

BABERGH DISTRICT COUNCIL

FROM: Head of Contract and Asset Management REPORT NUMBER: **H129**

TO: STRATEGY COMMITTEE

DATE OF MEETING: 6 November 2008

2008/09 CAPITAL PROGRAMME – NON COMMITTED SCHEMES

1. PURPOSE OF REPORT

To seek approval to implement schemes within the Council's Housing Revenue Account and General Fund that are ready to proceed.

2. RECOMMENDATION

- 2.1 **That expenditure from the Council's Housing Revenue Account and the General Fund is approved to carry out the proposed schemes detailed in the table in paragraph 6.1 below.**

The Committee is able to resolve this matter.

3. FINANCIAL IMPLICATIONS

There are no financial implications. The proposed works can be funded from existing/revised budgets.

4. RISK ASSESSMENT

Risk Description	Likelihood	Seriousness or Impact	Mitigation measures
<u>Parking Areas</u> Potential congestion or accidents due to insufficient dedicated parking capacity in Kersey Avenue	Possible	Medium	Tenders and Committee approval sought
<u>Insulation Works</u> We do not secure the best grants available	Low	Medium	We have worked with the Energy Savings Trust to secure the best grant provider
We do not secure qualified contractors to carry out the work	Low	High	Contractors have been subject to scrutiny by the Trust and their agent

<p><u>Kingfisher Leisure Centre</u></p> <p>The works are not completed within the planned pool closure period</p>	<p>Medium</p>	<p>High</p>	<p>Detailed programme of work prepared, and discussed already held with all key contractors</p>
<p>Installation and commissioning of boilers does not go as planned, resulting in lack of heat to the building</p>	<p>Medium</p>	<p>Medium</p>	<p>All equipment pre-ordered to ensure availability when works commence</p>

5. KEY INFORMATION

5.1 Parking Improvements at Kersey Avenue, Gt. Cornard

This scheme creates 12 new parking spaces within the grass verges along Kersey Avenue. These spaces are required to assist the movement of vehicles along the highway, where there is currently congestion. This scheme follows on from the earlier scheme at Chelsworth Avenue.

5.2 Babergh Standard Insulation Works

As part of the Council’s current Housing Strategy there is a commitment under the ‘Babergh Standard’ to increase the level of loft insulation in our council houses beyond that required by the Decent Homes Standard. The Babergh Standard provides an insulation thickness equivalent to that required by the current Building Regulations for new-build properties.

The objective is to ensure more affordable energy costs for our tenants by insuring that all our properties are insulated to the best standard, thus acting to prevent fuel poverty. This will be a rolling programme giving first priority to those properties that are of solid wall construction.

In order to meet its Kyoto obligations, the Government has required energy companies to provide grants for loft and cavity wall insulation projects in order to reduce the country’s CO2 emissions. There are a range of grants available depending on the type or amount of insulation to be provided. This would obviously be a substantial contribution to the Council’s target for savings from new procurement initiatives.

Having explored the ‘energy grant market place’, there are a range of grants available from 25% to 60%. However there are also opportunities for partnering with companies that are already fully versed in obtaining the best grants for certain projects. One such opportunity has been identified through the Energy Savings Trust that comes at a very limited cost to the Council.

We have identified that, by using the Energy Savings Trust’s ‘Energy Managing Agent’ for East Anglia (Climate Energy), we can secure the following advantages:

- They will source the best available grants from the marketplace, which in some properties will be 100% for companies such as themselves

- Operating procedures that meet the BS EN ISO 9000:2000 and ISO 14001 Quality Assurance Standard
- The cost of the supply and fixing of the insulation will be carried out from the Agent's own select list of approved Insulation Contractors
- Every property will be surveyed, and a grant level assessment made, together with an assessment of the Council's contribution.
- The Agent supervises the work, and undertakes all tenant liaison. There will therefore be a saving in fee levels, thus allowing more of the budget to be used for insulation work
- The Agent presents a statement of accounts at the end of project stating gross costs and grant obtained.

It is therefore proposed, that a partnering arrangement be entered into with Climate Energy for insulation works, and that every effort be made to maximise the number of properties insulated from our existing budget of £50,000.

5.3 Planned Maintenance Works at the Kingfisher Leisure Centre (KLC)

The Council's Business Plan for planned maintenance at the KLC allows for substantial expenditure this year and a pool closure. It is proposed that these works be undertaken between 17 November and 21 December this year, as agreed with South Suffolk Leisure (SSL).

The pool area will be closed but the remaining facilities will stay open. Tenders/quotations have already been obtained for the majority of the works for your approval. However, for the major work item – replacement of boilers, Chairman's Action out of Meeting has already been sought (Paper H130 of your meeting refers) to ensure that this equipment is supplied on time.

6. **SCHEME TABLE**

- 6.1 The Head of Contract and Asset Management and the Head of Community Development request that the following scheme proceeds from the Housing Revenue Account. Approval is therefore required for:

Budget	Work Category	Estimated Cost	Balance of Budget Remaining after approval of these schemes
HRA Revised budget £80,730 (08/09)	Parking Areas: Parking improvements at Kersey Avenue, Gt. Cornard	£18,380	£22,350

<p>HRA Budget (£54,000)</p>	<p>Insulation Works: Provision of loft insulation to achieve the Babergh Standard</p>	<p>£54,000</p>	<p>Nil</p>
<p>General Fund Budget (£223,800)</p>	<p>Planned Maintenance to the Kingfisher Leisure Centre:</p> <ul style="list-style-type: none"> • Boiler renewals - £81,000* • High level decorations and roof-light refurbishment - £48,500 • Sauna replacement - £10,000 • Repairs to flume - £15,000 • Batteries for emergency lighting - £6,000 • Joints & lighting to pool tank - £4,000 • Refurbishment of artificial poolside features - £8,500 • Compensation to SSL - £41,000 	<p>£209,500</p>	<p>Nil</p>

* Urgent Action out of Meeting has already been authorised for this work (Paper H130 refers), but it has been included to inform Members regarding the total estimated costs, and the balance remaining of the budget.

7. **APPENDICES AND BACKGROUND PAPERS REFERRED TO:**

None.

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