

Estates Development Budget Review 2016

1. Introduction

The Estates Development Budget (EDB) review is part of the review of resident involvement. The EDB Panel are continuously working to improve the EDB programme and a number of reports about the process went to the Area Panels in 2014. This review is based on feedback following the 2016 Area Panel EDB voting meetings, Blue Page enquiries, enquires to the Resident Involvement Team and discussions at the EDB Panel.

In response to the feedback the Resident Involvement Manager and Assistant had a number of meetings with the Property & Investment Team and Mears, as well as additional meetings with the EDB Panel who have guided this work. A survey was also sent to 138 Chairs, Secretaries and Treasurers. The full report with appendices' went to the Involvement & Empowerment resident involvement review group on 15 September.

There was a detailed EDB consultation in 2011 and this research has found similar themes, the process is a long one, EDB should be used to improve the environment where people live, value of resident led decision making, communication once the bids have been agreed could be improved, and there is support for bids from areas without an association.

The aim of this review is to make the EDB programme "fairer" with some dos and don'ts of EDB in the context of a potentially reduced budget. To reduce the number of bids at pre-voting meeting stage to reflect the existing budget available. Also to reduce the number of complaints and enquiries about EDB.

Looking at other councils the EDB is fairly unique. Norwich does have an estates improvement projects budget that is agreed by residents, this is for minor improvements like railings, benches and sheds. However this year Dudley have pooled some area based capital budgets to create a £0.5 million community improvement fund.

2. Role of the EDB Panel / Terms of Reference

There has been some feedback that residents are not clear about the role of the EDB Panel so the Terms of Reference that were agreed in May 2015 are included below.

The EDB Panel added the sections *in italics* below in July. After successful elections in September each Area Panel currently has two representatives on the Home Group.

Group membership

The group consists of the following membership:

- one resident representative from each of the Area Panels
- Estate Development Budget Project Manager (Mears)
- Resident Involvement (BHCC)
- Partnering & Business Manager (BHCC)

Additional guests may be invited when particular topics are being discussed.

Each Area Panel elects two representatives to the Home Group who decide who is the EDP Panel representative and who is the deputy to attend in place of the elected representative when required. Deputies are able to attend as observers and will receive copies of all paperwork circulated to the group.

If an Area Panel is unable to elect a representative and a deputy to the Home Group a resident on the Home Group from the relevant Area Panel area can fill the vacancy on the EDB Panel until the Area Panel can elect someone.

The Resident Involvement Team will ensure that new members have an induction meeting to make them aware of roles and responsibilities, these Terms of Reference, and the running of the EDB Panel meetings.

Purpose

To bring together residents, Brighton & Hove City Council and Mears Group PLC to work together in partnership to deliver the Estate Development Budget work agreed at the area panels.

Resident representatives to make decisions about the EDB Quick Bids.

Decisions about the EDB main bids are made by resident representatives at the Area Panels.

To meet regularly to review and stimulate the progress of the Estate Development Budget.

To steer and facilitate the smooth running of the Estate Development Budget and solve any issues or problems that arise.

To review the processes for the Estate Development Budget and make recommendations for improvements.

To report on the Estate Development Budget process and update the Area Panels and *Citywide Conference*.

To maximise the impact of the Estate Development Budget and ensure it is of benefit to residents and local communities.

Meetings

The panel will meet monthly (apart from August and December) and meetings will be conducted along the principles outlined in the Brighton & Hove code of conduct.

Each resident member of the panel has one vote and members should aim for collective decisions.

If an Area Panel is unable to elect a representative and a deputy to the Home Group a resident on the Home Group from the relevant Area Panel area can fill the vacancy on the EDB Panel until the Area Panel can elect someone.

The Resident Involvement Team will ensure that new members have an induction meeting to make them aware of roles and responsibilities, these Terms of Reference, and the running of the EDB Panel meetings.

3. Consultation process / role of officers

The EDB is a resident led project and the role of the Resident Involvement Officer (RIO) is to ensure that proper consultation has taken place, and then pass the bid to other teams within Housing to check whether the bid is possible.

4. Definition of main bid and quick bid

Main bids are agreed at the Area Panel EDB voting meetings at the start of April. Each Area Panel has agreed to put £20,000 into their quick bid pot for the past two years. They have also turned any bid under the £750 quick bid limit into an agreed quick bid.

Recommendation: If a main bid is estimated to cost £750 or less associations will be advised that their bid will be submitted to the EDB Panel as a quick bid.

Rolling bids: Associations can use EDB main bids on a long term project but only if each stage can be delivered in the same financial year (Housing Estates Development Budget Report – Area Panels, July / August 2014).

When considering a rolling bid associations should be aware that any further future funding of the project is by no means guaranteed. Associations can't rely on a project being completed through EDB. The Property & Investment Team have said that projects like communal flooring need to be done in one go.

Recommendation: EDB quick bids should not be used to complete a piece of work over a year that should have been one main bid in the first place – different parts of a kitchen refurbishment for example. The EDB Panel will receive a summary sheet of agreed EDB quick bids to inform their decision making.

5. Summary of EDB awards 2016 – 17

Type of work	Central	East	North	West	Total
Fencing / gates / railings	Low-rise* £7,040 High-rise £11,150	Low-rise £10,715 Houses £18,150	Low-rise £20,940 Houses £24,200 Sheltered £1,800	Houses £4,700 Sheltered £2,600	£101,295
Tarmac / path/ hard standing	High-rise £7,950	Low-rise £18,850 Houses £12,480	Low-rise £10,685 Sheltered £1,250 Houses £2,500	Low-rise £25,600 Sheltered £4,900	£94,215
Furnishings / kitchen / guest room		Low- rise £740 Sheltered	Sheltered £16,960	High-rise £1,800 Sheltered	£26,300

		£4,200		£2,600	
Decoration	Low-rise £5,000 High-rise £5,250 Sheltered £2,750	Low-rise £2,300	Low-rise £11,135	Sheltered £4,340	£25,775
Flooring	Low-rise £3,500 High-rise £13,100 Sheltered £5,000			Sheltered £3,600	£25,200
Landscaping / planting / greenhouse	Low-rise £5,250 High-rise £1,500 Sheltered £2,500	Low-rise £1,950	Low-rise £11,000 Sheltered £1,250	Sheltered £1,430	£24,880
Cycle storage	Low-rise £7,000 High-rise £1,200		Low-rise £9,450	Low-rise £2,600	£21,250
Doors	Low rise £5,000			Sheltered £8,530	£13,530
Cleaning	Low-rise £995	Sheltered £3,300		Low-rise £1,350	£5,645
Clear ups	Houses £2,500	Houses £2,880			£5,380
Noticeboards	Low-rise £1,200 Houses £3,600				£4,800
Lighting	Low rise £2,000 Sheltered £1,250			Low rise £850 Sheltered £865	£4,965
Foyer seating	High-rise £850			High-rise £3,060	£3,910
Benches	Low-rise £1,800		High-rise £1,200		£3,000
Signs	High-rise £900 Houses £900				£1,800
Other**			Low-rise £2,700	High-rise £12,000 Low-rise	£48,630

				£17,000 Sheltered £16,930	
Total	£95,185	£115,070	£114,755	£85,565	£410,575

* Low-rise – this means medium and low rise

The other** award in North was for a bin storage area. The remaining other** awards were all from West £12,000 murals (high-rise), £12,850 children's play area, £2,850 and £1,300 washing lines (low-rise), £1,930 for disabled bin chute door, and £15,000 cover for an external walkway (sheltered).

2016-17	Medium and Low rise	High-rise	Houses	Sheltered
Total awarded	£191,650	£65,660	£67,210	£86,055

The EDB Panel have noted that sheltered housing receives a disproportionate share of the budget with 850 homes compared to 11,500 general needs homes with 2,136 of these being flats in high-rise blocks . They were split 50:50 about sheltered receiving a proportionate share of the funding should the budget be reduced in the future. Further detail regarding Area Panel areas is below.

Ward	Panels	Homes	TRAs	High Rise	Sheltered
Hanover & Elm Grove Preston Park Queen's Park Regency St. Peter's & North Laine	Central	3,295	19	21 blocks 1210 homes	6 schemes 294 homes
East Brighton Rottingdean Coastal Woodingdean	East	2,986	8	15 blocks 475 homes	3 schemes 80 homes
Hollingdean & Stanmer Moulsecoomb & Bevendean Patcham Withdean Woodingdean	North	3,830	15	2 blocks 167 homes	8 schemes 263 homes

Brunswick & Adelaide					
Central Hove					
Goldsmid					
Hangleton & Knoll				5 blocks	7 schemes
Hove Park	West	3,872	13	284 homes	217 homes
North Portslade					
South Portslade					
Westbourne					
Wish					
Total		13,983	55	2,136	854

6. Capping value of bids and number of main bids

The funding available for EDB in 2016 – 17 was as follows, Central £115,000, East £105,000, North £134,000 and West £135,000, with each Area Panel putting £20,000 of this into the quick bid pot. This sum is based on the number of tenant and leaseholder homes in each area and should be recalculated in March each year.

This funding was the same as in 2015 – 16 (£540,000, with Mears overheads costing £51,000), although the budget was reduced to £451,000 and the EDB reserves used to top it up to the previous years' levels. These recommendations are based on the existing EDB budget.

This year there was enough funding in West to cover every bid up to priority five with a few adjustments with the highest bid costing £15,000. North had a couple of high value bids turned down and there was enough funding for up to priority two with later bids being withdrawn. East associations only applied for two bids, (apart from one who applied for three), and there was enough funding for them all. Central did have bids agreed up to priority five.

Recommendation: Limit the number of main bids to four per association.

The highest approved bid was in North at £19,730. In Central 19 groups applied for £115,000, or £95,000 once the quick bid pot was agreed. A bid for £30,000 for flooring was turned down, a bid for £10,000 was the highest bid agreed, all the other agreed bids were £5,000 or under.

In July a survey was sent to the Chairs, Secretaries and Treasurers of the TRAs. There were 58 from the 138 sent out; the response rate was 42.1%.

48 people responded to the question asking whether a main bid should be limited up to the value of £15,000 with 28 saying yes and 20 saying no.

Recommendation: Limit the value of a main bid up to £15,000.

55 people responded to the question regarding whether the number of quick bids from each association should be limited with 35 saying yes and 20 saying no.

When asked what the limit should be 4 people said 12, 11 people said 6, and 19 people said 4.

Recommendation: Limit the number of quick bids to 5 per year.

Finally of 55 people 11 people thought the way EDB funding is allocated is very fair, 27 people said quite fair, 6 said slightly fair and 11 said not fair.

There are large numbers of blocks with common areas in Central (as well as large numbers of associations) and £329,000's of bids were applied for from the £95,000. There was far more demand than other areas. One way of overcoming this could be a city wide EDB budget. The review group didn't give their thoughts on this.

7. EDB and planned works programmes

Following the last round of EDB voting meetings some residents have fed back that they don't think EDB should be spent on things they consider should be repairs and maintenance. The RIO checks with the Property & Investment Team do pick up whether a bid is on the three year programme and if it is it is removed. Historically the EDB has been used to bring works forward, or to make enhancements like covering concrete flooring with lino.

There is now a year on year investment of £25 million pounds a year to improve homes and the common areas in the blocks. The Asset Management Strategy has identified resources to improve external repairs and decorations on properties, including shared areas, following consultation with residents. Extensive surveys of the condition of 600 blocks have been undertaken.

Recommendation: the EDB should not be used for

1. Work covered by the Capital Works Programme, areas of relevance are

- Doors
- Internal cyclical repairs and redecoration to common parts in blocks of flats
- Door entry systems and block entrance doors
- Communal lighting modernisation and upgrades

There may be exceptions to this when the proposed EDB work would make an enhancement, the lobbies could be made more welcoming, or some areas could be improved by better lighting for example.

2. Anything that would require an on-going service contract due to it being electrical, for example CCTV – the council would only install this where there is a serious ASB problem.
3. Anything that would require an on-going service contract due to health and safety reasons, for example City Parks don't have the capacity to maintain any additional play areas, wet rooms require on-going legionnaires disease checks. If there is on-going

maintenance this could be considered on a case by case basis and built into the EDB bid; however future funding wouldn't be guaranteed once the maintenance budget has run out.

4. Anything that is an adaptation. The Adaptations Team do fund work in common areas if there is a proven need. There is also a budget to improve the accessibility of the blocks.
5. Anything that could be delivered through a service charge, for example the cleaning of windows.

Associations are requested to think about possible enhancements to blocks, perhaps this could be done during an estate inspection? Quality is also important, for example Mears have a selection of durable bench choices, rather than garden benches from Argos. Could funding from the council's corporate grants complement the work, for example there is funding to enhance the environment?

8. Information on the EDB form / pricing of EDB work

In order for the pricing of the work to be accurate it is important that as much information as possible is included on the EDB form, what, size or make, exactly where, how would any maintenance be provided. Associations' not providing sufficient information or changing their thoughts on what is required has led to significant delays for some of the work. Also not everything an association has hoped for was included on the form; this led to disappointment with sufficient budget not being available.

Mears receive the approved bids and using the information provided, site visits and meetings with tenants and residents associations (TRAs) compile a costing to undertake proposed works. The level of information provided by the TRAs to support main bids is improving year on year and Mears encourages TRAs to be involved in the specifications, designs of any potential main bids.

The majority of EDB work carried out is in accordance with the contract schedule of rates, any specialist works will be specified and sent to Mears' subcontractors for quotation as per contract requirements. When buying items like sheds or health and safety equipment Mears have to use their nationally agreed suppliers. There is a Mears EDB credit card that can be used to purchase other items from the Argos catalogue for example.

The EDB Panel have considered this and would like to remind everyone that what is on the form is what will be delivered and the price agreed at the EDB voting meetings is fixed. The EDB Panel does appreciate that the process is very long; it can take 18 months from the start of a consultation to the work being delivered. As things can change they agree some leeway should be allowed.

Action: EDB form will be updated to reflect this.

Agreed: Mears should inform the council if when onsite they are asked to do additional/ amended works that were not shown on the bid form when the bid was agreed at the EDB voting meeting.

Agreed: Some changes to the original bid could be allowed provided the work can be delivered without going over the agreed budget for the work. Mears should however, inform RIT of requests for any changes to original bids so they can be documented.

Agreed: Mears will provide RIT with the prices of the main EDB bids for each area a week, (ideally two weeks), before the EDB voting meeting. RIT will then circulate the prices for each of the four areas to the Tenant & Resident Associations in the respective areas.

9. Section 20 leaseholder consultation

Some bids will have implications for leaseholders, in particular when they relate to work to common ways in blocks. If the leaseholders' contribution towards the work is over £250 the formal section 20 consultation process is required.

10. Principles around the timing of the work programme

The EDB Panel explored whether there could be any high level principles regarding when EDB work is delivered as it is a huge programme of work and Mears have the financial year in which to deliver it.

- No set rules
- Weather is taken into account (planting season, some external works)
- Can get sub-contracted work done quite quickly
- Delays – can occur with procurement (when the credit card reaches its monthly maximum before the end of the month) and with the supply chain as Mears have a limited number of approved suppliers and sub-contractors.
- Having all the information on the form helps

11. Mears' communication / reporting process

It has been recognised that at times Mears' response to enquiries could be improved. In response to this Mears have put more resources into monitoring the EDB phone number and email. To make any enquiry regarding EDB please telephone **01273 574356** or email **mears.edb.brighton@mearsgroup.co.uk**

The EDP Panel monitor the EDB work programme and Mears provide the following reports:

- Main EDB work programme
- Quick bid work programme
- Summary sheet outlining amount of quick bid and community payback funding left
- Any outstanding work from previous years

Agreed: The Main EDB work programme will be posted on the council website (along with a statement that things are subject to change) in addition to it being circulated to the TRAs following the EDB voting meetings.

Thank you to the EDB Panel for holding additional meetings for this work. They are Alison Gray, Carl Boardman, Chris El-Shabba and Terrence Hill

