work is through government grant.

Risk: Loss of grant money if allocations not spent within good timescale

Options Considered and reasons for rejection:

Tendering work externally rejected due to timescale involved.

Spending of grant money had to start in last financial year and therefore not enough time to go through the tendering process.

Portfolio Holders Signature:

Date:

Details of any interests declared and any dispensations given by the Standards Committee:

For Member Support Officer use only

Date Decision Record Sheet received from portfolio holder: 18 March 2009

Date Decision Published: 19 March 2009

Decision No: PH/013/09

Date of Expiry of Call-In Period: 26 March 2009

Date any Call-In received or decision implemented:

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REPORT FOR PORTFOLIO HOLDER FOR HOUSING

PURPOSE OF REPORT

To obtain retrospective permission to include the works that have been carried out on non-decent homes in the private sector as additional works in the Apollo Strategic Partnership Contract and to include similar relevant works in future years, should government funding become available for such works.

IMPLICATIONS

Key Corporate Objectives

Making 'non-decent' homes occupied by vulnerable households 'decent' helps meet a number of the Council's ambitions set out in the Sustainable Communities Strategy, including:

Reducing crime and creating a safer Dacorum

Creating a cleaner and healthier environment

Meeting housing need

Improving social care and health

Meeting the needs of older people

Financial

The works carried out are funded by capital grant received from the government.

RECOMMENDATION

That retrospective permission is given for the decent homes work carried out in the private sector to be included within the Apollo Strategic Partnership Contract and to include similar relevant works in future years where government funding is made available for such works.

BACKGROUND

The Council received capital funding from the government to carry out improvement works to bring properties occupied by vulnerable households in the private sector up to the Decent Homes Standard.

The work is of the same type that Apollo is currently carrying out for the Council to its own properties under the Strategic Partnering Contract. In order to benefit from the price framework already agreed and in place with Apollo, and to best use the resources available, it is proposed to add this work to the existing contract.

Apollo's five-year contract was worth £35million and this additional work currently amounts to £895,106.00 (an additional 2.5%).

Reports detailing the project and the capital spending involved have been submitted to, and agreed by, the Corporate Capital Steering Group. These were subsequently approved by Cabinet. However, the formal contractual arrangements for the works now need to be confirmed and agreed.

£606,000.00 of this work has already been carried out, so retrospective permission is requested for this element. The remaining money is yet to be spent and it is anticipated that further government funding may be received in the future. As a result

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additional work will need to be added to the contract in the future, where government funding for this purpose is received.

CAPITAL STRATEGY STEERING GROUP

November 2007

CAPITAL PROJECT REPORTING PROFORMA

Please attach supporting evidence in respect of each project (or, in Housing only (where relevant), group of generic projects) outlining the current position in respect of each of the following areas:

(please tick)

1.	<p>Project Title: Decent Homes in the Private Sector</p>	<p>Proposed project under discussion <input type="checkbox"/></p> <p>Project at design stage <input checked="" type="checkbox"/></p> <p>Project started with programmed completion date <input type="checkbox"/></p> <p>Please state completion date <input style="width: 100px;" type="text"/></p>	Evidence Supplied?
2.	<p>Background (a general description of what the project is seeking to achieve/do)</p> <p>In April 2006 we received £498,848 from GO-East for improving non-decent homes in the private sector occupied by vulnerable people. In April 2007 we received a further £252,458 for the same purpose. Both payments were Capital Grant Allocations. As the receipts were for capital works only the resources available to administer a project of this magnitude was limited. As a result it was decided that the existing partnership between the Council and Apollo was the best way of delivering the improvements, as all of the necessary elements already exist to make homes decent through a controlled delivery mechanism (working procedures, schedule of rates, etc.). Postal questionnaires have been used to identify vulnerable households in non-decent homes. The questionnaires were targeted at the areas identified as being the most likely to contain qualifying homes/households. Physical surveys have been carried out and household financial details have been checked. This has produced a list of around 100 properties that fulfil the qualifying criteria. Based on an anticipated average spend of £7,500 per property to achieve the Decent Homes Standard, this equates to an overall spend of around £750,000. This will include the relevant proportion of Apollo's prelims/overheads and additional costs for a CDM Co-ordinator, etc. to cover the additional works involved. The budget will be monitored regularly. If the cost of the works is higher than anticipated then the number of properties included will be reduced accordingly to fit the budget. Should costs be lower than anticipated then additional properties would be identified for inclusion within the scheme to allow the budget to be spent, but not exceeded. It is anticipated that the works will start early in the new year, with completion around March / April 2008. This additional work will not interfere with Apollo's originally contracted programme of works for Housing.</p>		Yes/No
3.	<p>Which officer or group of officers is responsible for the running of the project</p> <p>Tim Button – Environmental Health Manager</p>		Yes/No

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4.	<p>Total Capital Cost (broken down into capital cost for each year where the project will complete over more than one financial year)</p> <p>£751,306 (498,848 + £252,458)</p>	Yes/No
5.	<p>Total revenue implications in a full year with some analysis of the nature of revenue implications (eg, £xx extra posts; £yy extra building running costs or £zz savings in buildings running costs etc)</p> <p>Revenue costs have been incurred for printing, mailing to and return of questionnaires from householders. This overall cost is estimated to be just below £4,000. These costs have, by necessity, been absorbed in the relevant Environmental Health budgets and could result in some overspend as a result. Some staff time has also been incurred, but the project has been designed in such a way as to keep this to a minimum. Staff costs again are absorbed within the relevant Environmental Health budgets. The majority of the work involved in arranging the delivery of the improvements has, and will be, undertaken by staff from Apollo.</p>	Yes/No
6.	<p>How the project links to other Council plans or strategies</p> <p>This work falls within the requirements of the Government's KLOE 9. It also helps improve housing conditions for vulnerable households and will, in some cases, help alleviate fuel poverty. All additional building works carried out in the area should help stimulate the local economy.</p>	Yes/No
7.	<p>How the project links to the Council's Vision</p> <p>This work will improve housing conditions for the households involved. This helps in Creating a Cleaner and Healthier Environment, Improving Social Care and Health, Ensuring Easy Access to Local Employment and Meeting Housing Need.</p>	Yes/No
8.	<p>What project planning and monitoring arrangements have been put in place (eg, project plans, predefined timetables, milestones, management reporting etc)</p> <p>Regular reports and spreadsheets will be sent to the Council by Apollo and regular meetings will be held to monitor progress and spend. Audit checks will be carried out on works completed, etc.</p>	Yes/No

CAPITAL STRATEGY STEERING GROUP

April 2008

CAPITAL PROJECT REPORTING

Item for Information from Tim Button, Environmental Health, Extn 2624.

In November last year a report was put before Capital Strategy Steering Group regarding works to improve non-decent homes occupied by vulnerable households in the private sector, utilising capital grant funding from GO-East, intended specifically

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for this purpose. The report was agreed by CSSG and subsequently approved by Cabinet on 18th December. The text of the report is included below for ease of reference.

Since this time, work has been progressing well and the majority of the initial grant funding has been spent.

Last week we received notification from GO-East that they were awarding us an additional capital grant of £155,800 for this year, intended for the same purpose. This money has subsequently been received from GO-East. As a result, we are extending the scheme and will identify additional private sector homes that do not meet the Decent Homes Standards that are occupied by vulnerable households, so that this additional funding can be properly utilised in bringing these homes up to the Standard.

Text from the original CSSG Report (Nov 2007)

In April 2006 we received £498,848 from GO-East for improving non-decent homes in the private sector occupied by vulnerable people. In April 2007 we received a further £252,458 for the same purpose. Both payments were Capital Grant Allocations.

As the receipts were for capital works only the resources available to administer a project of this magnitude was limited. As a result it was decided that the existing partnership between the Council and Apollo was the best way of delivering the improvements, as all of the necessary elements already exist to make homes decent through a controlled delivery mechanism (working procedures, schedule of rates, etc.).

Postal questionnaires have been used to identify vulnerable households in non-decent homes. The questionnaires were targeted at the areas identified as being the most likely to contain qualifying homes/households.

Physical surveys have been carried out and household financial details have been checked. This has produced a list of around 100 properties that fulfil the qualifying criteria.

Based on an anticipated average spend of £7,500 per property to achieve the Decent Homes Standard, this equates to an overall spend of around £750,000. This will include the relevant proportion of Apollo's prelims/overheads and additional costs for a CDM Co-ordinator, etc. to cover the additional works involved. The budget will be monitored regularly. If the cost of the works is higher than anticipated then the number of properties included will be reduced accordingly to fit the budget. Should costs be lower than anticipated then additional properties would be identified for inclusion within the scheme to allow the budget to be spent, but not exceeded.

It is anticipated that the works will start early in the new year, with completion around March / April 2008. This additional work will not interfere with Apollo's originally contracted programme of works for Housing.