



Thursday, 19 June 2025

Councillor Virginia Moran
Cabinet Member for Housing

Housing Revenue Account Capital Works Programme update June 2025

Report Author

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Purpose of Report

To update the Housing Overview and Scrutiny Committee on the Housing Revenue Account (HRA) Capital Improvement Programme.

Recommendations

That Committee note the contents of the report and the progress being made to deliver the Capital Works Improvement Programme and improvements in performance in order to enhance the Council's social housing stock.

Decision Information

Does the report contain any exempt or confidential information not for publication? No

What are the relevant corporate priorities? Housing

Which wards are impacted? All Wards

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding,

staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.1 Council approved the 2025/26 Budget Framework on 27th February 2025 and the Housing Revenue Account Capital Programme was amended by Council on 22nd May 2025.

Completed by: Richard Wyles, Deputy Chief Executive and s151 Officer

Procurement

- 1.2 The improvements team have worked very hard over the past 18 months, getting longer term, compliant contracts in place and continue to do so. This will enable their capital work improvement programmes to be completed.

Completed by: Helen Baldwin Procurement Lead

Legal and Governance

- 1.3 This is an update report for noting, and therefore there are no additional governance comments.

Completed by: James Welbourn, Democratic Services Manager

2. Background to the Report

2024/25 Financial year

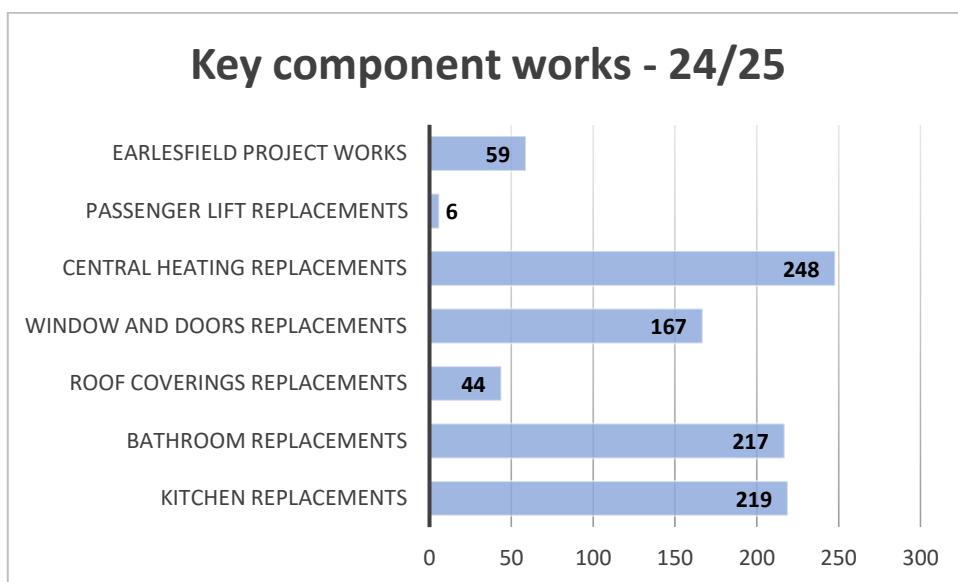
- 2.1 The Council has a clear commitment in its Corporate Plan 2024-2027 to ensure that all residents can access housing which is safe, good quality, sustainable and suitable for their needs and future generations. The Council's Capital improvement programme is committed to ensuring this.
- 2.2 The 2024/25 financial year posed many challenges for the delivery of the Council's Capital improvement programme. These challenges included the expiry of contracts through to changes in the staffing of the team.
- 2.3 To address these issues the contract requirements were scrutinised, and procurement exercises were undertaken. During 2024 the Improvements team has successfully procured the following contracts:
 - Kitchen & bathrooms
 - Roof covering replacements, flat & pitched

- Passenger Lift Replacements
- Disabled adaptations
- Stairlift installation & maintenance
- Stock Condition surveys

2.4. The Council now has compliant contracts in place to enable delivery of the capital works improvement programme.

2.5. Despite the late start of some of the planned Capital improvement programmes during 2024/25 ambitious targets were set to achieve the maximum amount of component completions within the allocated budgets.

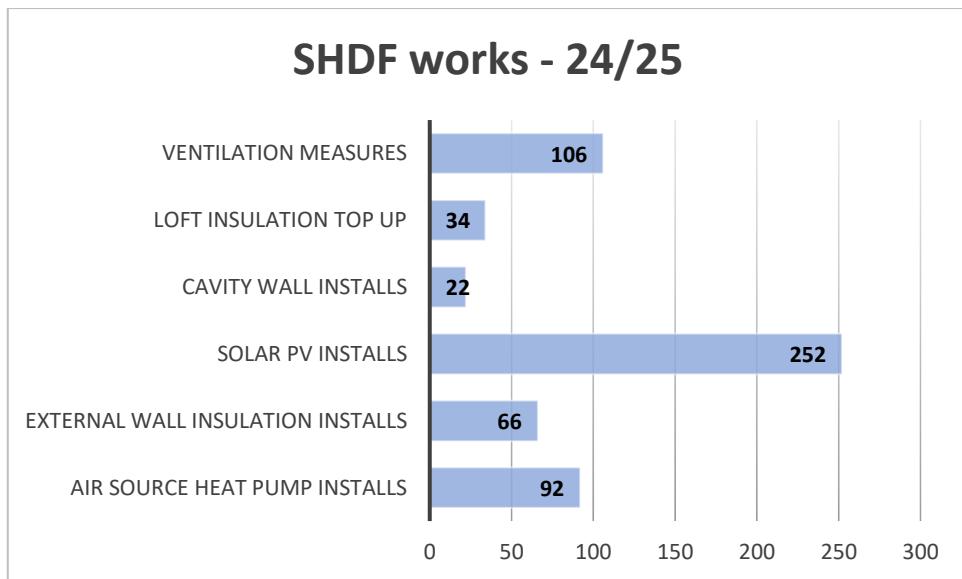
By year end the following “key” component replacements were achieved:



2.6. Overall final inspections of works completed across the above programmes is 92%, slightly below the target of 95%, the shortfall was due to property access issues and tenant availability.

Social Housing Decarbonisation Fund (SHDF) Works 2024/25

2.7. 2024/25 saw the continuation of the final year of Wave 2.1 of the SHDF works and the completion of the following measures:



2.8. The overall spend on the capital works improvements programme including the SHDF works for 2024/25 ended the year at circa £15million.

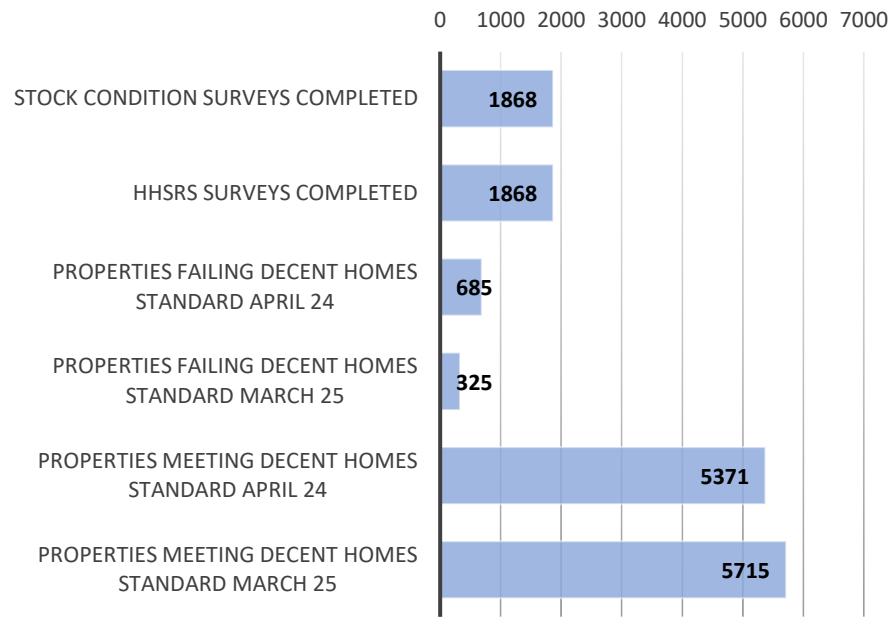
Asset Data 2024/25

2.9. Stock management plays a pivotal role in the delivery of the capital works improvement programme. During early 2024 a new stock surveying contractor was procured. Their primary focus was to carry out stock condition surveys along with Housing Health & Safety Rating (HHSRS) surveys and where required a new Energy Performance Certificate (EPC) was also completed.

2.10. Over the period from April 2024 to March 2025, the housing stock Decent Homes percentage rose from 88.67% to 94.62% following the completion of the capital improvement programme. Capital works will be prioritised in 2025/26 to address properties which do not meet the Decent Homes Standard.
Please note that the stock figures include leasehold properties.

Key year-end figures are:

Asset Data - 24/25



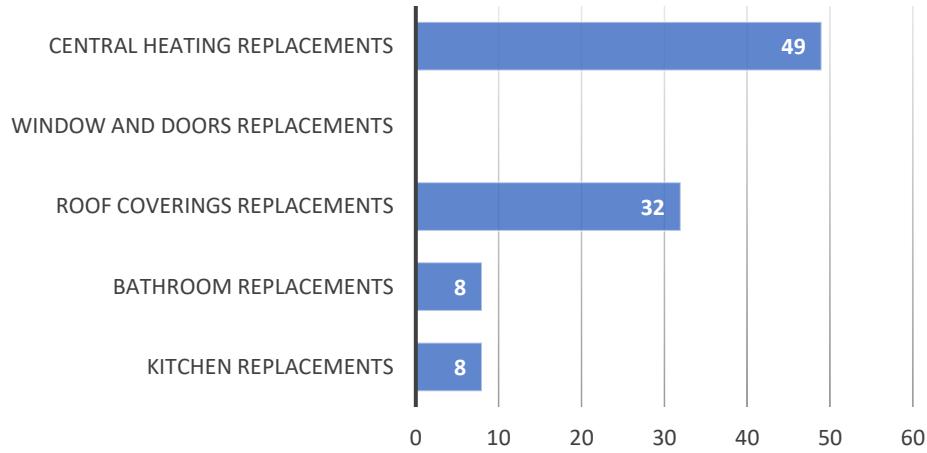
2025/26 Financial year

2.11. With respect to the 2025/26 financial year, progress on the capital works improvement programme is well underway.

To date, the following works have been completed in the first two months of the 2025/26 financial year:

**Note that no completions are showing for windows & doors as they are currently in the manufacturing phase.*

Works completed so far April/May 25

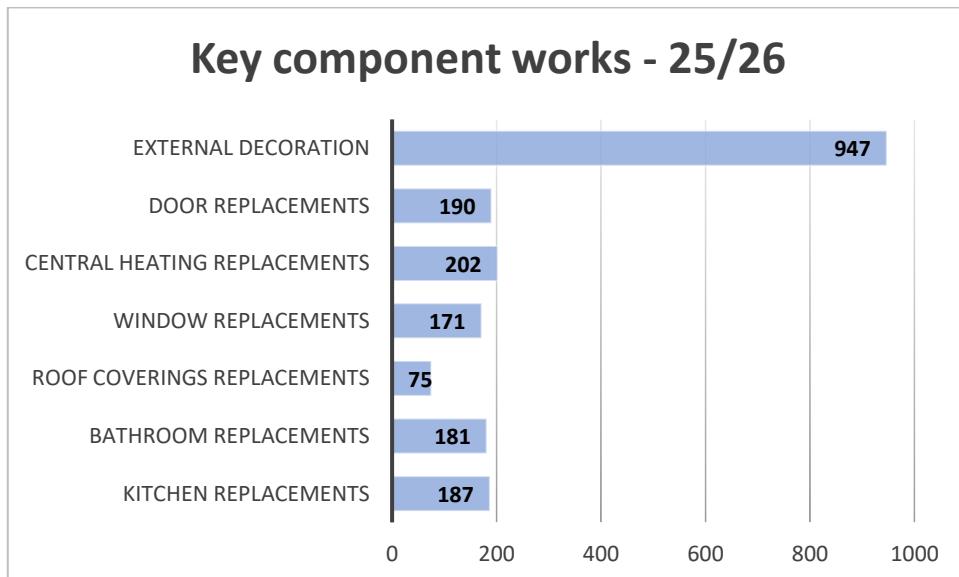


An additional contract has been procured for External Decoration, this is anticipated to commence works in quarter 2 of the current financial year.

Other capital work improvement projects to which budget allocation has been secured for include:

- External Wall finishes
- Compliance works including fire doors and fire prevention
- Structural refurbishment work
- Door entry Systems
- Disabled adaptations
- Tunstall upgrade work
- Smoke Alarm, CO detector upgrades
- Electrical Rewires

Proposed key component replacement/upgrade works for 25/26 are:



Warm Homes - Social Housing Fund (WH – SHF) Works 2025/26

2.12. In late 2024 the Council applied for funding under the new Wave 3 WH-SHF Government scheme.

In March 2024 the Council was informed that they had been successful in securing grant funding of £4.2million. This is match funded and will allow the Council to carry out works to a value of circa £8.4million.

Since being granted the funding and in conjunction with our delivery partners, Equans, the Council has applied to complete the works in two years instead, this will potentially allow for further funding to be applied for. Confirmation was received in May 2025 that this change request has been granted.

Contracts are being prepared, and it is anticipated that the mobilisation phase and commencement of the works will start at the beginning of July 2025.

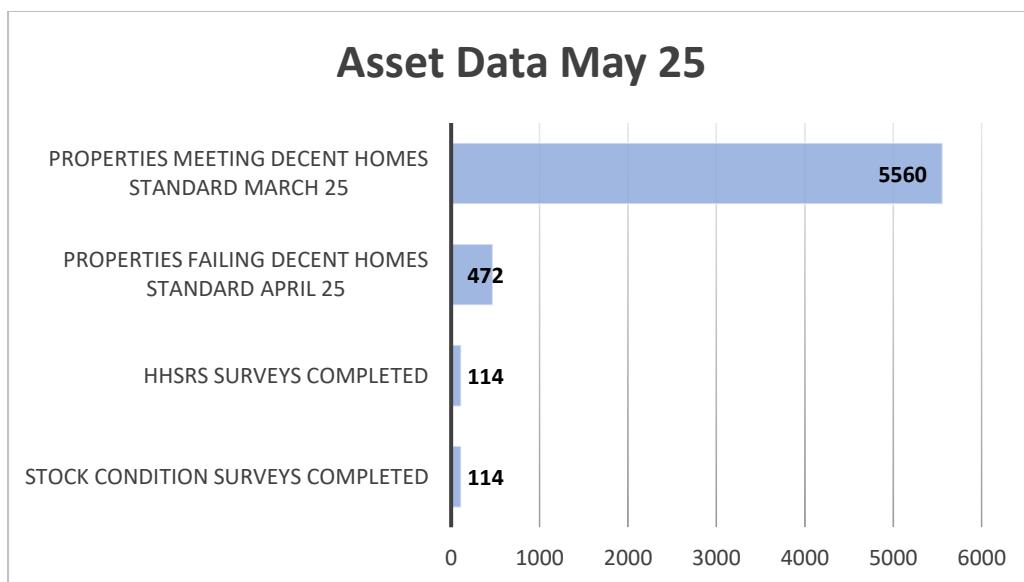
The works under Wave 3 will deliver warm and energy efficient homes, reduce carbon emissions along with fuel bills and help in tackling fuel poverty.

These works will include installation of air source heat pumps, solar efficiency measures, window and door replacements along with various insulation solutions.

- 2.13. The capital works improvement programme for the 2025/26 financial year has a budget of circa £16 million, this includes the WH-SHF work. This is an increase on the previous year's budget.

Asset Data 2025/26

- 2.14. Building on the success of last year's stock condition & HHSRS surveys, further surveys have already been completed during April and May. Capital works will be prioritised in 2025/26 to address properties which do not meet the Decent Homes Standard.



3. Key Considerations

- 3.1. This report is provided for information, and Members are asked to note the progress in 2024/25 and plans for the current 2025/26 year for the Council's capital improvements programme.
- 3.2. Following the extensive list of contracts that have been procured over the past year the capital work programmes are in a strong place to be delivered.
- 3.3. All the planned capital works improvement programmes as noted previously in this report will provide much needed improvements works to the Council's housing stock and in turn will provide all residents with a good, safe home that is suitable for their needs.
- 3.4. The capital works programme is delivered in line with the Technical Services Service Plan 2025/2026 and the Council's Corporate Plan 2024-27

4. Reasons for the Recommendations

4.1. Report is for information and noting.