

HOUSING WORKS TO STOCK PROGRAMME 2013/14

Cabinet Member(s)	Councillor Ray Puddifoot Councillor Jonathan Bianco
Cabinet Portfolio(s)	Leader of the Council Finance, Property & Business Services
Officer Contact(s)	Anthony Payne, Residents Services
Papers with report	None

1. HEADLINE INFORMATION

Summary	This report seeks Cabinet delegated approval of the 2013/14 HRA Works to Stock Programme and to delegate appropriate authority to the Leader of the Council and Cabinet Member for Finance, Property and Business Services and the Deputy Chief Executive and Corporate Director of Resident Services, to accept tenders in between £50,000 and £500,000 and tenders in excess of £500,000.
Contribution to our plans and strategies	This will support the strategy of maintaining the condition of the housing stock through the acceleration of project approvals for this financial year prior to the establishment of long term procurement strategies.
Financial Cost	The revised allocation for the HRA Works to Stock programme for 2013/14 is £18,361k. There are no financial costs arising directly from the recommendations. However, costs for individual projects will be presented when further delegated approval is sought.
Relevant Policy Overview Committee	Corporate Services and Partnerships Policy Overview Committee
Ward(s) affected	All

2. RECOMMENDATIONS

That the Cabinet:

- 1) **Delegate authority to the Leader of the Council and Cabinet Member for Finance, Property and Business Services, in conjunction with the Deputy Chief Executive and Corporate Director of Residents Services, to agree the revised 2013/14 HRA Works to Stock Programme and budget and amend the programme as it progresses.**
- 2) **Delegate authority to the Leader of the Council and Cabinet Member for Finance, Property & Business Services, in consultation with the Deputy Chief Executive and Corporate Director of Residents Services, the procurement of individual projects valued over £500k.**
- 3) **Delegate authority to the Deputy Chief Executive and Corporate Director of Residents Services, in consultation with the Leader of the Council and Cabinet Member for Finance, Property & Business Services the procurement of individual projects valued between £50k and £500k.**
- 4) **Note that the Leader of the Council and Cabinet Member for Finance, Property and Business Services will determine whether capital release approval for individual projects can be sought by officers at the same time as any procurement approval.**

Reasons for recommendation

Recommendation 1 seeks approval of a revised 2013/14 HRA Works to Stock programme and revised budget for Works to Stock, from that which presented to Cabinet on 14th February 2013.

In order to ensure works are expedited and completed before the end of this financial year, but that approval is still sought within the constitutional and legal framework of the Council, it is proposed that Cabinet consider delegating individual works depending upon the value to the appropriate body. Such delegation would also reduce the need for any use of urgency or special urgency procedures.

The tender returns on many of the individual projects outlined are expected to be above the value of £250k, where a decision would ordinarily be reserved to the Cabinet.

Recommendation 2, where individual projects are valued at £500k or over, it is recommended formal Cabinet Member approval is sought via the usual democratic process.

Recommendation 3 seeks delegated authority to the Deputy Chief Executive and Corporate Director of Residents Services, in consultation with Cabinet Members, the procurement of individual projects valued between £50k and £500k. As an officer decision, this would be outside the usual democratic process; however a full audit trail these will be kept available for inspection if requested.

Such Cabinet delegated authority would supersede the usual Procurement Standing Order approvals required for these works only.

Recommendation 4 provides for both capital release and procurement approvals, which are currently two separate processes, to be combined to assist project delivery. Any decision to do this would be agreed by Cabinet Members in the first instance.

Alternative options considered / risk management

Cabinet could request further amendments to the Works to Stock programme or decide that delegated authority should not be granted and such decisions ordinarily reserved to the Cabinet should be taken by the Cabinet. Alternatively, Cabinet could vary the financial thresholds recommended for delegated authority.

Comments of Policy Overview Committee(s)

None at this stage.

3. INFORMATION

Supporting Information

The Works to Stock programme is gathering momentum and there will be a considerable number of these seeking approvals in the next few weeks and months.

There are five projects expected to value in excess of £500,000, six projects in excess of £250,000 with approximately 20 more in excess of £50,000.

Many of these projects are works of an external nature which will benefit from delivery as early as possible to avoid potential inclement weather.

Financial Implications

The MTFF programme for 2013/14 approved by full Council on 28th February 2013 included an allocation to the HRA funded “works to stock” 2013/14 programme.

In addition to this allocation, there are also earmarked reserves from 2012/13 HRA funding of £115k for the Better Neighbourhood Team and £300k for the 2012/13 Senate budget also £300k for the 2013/14 Senate budget allocation.

This gives a revised HRA 2013/14 “Works to Stock” provision of £18,391k.

Recommendation 1 of this report seeks to delegate authority to the Leader of the Council and Cabinet Member for Finance, Property and Business Services, in conjunction with the Deputy Chief Executive and Corporate Director of Residents Services, to agree the revised 2013/14 HRA Works to Stock Programme and budget and amend the programme as it progresses.

Recommendations 2 & 3 request approval to delegate the procurement of individual projects within the HRA Works to Stock programme. This will enable and ensure greater delivery of the works to stock programme within the financial year, in line with current forecasts.

The release of funding for the individual work streams in this programme will follow the standard constitutional and financial procedures

4. EFFECT ON RESIDENTS, SERVICE USERS & COMMUNITIES

What will be the effect of the recommendation?

The effect of the recommendation will be to speed up the decision making process allowing officers to deliver the works to stock earlier than currently planned which will benefit residents.

This will enable many of the projects to make better use of clement weather conditions, leading to higher levels of resident satisfaction.

Consultation Carried Out or Required

No consultation was considered necessary.

5. CORPORATE IMPLICATIONS

Corporate Finance

Corporate Finance has reviewed this report and concurs with the financial implications set out above, noting that the £17,676k budget for Works to Stock was approved as part of the wider Housing Revenue Account budget by Cabinet and Council in February 2013.

Funding from this programme is sourced from a combination of capital and revenue resources, as such the balance of expenditure between capital and revenue will be monitored to ensure that the Council's Medium Term Financial Forecast accurately reflects the future financing requirement.

While the delegation of significant authority with regard to awarding contracts within this programme will enable the Council to more efficiently and effectively meet the requirements of tenants, there will be no reduction in the level of financial scrutiny around proposals prior to recommendations being made

Legal

The Borough Solicitor confirms that there are no legal impediments to Cabinet delegating the award of these contracts as set out in the report.

Further legal advice will be provided when the Council is ready to accept any tenders.

6. BACKGROUND PAPERS

NIL