

CAPITAL PROGRAMME - ADDENDUM**1 SUMMARY**

- 1.1 To seek a variation to the Capital Programme shown appended to Item 10 on this Agenda.

2 BACKGROUND

- 2.1 Including within the housing schemes funded by the major repairs allowance are the two projects for Rochford Garden Way. These are the general improvement programme and the conversion of the shops. These two are included within the programme at a total of £195,000.

3 CONSIDERATION

- 3.1 In drawing up the specification for a single contract to undertake the work it was intended to include items that would normally be funded as estate management and day-to-day repairs. These works included the creation of garden areas, improvements to rubbish collection areas and stairwell improvements. A sum of £30,000 was set aside in the housing revenue account repairs and maintenance budget in 2002/03.
- 3.2 The general improvements to Rochford Garden Way were originally included within the 2001/02 capital programme but have been deferred owing to capacity problems and the decision to combine the improvements and the shops into a single contract. There has been no change to the original general provision in the capital programme since that date.
- 3.3 Tenders were requested for the total works and six replies were received. However the lowest tender is £274,000 against provision of £225,000 (£195,000 plus £30,000). Funding is therefore required for an additional £50,000. Members are probably aware that there has been a significant rise in tender prices mainly due to the volume of work available and a shortage of skilled labour.
- 3.4 Work is underway to check this tender submission but this is close to a recent in-house estimate.
- 3.5 The works are regarded as essential for Rochford Garden Way in that priority building works can be undertaken, estate improvements made and the two shops are brought into residential use.
- 3.6 An additional £50,000 can be met from the major repair allowance which is specific to the Housing Revenue Account, as some slippage on the £1.5 M total programme can be expected.

9 RECOMMENDATION

9.1 It is proposed that the Committee **RESOLVES**

To agree the above amendment to the printed capital programme.

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