

**Strategic Housing Services
Salisbury District Council
26 Endless Street
Salisbury, Wiltshire SP1 1DR**

direct line: 01722 434503
fax: 01722 434530
email: jhudson@salisbury.gov.uk
web: www.salisbury.gov.uk

Report

Subject : Alabarè Christian Care Society - Grant Funding of Building Works for Flats at 131 Exeter Street

Report to : The Cabinet

Date : Tuesday 15 July 2008

Author : Private Sector Housing Policy Officer

Portfolio Holder for Housing Councillor Ian Tomes

1. Report Summary:

The purpose of the report is to seek member's approval for funding of up to £67,090 building works at 131 Exeter Street to improve the health and safety aspects of the five flats (11 bed spaces) to be leased to The Alabare Christian Care Society to house vulnerable adults.

2. Background:

Alabarè Christian Care Centres provide and deliver a range of services to vulnerable, mainly, single homeless people. Alabare is one of the council's key partners in developing solutions to meet housing and support needs.

Cabinet has previously considered a report on Alabarè's ambition to redevelop the Damascus House and plans are well advanced.

However, during the redevelopment, Damascus House will need to be vacated resulting in a potential reduction of the number of bedspaces. In recognition of this, Alabarè have realised that they need to find a number of larger properties to rent, some in short term. Properties with 10 or more bed spaces are ideally suited for providing the intensive support that they offer. In recognition of this need Alabarè have taken an option on five flats providing 11 bed spaces at 131 Exeter Street owned by the Catholic Diocese. The flats although ideally located do require work to bring them up to current standards.

3. Proposed work:

It is proposed that the council provide funding to improve the flats to meet current standards for safety, repair and comfort. The funding offered would be made available in order that the



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flats meet the following standard:

- Decent Homes Standard,
- Improve the thermal comfort of the occupiers
- To make them free from Category 1 Housing and Safety Rating Hazards and
- To meet current standards for Fire Safety and fire separation for the type of building.

The list of work is extensive and is detailed on Appendix 1 which includes provisional estimates. Note at the time of writing this report full costs and requirements for fire safety have not been reconciled and are subject to advice from the Fire and Rescue Service and therefore may be savings under these headings.

It is proposed that a fire safety scheme for the building is put in place that meets the current standard to reduce the risk to the occupiers. The building is considered high risk, as there is a split use, with a community centre on the ground floor and living accommodation above. In addition the building is fairly complicated in that it was originally 6 properties, which have been opened out on the ground floor. The necessary work is fairly extensive and therefore expensive to achieve.

4. Funding and value for money:

There are two capital budgets available to commit such expenditure, Affordable Housing provision or Private Sector Renewal.

It is proposed that capital from the Regional Housing Capital grant received for Private Sector Renewal should be used for this purpose. Currently there are uncommitted resources of some £290,000. The proposal meets a number of the objectives for which this money is provided - the re-occupation of Empty Properties, improving properties occupied by vulnerable occupiers to the Decent Homes Standard including the resolution of Housing Health and Safety Rating Hazards and improving fire precautions in converted flat.

Alternatively the Affordable Housing capital programme has an uncommitted balance of £313,000. There is a previous commitment from Cabinet to allocate £500,000 to Alabare to support the redevelopment of Damascus House but as yet this will not be committed until the project is in a position to proceed.

The grant cost per bed space is £6090. This compares to £33,333 grant per bed space for the permanent properties previously allocated to Alabare. There are no like for like comparisons however, if we benchmark the cost against a housing association seeking grant for short-term accommodation then up to £12,000 per bed space for a 10 year lease is what the Housing Corporation would consider as value for money.

In terms of other funding the landlord has already committed £50,000 to improvements and Alabare will need to commit some £12,000 in furnishing the properties.

5. Length of lease and conditions

Alabare is negotiating the length of lease with the landlord however, in lieu of the level of grant required, the council should require a minimum length of ten years.

The council has previously approved the conditions it requires in allocating such grant. These were:

- a) That the council has the right to nominate to an agreed percentage of properties.
- b) Should the recipient close the service for which the grant was made then 100% of the grant is recoverable by the council.
- c) Should the recipient transfer the service to another provider, the council has the right to recover all or part of the grant.

- d) Should the property be sold the council will require 100% of the grant to be repaid.
- e) That at the end of 30 years the requirement to repay the grant is lifted, this being the natural life of the organisations business plan. In this instance the council would seek to vary this to the agreed term of the lease.
- f) That the payment of grant does not hold the council liable for any other funding or requirements bestowed on the recipient.

6. Competing bids

There is another possible bid expected from a housing support provider for grant assistance towards the purchase of a three bedroom house. This will be subject to a separate report.

7. Recommendation:

That the council provide a grant of up to £67,090 from the Private Sector Renovation capital budget toward the cost of the work and that the Head of Strategic Housing Services is given delegated authority to make payments on completion of the works to a maximum estimated cost for each individual item detailed in Appendix 1 attached to this report.

6. Implications:

Financial : The cost of the scheme can be financed through existing budgets

Legal : Council's Enabling Responsibilities

Human Rights : None

Personnel : None

Community Safety: None

Environmental : None at this stage

ICT : None

Risk : None

Equality and Diversity: The scheme provides support a group of vulnerable householders

Council's Core Values: It is likely that this proposal will meet a number of SDC core values. - Providing an excellent service and supporting the disadvantaged people

Wards Affected: All wards

Appendix 1

Alabarè Christian Care Society – Grant Funding of Building Works for Flats at 131 Exeter Street		
Flat	Work	Estimated Cost
The Building		
	1 Hour fire separation between floors of the building. For example overcladding of ceilings.	£17,000
	Fire detection system and emergency lighting	£5000
Flats 1,4,5		
	Emergency lighting	£900
Flat 6		
	Installation of gas fired central heating	3500
	Supply and fit new kitchen	1,300
	Replace kitchen window	300
	Replace external access staircase with fire protection over downstairs window	5,000
	Fire grade doors within flat	£2,200
	Block in door locked door to adjoining flat to produce 1 hour fire resistance	£150
	Consideration of access routes through the lounge. All rooms open onto protected escape routes	£2500
Flat 2		
	Installation of gas fired central heating	£3500
	Supply and fit new kitchen and cooker	£1,300
	Block hatch between kitchen and bedroom. 1 hour fire proof	£200
	Consideration of access routes through the lounge. All rooms open onto protected escape routes	£1500
	Block in obsolete door to adjoining flat to produce 1 hour fire resistance	£200
	Fire grade doors within flat	£2,200
Flat 4		
	Plywood floor, to deal with uneven floor boards to allow carpet laying	£840
	Block in obsolete door to adjoining flat to produce 1 hour fire resistance	£200
	External Fire door	£700
	Fire grade doors within flat	£2,200

	Consideration of access routes through the lounge. All rooms open onto protected escape routes	£600
Flat 1		
	Installation of Gas fired central heating?	3500
	External Fire door	£700
	Fire grade doors within flat	£2,200
	Consideration of access routes through the lounge. All rooms open onto protected escape routes. To be confirmed.	£1500
Flat 5		
	Installation of Gas fired central heating?	3500
	External Fire door	£700
	Fire grade doors within flat	£2,200
	Consideration of access routes through the lounge. All rooms open onto protected escape routes. To be confirmed	£1500