



Democratic Services

Location: Phase II
Ext: 0833
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My Ref: CMD 295

**To: COUNCILLOR JONATHAN BIANCO
CABINET MEMBER FOR PROPERTY AND
INFRASTRUCTURE**

**COUNCILLOR MARTIN GODDARD
CABINET MEMBER FOR FINANCE**

c.c. All Members of the Corporate, Finance and
Property Services Select Committee
c.c. Gary Penticost, Infrastructure, Transport and
Building Services
c.c. Kayleigh Richardson – Infrastructure, Transport
and Building Services
c.c. Perry Scott, Corporate Director for Infrastructure,
Transport and Building Services
c.c. Ward Councillors for Uxbridge South
c.c. Conservative and Labour Group Offices
(inspection copy)

Date: 05 October 2021

Non-Key Decision request

Form D

**Housing Revenue Accounts Works to Stock Programme 2021/22:
Communal Heating Work-Stream - Replacement of Communal
Boilers at Fairlie House, High Rise Building, Uxbridge
RELEASE NO: 37**

Dear Cabinet Member

Attached is a report requesting that a decision be made by you as an individual Cabinet Member. Democratic Services confirm that this is not a key decision, as such the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 notice period does not apply.

You should take a decision **on or after Wednesday, 13 October 2021** in order to meet Constitutional requirements about publication of decisions that are to be made. You may wish to discuss the report with the Corporate Director before it is made. Please indicate your decision on the duplicate memo supplied, and return it to me when you have made your decision. I will then arrange for the formal notice of decision to be published.

Jack Roberts
Democratic Services Apprentice

**Title of Report: Housing Revenue Accounts Works to Stock Programme 2021/22:
Communal Heating Work-Stream – Replacement of Communal Boilers at Fairlie
House, High Rise Building, Uxbridge
RELEASE NO: 37**

Decision made:

Reasons for your decision: (e.g. as stated in report)

Alternatives considered and rejected: (e.g. as stated in report)

SignedDate.....

Cabinet Member for Property and Infrastructure / Cabinet Member for Finance

CAPITAL RELEASE REPORT (September 2021)

SERVICE AREA / PROGRAMME: Housing Revenue Accounts Works to Stock Programme 2021/22: Communal Heating Work-Stream – Replacement of Communal Boilers at Fairlie House, High Rise Building, Uxbridge
RELEASE NO: 37

Cabinet Members	Councillor Martin Goddard Councillor Jonathan Bianco
Cabinet Portfolios	Cabinet Member for Finance Cabinet Member for Property and Infrastructure
Officer Contact	Gary Penticost – Infrastructure, Transport and Building Services Kayleigh Richardson – Infrastructure, Transport and Building Services
Papers with report	Appendix A with capital release requests for approval

HEADLINES

Summary	To seek Cabinet Member approval for the release of capital funds.
Putting our Residents First	This report supports the Council objective of strong financial management.
Financial Cost	This report seeks the release of £384k from the Communal Heating workstream within the Housing Revenue Accounts Works to Stock Programme 2021/22 capital budget for the replacement of communal boilers at Fairlie House, High Rise Building, Uxbridge. The works will commence upon award of contract and the release of funds and are due for completion by end of December 2021.
Relevant Select Committee	Corporate, Finance and Property Services
Ward(s) affected	Uxbridge South

RECOMMENDATION

That the Cabinet Member for Finance and Cabinet Member for Property and Infrastructure agree to the capital release requests of £384k from the Communal Heating work-stream within the Housing Revenue Accounts Works to Stock Programme 2021/22 capital budget

for the replacement of communal boilers at Fairlie House, High Rise Building, Uxbridge (Appendix A).

Reasons for recommendation

The existing boiler plant at this site is now increasingly difficult to maintain due to unavailability of spare parts, rendering the plant room uneconomical to repair and effectively obsolete. Industry standards suggest that, with regular servicing and maintenance, communal boilers have a typical life expectancy of around 15-20 years. The boilers at this site are 25+ years old, operating beyond their serviceable life, outmoded, and inefficient when compared to modern equipment.

Alternative options considered

None at this stage.

Select Committee comments

None at this stage.

SUPPORTING INFORMATION

1. Fairlie House is a high-rise building. The boiler plant room is located 2 floors beneath ground within The Pavillions shopping centre car park, beneath Fairlie House. The boiler plant room serves heating and hot water to Fairlie House and The Gouldings with a total of 144 dwellings.
2. The Council aims to replace the boilers urgently as the heating system is running on one boiler and will not cope with the demand of the winter period. If the remaining boiler was to fail, the buildings would be without heating and hot water for a long period of time so emergency action could be taken.
3. It is proposed to replace the existing non-condensing boilers with an efficiency rating of 79.9% with modern high efficiency condensing gas fired boilers which are A rated at 95.6% efficient. A quotation has been received from the existing term gas maintenance contractor and the cost for the provision of these works is £334,245.
4. The overall cost of the project is shown in Table 1 below.

Table 1: Fairlie House Replacement communal boilers Cost Plan

Item	Project Cost (£)
Fairlie House - Replacement Communal Boilers	334,245
Project Contingency (10%)	33,425
Internal Fees (5%)	16,712
Total Project Cost	384,382

Financial Implications

Revised Budget £797k, Previously Released / Pending Release £278k, Capital Release Requested £384k – Appendix A

The 2021/22 HRA Capital Programme, approved by Cabinet and Council in February 2021, includes a capital budget for the Works to Stock programme of £11,661k. In June 2021, Cabinet approved the re-phasing of £603k from 2020/21 HRA Works to Stock Capital Programme into the 2021/22 Programme and the forward phasing of £4,370k from 2022/23 HRA Works to Stock Programme into the 2021/22 Programme in relation to the Decent Homes Programme. In July 2021 Cabinet approved the forward phasing of £2,920k from 2022/23 and 2023/24 HRA Works to Stock Programme into the 2021/22 Programme in relation to the Electrical Fire Safety Upgrades within general needs dwellings, this gives a revised capital budget for the Works to Stock Programme of £28,607k. Within this, the Communal Heating workstream budget is £797k.

Previously, £278k has been released or pending release from the Communal Heating workstream for various communal heating projects at Darrel Charles Court, Roberts Close, James Court, Peter Fagan House, Triscott House, Barr Lodge, Wallis House and Ascott Court.

This report is seeking the release of £384k for the installation of the replacement high efficiency condensing gas fired communal boilers and associated works at Fairlie House, High Rise Building, Uxbridge. The release request is based upon the quoted costs from the Council's term contractor for gas maintenance and includes a project contingency of 10% of the quoted cost, and internal project management fees of 5% of the quoted cost.

The remaining £135k of the Communal Heating workstream budget will be subject to the capital release procedure.

RESIDENT BENEFIT & CONSULTATION

The benefit or impact upon residents, service users and communities?

The boiler replacement works and associated equipment will eliminate the risk of not being able to supply sufficient services in the event of a failure. This will have a beneficial ongoing effect on the health and welfare of the residents at this location.

Consultation carried out or required

None required.

CORPORATE CONSIDERATIONS

Corporate Finance

Corporate Finance has reviewed this report and concurs with the financial implications set out above, noting that the recommended action to agree a release of £384k for the installation of the

replacement high efficiency condensing gas fired communal boilers and associated works at Fairlie House, High Rise Building, Uxbridge will be funded from the 2021/22 approved capital programme for HRA Works to Stock, which is ultimately funded from HRA rental income.

Legal

The Borough Solicitor confirms that the Council is responsible for carrying out this function pursuant of Section 11 of the Landlord & Tenant Act 1985. Thus, there are no legal impediments to the capital release being authorised, although any contract that is entered into must comply with the Council's Procurement and Contract Standing Orders.

Capital Release Protocol

The release of all capital funds, and certain revenue funds, held by the Council is to be made by a formal democratic decision. No expenditure can be placed or committed by officers until this formal approval is given by Democratic Services. Release of funds must be for identified projects only and strictly not for the general release of funds for projects to be identified at a later date. No block releases of capital or funding will be allowed, except if authorised by the Leader of the Council in advance to Corporate Finance. The release of funds will only be made if previous Council, Cabinet or Cabinet Member agreement has been given to the project and only if there is an approved budget.

CAPITAL RELEASE APPENDIX A

Housing Revenue Accounts Works to Stock Programme 2021/22: Communal Heating Workstream - Replacement of Communal Boiler at Fairlie House, Uxbridge Release No 37

Location	Project / Expenditure Title	Information	Funds Release Sought £000's	Approve	Hold	More Information Required
Fairlie House	Replacement Communal Boilers	Replacement of communal boilers at Fairlie House, Uxbridge	384			
Total seeking release			384			
Previously / Pending released			278			
Budget			797			
Remaining budget			135			