

Item No.	Classification: Open	Date: 25/03/03	MEETING NAME Executive
Report title:		<i>Silwood SRB: Refurbishment Agreement with Lewisham Council</i>	
Ward(s) or groups affected:		Residents of 1 – 99 St Helena Rd and 1 – 20 Oldfield Grove, Rotherhithe ward	
From:		Strategic Director of Housing	

RECOMMENDATION(S)

1. That approval be given for the Refurbishment Agreement as set out in Appendix 1 for the limited purposes set out in this report, subject to consultation and approval by the ODPM.

BACKGROUND INFORMATION

2. In April 1999, Housing Committee agreed to Southwark's inclusion as a partner in an SRB bid for the regeneration of the Silwood estate led by Lewisham Council.
3. In January 2002, Ratification Committee approved a number of arrangements with Lewisham Council relating to the masterplan for the Silwood at that time. These included a Management Agreement under which Lewisham would carry out the decanting of certain blocks on the Silwood estate on behalf of Southwark.
4. This report sets out further functions i.e. refurbishment, which are to be carried out by Lewisham on behalf of Southwark under the Silwood Regeneration Programme. This can only be done under legal agreement approved by the Office of the Deputy Prime Minister (ODPM).
5. It was indicated in earlier reports that Southwark was entering the partnership on the proviso that there were minimal resource implications. Lewisham would carry out all the major functions of the regeneration as the authority in receipt of the SRB funding.

KEY ISSUES FOR CONSIDERATION

6. Lewisham Council has been undertaking a mid-term review of the Silwood Regeneration Programme which means that some of these earlier arrangements have not been implemented. Despite overall funding issues, they have confirmed that the SRB allocation for the refurbishment is still available.

7. The Refurbishment Agreement at Appendix 1 sets out a range of functions to be carried out by Lewisham on Southwark's behalf in order to complete the refurbishment of 1-20 Oldfield Grove and 1-99 St Helena Road.
8. The functions to be carried out by Lewisham can be summarised as follows:
 - Procurement of the refurbishment of the dwellings in accordance with all European and domestic legislation, requirements or guidance issued as a condition of SRB funding and Lewisham's Contract Standing Orders;
 - Dealing with any complaints arising under the contract or contracts entered for the refurbishment;
 - Completing the refurbishment to two pilot occupied flats before commencement of the main refurbishment programme;
 - Ensuring provision of refuge area for tenants/leaseholders by the contractor;
 - Arranging for the provision of a Resident Liaison Officer for the contract;
 - Ensuring a site office is maintained between the hours of 8am – 5pm Monday to Friday by the contractor and relevant emergency contact details displayed at site at all times;
 - Procuring collateral warranties and insurances for Southwark from the contractor or contractors in a form approved by Southwark.
9. The anticipated programme is as follows:

Tenders Out	April 2003
Interview/Contractor Selection Process	June 2003
Appointment of Contractor	July 2003
Lead in period to start on site	August 2003
Completion	February 2005

Policy implications

10. This is a functional decision to enable the refurbishment of the properties at the specified addresses under the regeneration programme for the Silwood and it does not have significant policy implications. The Refurbishment Agreement with Lewisham is for the purposes and duration of the refurbishment activities only.

Effect of proposed changes on those affected

11. The implementation of this decision will enable the delivery of a programme of refurbishment to 1-99 St Helena Road and 1-20 Oldfield Grove. The works proposed include:
 - new pitched roof
 - replacement double glazed windows
 - external decorations
 - new door entry system
 - concrete repairs
 - external environmental works
 - internal electrical rewiring
 - refurbished bathroom OR kitchen
 - concrete repairs

Resource implications

- financial issues
12. There is a budget of £3 million available to meet the cost of works and fees identified as part of the Silwood SRB Programme.
 13. There are no leaseholder recharges because Southwark as landlord is not funding the works. Southwark can only recharge in circumstances where costs are incurred.
- budget issues (hmfi/ca/014/03)
14. Southwark's liabilities are defined within Schedule 3 of the draft Agreement. The financial liabilities may include rent loss plus costs of removal and temporary accommodation for any displaced tenants, and/or compensation payments. Such costs cannot at present be calculated as the likely need for temporary accommodation has not yet been defined. Any costs arising will need to be monitored separately and contained within the HRA budget set aside for temporary accommodation. Southwark's obligations also include staff time to carry out consultation, meetings, produce newsletters and arrange access where necessary. The additional costs of approximately £45,000 will be funded from the HRA budget.
- staffing issues
15. Liaison with Lewisham Council will continue through regular monitoring meetings involving officers from both Housing Regeneration Initiatives and Abbeyfield Neighbourhood Office. These arrangements can be met within existing staffing budgets.

Consultation

16. Before an application is submitted to the ODPM, all the residents of 1-20 Oldfield Grove and 1-99 St Helena Road will be supplied with a copy of the Refurbishment Agreement, a summary of the proposed arrangements and functions covered by the agreement and given 28 days to respond with any comments or objections. This will be sent out in writing with a freepost envelope supplied for return of comments. There will also be an evening meeting for residents to attend to ask any questions.
17. Consultation on the nature and extent of the proposed works has been ongoing since 1999, and residents' representatives have been involved in the Design Team with Lewisham and Southwark officers and the architects BPTW.
18. The refurbishment proposals have been discussed at various stages of development through open day exhibitions and public meetings. This has included a display of the plans with officers and the architects on hand as part of a Silwood exhibition on 12th and 14th December 2002. Most recently letters went to all residents to give the opportunity to express a preference for having their bathroom or kitchen refurbished and to invite them to a drop in session to view the plans in the early evening of

Wednesday 22 January.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Borough Solicitor & Secretary

19. By virtue of S27 of the Housing Act 1985, a local authority may with the approval of the Office of the Deputy Prime Minister, enter into an agreement whereby another person exercises such of its management functions as are specified in the agreement, as agent of the authority.
20. Refurbishment constitutes a Management function and the provisions of S.27 therefore apply. General consent has been issued in respect of Management Agreements with certain bodies. Arrangements with other local authorities are not covered by the General consent and specific approval to the agreement must therefore be sought.
21. S.105 of the Housing Act 1985, requires local authorities to consult on matters of housing management. Arrangements for the refurbishment of dwelling houses are a matter of housing management and consultation is therefore required. Consultation in relation to the refurbishment proposals generally has been ongoing since 1999. Details are set out in paragraphs 17 and 18 of the report. However, in addition to consultation on the refurbishment proposals, consultation is required on the actual Refurbishment Agreement. The proposed arrangements for this are set out in paragraph 16 of the report.

Chief Finance Officer

22. The works to the Silwood estate are being funded by the single regeneration budget grant (SRB) and no financial contribution is required by Southwark. All financial arrangements will be handled by Lewisham Council as they are responsible for the overall SRB project and receiving grant funding. The works must be contained within the available funding and the legal agreement between the two councils lays out arrangements in the event of this not occurring.

REASONS FOR LATENESS

- 23 This report has been the subject of protracted negotiations over the financial and legal implications with LB Lewisham.

REASONS FOR URGENCY

- 24 The approval to the recommendations of this report will trigger the process of improvements being carried out to a number of properties on Silwood Estate. In order to let the building contract to the current timetable LB Lewisham need Southwark's agreement by the end of March.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Silwood Files	Housing Regeneration	Caroline Wilson

	Initiatives 9 Larcom Street	020 7525 1208
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APPENDIX A

Audit Trail

32. This section must be included in all reports.

Lead Officer	Rachel Sharpe, Head of Strategy and Regeneration	
Report Author	Caroline Wilson, Housing Regeneration Initiatives	
Version	Final Version	
Dated	12/03/03	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER		
Officer Title	Comments Sought	Comments included
Borough Solicitor & Secretary	Yes	Yes (Janet Fasan)
Chief Finance Officer	Yes	Yes (Jenny Spick)
List other Officers here	Yes	Cath Chalmers – Budget Issues
Executive Member	Yes	Yes
Date final report sent to Constitutional Support Services		