

**BABERGH DISTRICT COUNCIL**

**FROM:** Head of Contract and Asset Management

**REPORT NUMBER:** **H197**

**TO:** STRATEGY COMMITTEE

**DATE OF MEETING:** 12 February 2009

**2008/09 CAPITAL PROGRAMME – NON COMMITTED SCHEMES**

1. **PURPOSE OF REPORT**

To seek retrospective approval to implement a scheme (originally approved but now extended) within the Council's Housing Revenue Account.

2. **RECOMMENDATION**

- 2.1 That additional expenditure from the Council's Housing Revenue Account is approved to carry out the proposed extended scheme detailed in the table in paragraph 6 below.

The Committee is able to resolve this matter.

3. **FINANCIAL IMPLICATIONS**

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

4. **RISK ASSESSMENT**

<b>Risk Description</b>	<b>Likelihood</b>	<b>Seriousness or Impact</b>	<b>Mitigation measures</b>
<u>Major Improvements</u> Loss of rental income while the property remains vacant	Certain	Limited, but dependant on the time in which the property remains unoccupied	Tender accepted and retrospective approval sought for additional works

5. **KEY INFORMATION**

137 Cordell Place, Long Melford

- 5.1 The Committee originally approved a scheme to carry out improvements to this property in March 2008 at an estimated cost of £15,000. The Head of Community Development subsequently asked for the design and construction work to be suspended, and requested an options appraisal on alternative accommodation proposals.

- 5.2 The final eventual option was to further improve the property by adding a fourth bedroom and a shower room, together with new central heating. The result has been to increase the overall scheme cost to £40,000, based on tenders obtained.
- 5.3 It has obviously taken some time to arrive at a preferred solution, resulting in a loss of rental income. In order to mitigate against this the lowest tenderer has been appointed and works have commenced on site.
- 5.4 In this case the approval is therefore retrospective to some extent, but the Head of Contract and Asset Management considered that any further loss of rental income was unacceptable.

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:

<b>Budget</b>	<b>Work Category</b>	<b>Estimated Cost</b>	<b>Balance of Budget Remaining after approval of this scheme</b>
<b>HRA Revised budget £180,000 (08/09)</b>	<b>Major Improvements:</b> Additional works at 137 Cordell Place, Long Melford	<b>£25,000 (additional to £15,000 previously approved)</b>	<b>£3,200</b>

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

None.

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