

# Report to Cabinet

**23 March 2022**

<b>Subject:</b>	Refurbishment of Thorn Close, Wednesbury
<b>Cabinet Member:</b>	Cabinet Member for Housing Councillor Zahoor Ahmed
<b>Director:</b>	Director of Housing Gillian Douglas
<b>Key Decision:</b>	Yes
<b>Contact Officer:</b>	Steve Greenhouse – Service Manager – Asset Management and Maintenance <a href="mailto:steve_greenhouse@sandwell.gov.uk">steve_greenhouse@sandwell.gov.uk</a> Jonathan Rawlins – Business Manager – Asset Management and Maintenance <a href="mailto:Jonathan_rawlins@sandwell.gov.uk">Jonathan_rawlins@sandwell.gov.uk</a>

## 1 Recommendations

- 1.1 That the Director of Housing, in consultation with the Director of Finance, be authorised to prepare tendering documentation and to procure a contractor, in accordance with The Public Contract Regulations 2015 and the Council's Procurement and Contract Procedure Rules, working on behalf of the Council, to deliver the refurbishment works to Thorn Close, Wednesbury.
- 1.2 That the Director of Housing be authorised to award the contract for the Refurbishment of Thorn Close, Wednesbury, as referred to in 1.1 above, to the successful contractor.
- 1.3 That the Director of Law and Governance and Monitoring Officer be authorised to enter into or execute under seal any documentation in relation to the award of the contract.



## 2 Reasons for Recommendations

- 2.1 This report seeks approval to procure, award and enter into contract with a contractor to deliver the Refurbishment of Thorn Close, Wednesbury to continue the substantial investment in the Council's Housing Stock. The contracted works will deliver an upgrade to the 3 x 3 storey blocks of flats and maisonettes, consisting of 28 units. 4 new units of social housing will also be created on the ground floor by converting the existing rear access links and bin rooms/tenant storage areas.

## 3 How does this deliver objectives of the Corporate Plan?



Quality homes in thriving neighbourhoods.

This contract will provide a complete transformation of the existing buildings creating dwellings that will meet people's needs, in addition to providing 4 new affordable homes. The external walls of the blocks will receive insulated cladding that will conform with all relevant regulations. This treatment will not only improve the look of the block but will also improve energy efficiency which will assist in lowering tenants' fuel bills. The environment around the block will be modernised to provide much needed car parking as well as a more aesthetically pleasing area.

Ambition 5: Our communities are built on mutual respect and taking care of each other, supported by all the agencies that ensure we feel safe and protected in our homes and local neighbourhoods.



## 4 Context and Key Issues

- 4.1 The Council is seeking to procure, award and appoint a contractor to undertake the Refurbishment of Thorn Close, Wednesbury.
- 4.2 Thorn Close, Wednesbury is within the Wednesbury North ward.
- 4.3 On 18th October 2017 Cabinet approved the Housing Revenue Account (HRA) – Housing Investment Programme report. The report set out a refreshed 10-year HRA investment plan to enable the delivery of new build projects and to continue investment into existing stock and communal spaces in our neighbourhoods.
- 4.4 One of the key aspects to the report was to maintain and where necessary upgrade our existing stock.
- 4.5 The proposed work comprises the complete refurbishment to the existing 28 units, in addition to providing an additional 4 units. The total number of properties in these blocks will therefore increase from 28 units to 32 units. The block currently comprises 12 flats on the ground floor and 16 maisonettes on the first floor.
- 4.6 The works include the upgrade of the whole external envelope which involves the construction of a new pitched roof and includes the installation of new fascia's, soffits and rainwater goods. All the external walls to be insulated and clad with a decorative mineral cement boarding, which will not only improve the thermal efficiency of dwellings but enhance the current visual aesthetics of the block. The proposed works will ensure that all properties are improved to a minimum rating of EPC-C.
- 4.6.1 Existing Individual Satellite systems will be removed and replaced with a new communal Sky Satellite TV system wired back to all properties in the block.
- 4.6.2 Access to the first-floor maisonettes is being improved by undertaking structural repairs to the external staircases and the replacement of the balustrading the style of which has been changed to include Glazed infill panels to provide better visibility.
- 4.6.3 Security will also be enhanced as the existing external lighting fixed around the block will be upgraded as part of the works being undertaken to the external façade.

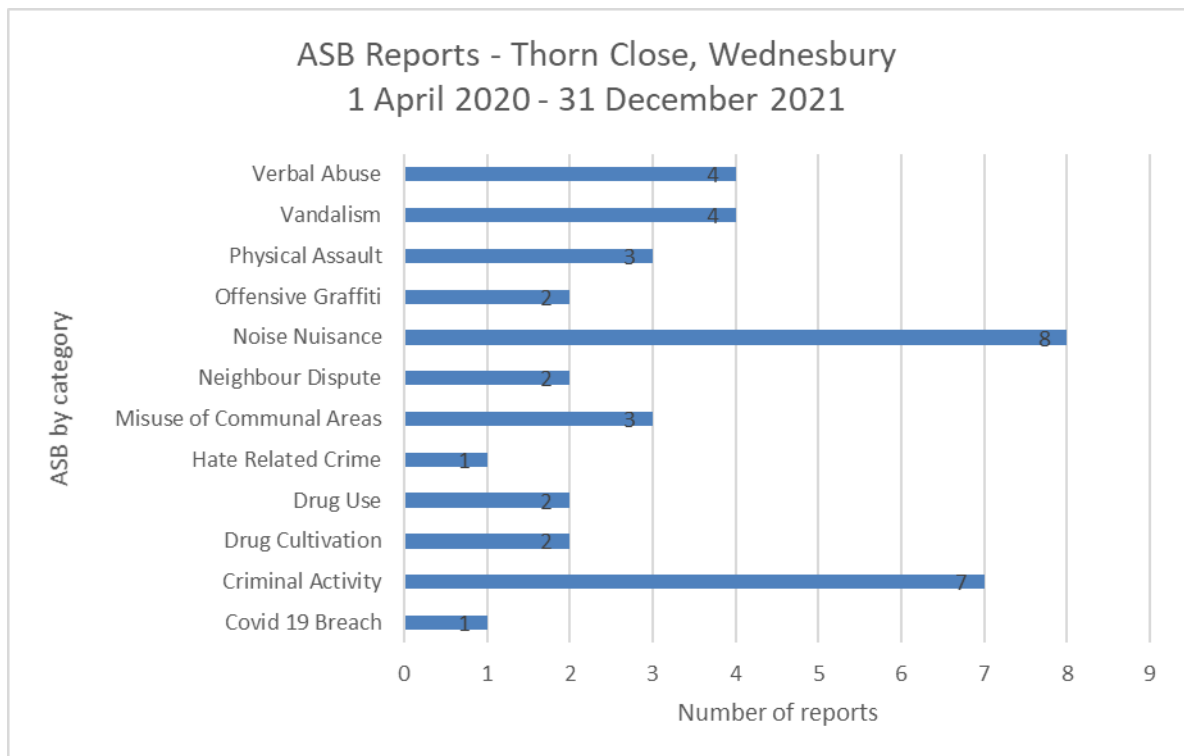


- 4.6.4 In addition, on the ground floor the existing rear access links and bin rooms/tenant storage areas are being removed and 4 new flats are being created.
- 4.6.5 Landscaping works will be undertaken formalising the existing parking provision, along with bollards to deter in appropriate parking. New areas for external bin storage have been created, new slabbing will be installed generally to existing paved areas and the existing access road and carpark areas being resurfaced. Low level fencing will be installed to delineate between public and private spaces.
- 4.7 The project aims to provide modern council owned accommodation to a high standard suitable for rent to council tenants and will provide an additional 4 new affordable homes.
- 4.8 The construction industry has experienced significant cost increases over this period. The budget estimate for this project is £3.096m and includes for fees, construction cost inflation and risk.
- 4.9 The budget estimate for the project is as detailed within Appendix 1
- 4.10 In addition to the refurbishment of the block it is recognised that we need to offer more intensive housing management and manage new lettings in to the block to ensure that ASB is minimised and the community is sustainable. The proposal is to specify a minimum number of visits that all new and existing tenants will receive in order to pick up issues at an early stage and problem solve. We will also look at enhanced caretaking for this block.
- 4.11 Environmental benefits - the refurbishment proposal will allow the negative physical attributes of the blocks to be designed out. This will offer the residents an aesthetically pleasing scheme and should also make Thorn Close easier to manage and maintain. The communal waste areas will be designed out. There is also an opportunity to involve the Police who could offer advice on physical crime prevention designs.
- 4.12 Lettings and Allocations – we will consider developing a Local Lettings Plan for Thorn Close to supplement the Council’s Allocations Policy. This will enable officers to manage risk and implement sensitive lets that take account of ASB levels in the block and the sustainability of the whole Thorn Close community.



### 4.13 Anti-Social Behaviour

There were 39 instances of Anti-Social Behaviour (ASB) that were reported between 1 April 2020 and 31 December 2021. Below is a breakdown of the types of issues that were reported during this period.



It took an average of 31 days from date reported for these incidents to be closed. 7 of the incidents were managed as ASB cases due to the severity of the incident and/or impact on the victim or location. There are currently 2 open cases that are being managed by the ASB team, these include a household who are alleged to have threatened to harm a neighbouring household and the other case involves noise nuisance. The Housing Team do not have any live incidents linked to Thorn Close.



## 5 Alternative Options

5.1 The alternatives are: -

### Option 1

5.1.1 To not invest in our Council Housing Stock which in turn may lead to dissatisfaction from existing and potential new tenants as well as disrepair and additional burden on the Housing Revenue Account.

### Option 2

5.1.2 To undertake refurbishment works to the existing 28 units, in addition to providing an additional 4 units, all as detailed within 4.6 above.

### Option 3

5.1.3 To demolish the existing 28 units and construct 7 x 2 bedroomed semi-detached houses and 8 x 4 bedroomed semi-detached houses. This option has been estimated to cost approximately £5.285m and equates to an approximate expenditure of £0.352m per dwelling, all as detailed within Appendix 1. This option has been modelled for its viability by Finance using various financing options and it has been concluded that it does not represent value for money. If there is no other funding available, then the repayment period would be 51 years. By modelling the various funding options, the repayment period of the borrowing would not fall within the 40-year time period used for new build repayments on previous projects.

5.2 3 Options were explored and based on the above summary, Option 2 is recommended as the most viable option as this contributes towards the Council's aspirations of increasing Council owned affordable rented stock.

5.3 The benefit of refurbishing the site in addition to providing 4 new units is that construction of new properties would help towards providing a comprehensive approach for the redevelopment of the area and help prevent the current problems of fly tipping and anti-social behaviour.



## 6 Implications

<b>Resources:</b>	<p>The budget required for the contract is £3.096m. The HRA capital programme includes budgets for investment in existing stock. This is currently under review to ensure it continues to meet current and future needs and the resources for this project are available within unallocated budgets.</p> <p>Funding is also available from receipts generated from the sale of properties under RTB to fund the proposed 4 new flats. This will contribute £0.164m towards the project.</p> <p>Funding of £2.932 will be allocated from unallocated resources within the capital programme, along with £0.164m from unallocated 1-4-1 replacement receipts.</p>
<b>Legal and Governance:</b>	<p>The contract will be procured and awarded in accordance with the Council's Procurement and Contract Procedure Rules and Public Contract Regulations 2015.</p>
<b>Risk:</b>	<p>No risks</p>
<b>Equality:</b>	<p>Works will be undertaken to all properties where required and as such an assessment has not been undertaken.</p>
<b>Health and Wellbeing:</b>	<p>The work will ensure the buildings remain wind and weather tight as well as improving the thermal efficiency.</p>
<b>Social Value</b>	<p>Social Value will be achieved through the inclusion of an Employment and Skills Plan (ESP) contained within the formal contract with the successful contractor. The plan will include contractual performance indicators such as work experience placements, apprenticeships in addition to school engagement and community activities.</p>

## 7. Appendices

None

## 8. Background Papers

Cabinet Report 18 October 2017 (Minute No. 167/17)

