

Housing Planned Investment Programme Delivery Plan

April 2021



milton keynes council



1. Introduction

Milton Keynes Council (MKC)'s Housing Planned Investment Programme was created in 2018, informed by stock condition survey work conducted by Savills.

It is a 5 year, £165m programme which is due to complete in 2023/2024. It is currently refreshed yearly based on asset data and local knowledge of the MKC and Mears teams to develop the programme. In 2019/20 and 2020/21 £45m has been spent.

MKC and the Council wish to take a more strategic approach to the programme, with formalised objectives for the programme, enhanced governance arrangements, and key performance metrics to measure and adjust the programme as needed.

The purpose of this delivery plan is to summarise that approach.

2. Context

2.1 Stock Context

MKC owns 11,118 homes and also managed 1,340 leasehold properties.

The stock includes a range of property types and has particular characteristics particular to the development and growth of our borough. The table below shows the stock composition as at December 2020.

Property Type	Numbers of units	Shown as a %
Bungalows	1971	17.5
Disabled adapted bungalows	573	5.1
Sheltered bungalows	111	1
Houses	5199	46.1
Disabled adapted house	12	0.1
Sheltered houses	1	-
Flats	2264	20.9
Disabled adapted flats	90	0.8
Sheltered flates	809	7.5
Maisonette	88	0.8
TOTAL TENANTED PROPERTIES	11,118	
Leasehold properties	1,618	
Shared Ownership	953	

A high proportion of the stock was built between the late 1960s and into the 1970s, which means that components across the stock will require replacing broadly at the same time. This will lead to spikes in investment need that is not ordinarily seen where the stock is built over a much longer time period. The Council owns and manages 27 sheltered housing schemes offering around 840 tenancies and has been effective in contributing to the strategic priority of maintaining independent living for older people in Milton Keynes. The current age criteria for Sheltered Housing is 60 or above (or 55 or above if there is an identified support need).

2.2 Strategic Context

Successful delivery of the contract supports a number of key Council strategies. These include (but are not limited to):

- MK Futures 2050, the comprehensive long-term vision and plan for Milton Keynes, which recognises that many of our existing homes and estates need major investment to bring them up to a decent standard for our residents. A major part of this Strategy is to improve the quality of our existing Council homes.
- The Council's Medium Term Financial Plan, which confirms that with Housing Revenue Account balances considerably in excess of the minimum prudent level, there is the opportunity for major planned investment in maintaining and improving the housing stock.
- The Council's Housing Strategy 2020-2025, where investment in the existing stock contributes to all of the priorities in that strategy, but specifically the priority around ensuring high quality homes and landlord services, with its commitment to ensuring that existing homes in the social and private sectors are of high quality. The Council is also committed to offering a high quality landlord service, ensuring that we manage and maintain our own stock to the highest standards, and monitor and improve the satisfaction of council tenants with their homes and the services they receive.
- The MK Sustainability Strategy 2019 - 2050, which confirms the aspiration for Milton Keynes to be carbon neutral by 2030, and carbon negative by 2050.
- The emerging Asset Management Plan (AMP) which is designed to inform our decision making to make sure our assets are maintained to the highest standard, provide a positive net present value to the HRA and meet the needs of our tenants and customers.
- The increasing regulatory focus on residential building safety particularly around fire and structural safety, which means MKC will need to continue and expand its focus and resources on this.

The work of the Council's Child Poverty Commission, which found that almost 23,000 children in the Borough are living in poverty, after housing costs. By investing in domestic energy efficiency through the Planned Investment Programme, the Council can make a contribution to tackling poverty through reducing money spent on utility bills.

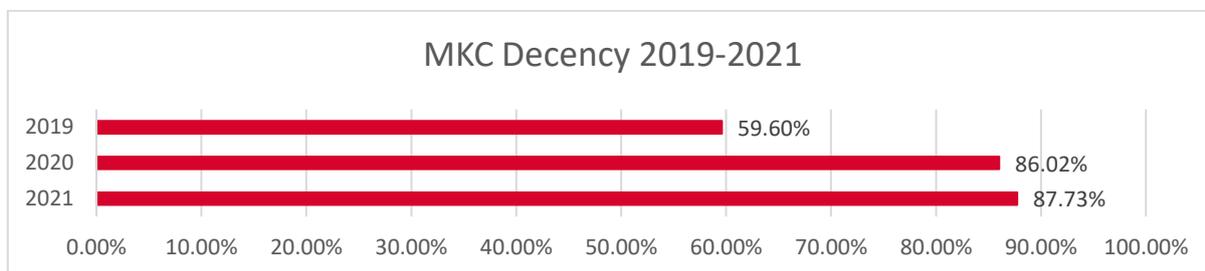
2.3 Progress To Date

In the first two years of the programme – ie to 31 March 2020 – the following have been delivered through the programme:

- 825 kitchen upgrades
- 767 bathroom upgrades
- 521 boiler upgrades
- 301 Window Upgrades
- 197 roof replacements

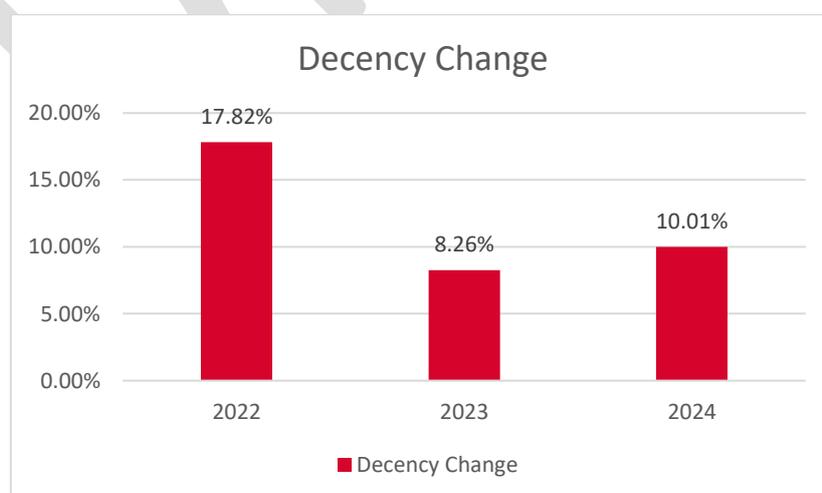
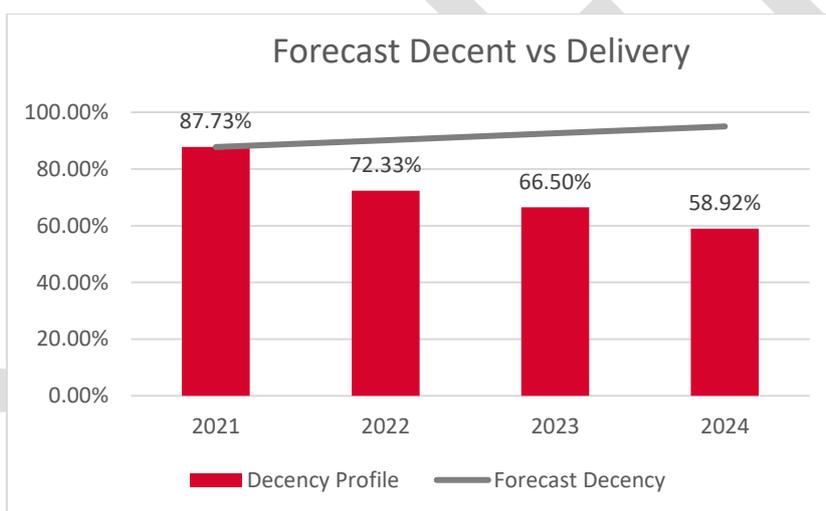
2.4 Decent Homes

As of 01/04/2021 Milton Keynes Council's % of homes classes as decent stood at 87.473% (compared to less than 60% in 2019), meaning that 1,507 were currently being classed as non-decent. This figure is derived by extrapolation failure data to properties which has never been surveyed or using cloned data from another property.



2.5 Need for Continued Investment

To achieve a 95% decent rate within 3 years, we need to target a 2.5% decent increase year on year. Properties will continue to become non-decent during this period. The charts below outline the non-decency trajectory.



Decency is calculated on stock condition survey data held in Keystone. The table below outlines the survey status of each property which is currently showing as non-decent:

Survey Status	Total Properties
Surveyed	1024
Copied	475
Unsurveyed	68
Total	1567

Currently there are 543 properties which have not received a stock condition survey which are showing as non-decent.

We are planning to survey the un-surveyed sites during 21/22.

Excluding copied and surveyed properties there are also 415 properties which have been identified as failing a single element of decent homes. Following a review of the components we anticipate a large number of properties to move from non-decent to decent is a new stock condition survey was undertaken.

The breakdown of these failures are:

Component	Total Properties
Central heating gas boiler	10
Chimneys	144
Electrical systems	3
External doors	76
Roof covering	69
Roof structure	27
Wall finish	83
Windows	3
Total	415

We also know that there is a requirement to improve the energy efficiency of our homes. The table overleaf shows the energy performance certificate profile of our housing stock, based on extrapolated data

SAP Band	# Properties	% of Properties
B	209	1.88%
C	5,223	46.94%
D	5,554	49.91%
E	118	1.06%
F	17	0.15%
G	7	0.06%
Grand Total	11,128	100.00%

3. Objectives

Our strategic objectives for the Planned Investment Programme are:

- 1. Health and safety:** Refresh our focus on building safety for our houses from design to demolition while continuing to manage health and safety risks during works.
- 2. Improving the quality of housing:** To improve the quality of the Council owned housing in Milton Keynes, and specifically to ensure that all housing meets the requirements of the Decent Homes Standard and the Homes (Fitness for Human Habitation) Act 2018
- 3. Maximising energy efficiency to promote environmental sustainability and tackle fuel poverty:** To maximise the energy performance of the Council owned housing in Milton Keynes, through investment in domestic energy efficiency, and helping to reduce the levels of fuel poverty experienced by tenants of Milton Keynes Council
- 4. Maximising the impact of investment:** To maximise the impact of our repairs and maintenance programme through attracting external investment where possible
- 5. Maximising efficiency and impact:** To work as efficiently as possible and ensure our programme considers all aspects of building performance as part of a structured plan.

We recognise that there will not always be perfect alignment between these objectives.

We also recognise that in some areas – particularly in those areas such as The Lakes and Fullers Slade where wider regeneration proposals are being developed – there will be additional considerations, in ensuring that our programme complements those wider proposals.

Where appropriate, a pragmatic approach will be taken in the best interest of residents.

It is our goal that no resident will suffer additional financial detriment as a result of the activities of our programme, with the possible exception of where health and safety measures may be needed – this will be considered on a case by case basis.

Objective 1. Health and safety

MKC will refresh its focus on the key aspects of building safety of fire, gas, legionella, asbestos, electrical and structural safety to ensure residents safety.

To deliver this we will:

- review and refresh our resources in place to support our governance arrangements
- be clear in key H&S processes that ensure our houses are designed and maintained so they are safe
- routinely review key building safety performance indicators across our housing stock

- ensure our governance arrangements are robust and meet the increased regulatory regime around building safety.

Objective 2. Improving the quality of housing

In recent years we have seen a rise in the number of disrepairs cases.

We are committed to ensuring that existing homes in our ownership are of high quality. We will manage and maintain our own stock to the highest standards.

We will aim to improve the quality of the Council owned housing in Milton Keynes, and specifically to ensure that all housing meets the requirements of the Decent Homes Standard and the Homes (Fitness for Human Habitation) Act 2018. If rented houses and flats are not 'fit for human habitation', tenants can take their landlords to court. The court can make the landlord carry out repairs or put right health and safety problems. The court can also make the landlord pay compensation to the tenant.

This means that all our homes should meet the following criteria:

- They should be fit for human habitation, which means that they should be safe, healthy and free from things that could cause tenants and their households serious harm.
- They should meet all current statutory minimum standards for housing.
- They should be in a reasonable state of repair.
- They should have reasonably modern facilities and services; and
- They should provide a reasonable degree of thermal comfort.

We will work with tenants to establish a new Milton Keynes Decent Homes Standard 'Plus' that will be set above the government's minimum standard and investment beyond 2024 will be made to bring our stock up to this standard. Some properties may not be able to achieve the decent homes standard at all, because of how they are built, or without significant investment that would not represent value for money.

We will continue to keep this objective under review, for example in relation to any legislation following the Social Housing White Paper (November 2020).

Objective 3. Maximising energy efficiency to promote environmental sustainability and tackle fuel poverty.

As part of a wider, corporate focus on sustainability and energy efficiency, the Council has a corporate sustainability objective of delivering carbon neutrality by 2030. This involves the need to deliver measures to deliver 24kT of carbon savings in the next 9 years.

Given the importance of the energy performance of existing buildings to carbon emissions, a key objective of our repairs and maintenance programme is to maximise the energy performance of the Council owned housing in Milton Keynes, through investment in domestic energy efficiency.

Our programme therefore has an energy focus, and it is our objective to move our assets to an Energy Performance Certificate (EPC) Category C as a minimum. Through the Clean Growth Strategy, the UK government has set a target for social housing providers to attain the minimum rating of Energy Performance Certificate (EPC) C for rented properties by 2035 (2030 for 'fuel poor' households). Where possible, we will therefore prioritise works where the EPC is likely to be D, E or F.

At a time of unprecedented economic challenge, we want to use the repairs and maintenance programme to make a highly positive impact to our communities.

Through investment in the energy efficiency of our homes, we will help reduce the levels of fuel poverty experienced by tenants of Milton Keynes Council.

Investment in the energy efficiency of our stock will also create new, green jobs in the supply chain.

Objective 4. Maximising external investment

We will maximise the impact of our repairs and maintenance programme through attracting external investment where possible.

For example, Milton Keynes Council was one of 57 local authorities in England which received a share of £76m in the first phase of the Green Homes Grant Local Authority Delivery scheme, which is designed to improve the energy efficiency of homes of low-income households, helping reduce fuel poverty, phasing out high carbon fossil fuel heating, and delivering progress towards the UK's commitment to net zero by 2050. This scheme aims to raise the energy efficiency of low income and low energy performance homes (those with energy performance certificate (EPC) ratings of E, F or G).

The Council has also registered five buildings under the government's £1bn Non-ACM Cladding Systems Remediation Fund, as announced in the Budget on 11 March 2020, to fund the remediation of unsafe non-ACM cladding systems on buildings that are 18 metres and over in high rise residential buildings.

Where there is a link to wider regeneration, there may be opportunities to attract external investment – from central government, Homes England, or the Oxford-Cambridge Arc - as part of wider proposals.

We will therefore look to anticipate and monitor Government and other grant funding opportunities to support the key elements of the programme, particularly energy. We will prepare asset improvement measures on a grid square basis to position ourselves to access and maximise funding sources.

Objective 5. Maximising efficiency and impact

To maximise the impact of the programme, we will look to maximise the efficiency of the way we work.

We will strive to work as efficiently as possible in the delivery of the housing repairs and maintenance programme.

We will take a 'whole house' approach where possible, where our programme considers all aspects of the energy performance of homes, as part of a structured plan.

We will pursue continuous improvement in our processes in order to ensure that we maximise value for money for the public purse. For example, we will strive to make the process for the relet of vacant properties as quick and efficient as possible. We will keep our governance arrangements under constant

review to ensure that they are fit for purpose and enable efficient oversight, risk management, decision making and implementation.

4. Outcomes

4.1 Programme outcomes

Through delivery of the programme in this way, we intend to deliver the following principal benefits and outcomes for Milton Keynes:

- An improvement in the quality of housing which is in our ownership.
- Compliance with the Decent Homes Standard and the Homes (Fitness for Human Habitation) Act 2018.
- Improved energy efficiency in homes in our ownership, with homes to be at least EPC Category C.
- Through the delivery of energy efficiency measures, a reduction in the level of fuel poverty compared to the levels which would otherwise have been the case without our intervention.
- A contribution to the supply chain, particularly in the energy efficiency sector.
- To deliver social value through additional benefits for residents of the area.
- The attraction of external investment to support the delivery of improvements in our housing stock.
- Efficient delivery of the programme, which maximises value for money.
- A healthy and safe environment for our tenants and contractors in delivery of the programme.

4.2 Key performance indicators

At a strategic level, delivery of the programme outcomes will be monitored using the following key performance indicators:

Outcome	Indicator	Current Position	Target
Safe housing	Building safety performance indicators in place and tracked	Drafted and to be in place for Apr21	100% Apr 22
Work on our housing is done safely and without risks to health	Tracked performance indicators (monthly report, near misses and incidents) and joint audits	In place with audits to be booked for 21/22	Zero significant incidents Zero significant audit concerns
An improvement in the quality of housing which is in our ownership.	% of asset base meeting the Decent Homes Standard.	88% at the required standard	95% by the end of the programme
Improved energy efficiency in homes in our ownership, with homes to be at least EPC Category C.	Percentage of homes in our ownership at EPC Category C or above	29.53% (49.23% of stock doesn't currently have a SAP rating)	Within 2021/22, we will set a target for this indicator, based on developing a better understanding of the energy performance of our stock
A contribution to the supply chain, and social value.	The number of a) jobs and b) training opportunities created	Since the start of the contract:	TBC

Outcome	Indicator	Current Position	Target
		<ul style="list-style-type: none"> • 4 apprenticeships • 28 new office/supervisory roles • Moved 1/2 our out of hours operation to Milton Keynes creating 25 positions • Centralised some of our commercial operations in Milton Keynes, creating 3 new posts including 1 apprenticeship 	
The attraction of external investment to support the delivery of improvements in our housing stock.	The amount of investment from external sources		£2m over the lifetime of the programme
Efficient delivery of the programme, which maximises value for money.	Spend as a percentage of the overall total programme.	30%	March 2022: 55% March 2023: 78% March 2024: 100%
Efficient delivery of the programme, which maximises value for money.	Quarterly forecast spend to yearly budget		Minimum of 100%
Efficient delivery of the programme, which maximises value for money.	Programme % overruns		0
Efficient delivery of the programme, which maximises value for money.	Number of customer complaints	2018-19: 31 2019-20: 23	Target of less than 25 complaints upheld per year over the remainder of the programme

At a contractual level, there are a large number of key performance indicators included in the repairs and maintenance contract with Mears, as well as a larger number of other indicators which are collected as management information to understand performance in more detail and inform continuous improvement.

4.3 Standards

The standard of activities undertaken is key to meeting the Council's ambitions and the achievement of the objectives in this strategy.

Annex A describes how we will approach key elements within the programme in more detail.

4.4 Programme exclusions

At the time of development, no allowances were made for alternative heating systems (for example gas to air source heat pumps), building fabric upgrades such as external wall insulation or for the change in SAP arrangements.

5. Taking the plan forward

The delivery of this delivery plan and the wider programme will be overseen by a specific programme board. This board will be chaired by Milton Keynes Council's Director of Environment & Property and will include representatives from appropriate council departments and from Mears, as contractor. Progress against the KPIs included within this strategy will be reported to that board. This programme board will meet at least quarterly and will link directly into the wider Council governance structures.

The programme board will continue to be supported by the monthly strategic core group and operations groups which enable monthly reviews of progress (against contractual KPIs) and provide an opportunity for more regular discussion and resolution of issues as they arise.

Annex A

Heating – Domestic Systems

Where a heating system failed or is identified as part of planned programme of works and there is an active gas supply we will look to replace the system with a A-Rated Gas Combi Boiler. This will allow us to remove Cold Water Storage Tanks (CWST) from our housing stock and reduces risk associated with stored water in L8 The control of legionella bacteria in water systems 2013.

Where the radiators and pipework distribution is reaching the end of its component life span we will take the opportunity to replace this at the same time. All systems will be fitted with a magnetic filter to extend life expectancy and maintain efficiency. Where the existing pipework is remaining in situ, we will also power flush the system.

During 2021/22 we will explore renewal technologies further such as air source and ground source and consider where they may be suitable for domestic use, including reviewing any external grant funding we may be able to obtain.

For non-gas systems that fail we will explore a range options available to us based on the approach detailed above.

Heating – Communal Systems

Each heating system will be subject to an options appraisal and a heating system will be selected based upon this review. As part of these programmes of work we will review the building fabric as well to identify any supporting measures we may need to introduce.

As part of any communal heating system replacement we will consider the requirements of the Heat Network (Metering and Billing) (Amendment) Regulations 2020 and ensure future installations comply with this.

Windows & Doors

All windows will have double glazed units, where doors are being replaced which have a glazed aperture, these will also be double glazed. At this stage, due to concerns around cost – benefits and maintenance, we will not triple glaze windows, but will keep this under review.

Roofing

All residential flats roofs will be replaced with warm roofs, we will not look to cover these roofs from pitched to flats due to mixed tenure etc.

Where a pitched roof is replaced, loft insulation will be installed to a minimum depth of 270mm.

During 2021/2022 we will explore the installation of PV panels, we will explore both above roof systems and in-roof systems for pitched roofs, and above roof systems for flat roofs. For each system type we will also consider battery storage.

Kitchens

As part of a kitchen refurbishment we will undertake the following works:

- Renewal of kitchen units, carcasses, worktops & handles – resident will be provided with a selection of styles to choose from
- Replace of floor covering with continuous sheet flooring
- Renewal of wall tiles with ceramic wall tiles to a minimum height of 450mm above worksurfaces – during 2021/22 we will explore other alternatives such as tile boards & acrylic panels
- We will decorate the entire room
- Where the property doesn't have a Grade D LD2 fire detection system we will install one
- We will swap over any existing light fittings to LED light fittings
- Where an electrical test to the dwelling is due within 24 month of the works date one will be completed to the entire property
- We will install or upgrade any existing fans to ensure there is a working extractor fan within the kitchen.

Bathrooms

Within OAP designated dwellings we will replace bathrooms with wet rooms. or all other property types, we will replace on a like for like basis, unless there is a specific requirement.

As part of a bathroom refurbishment we will undertake the following works:

- All sanitaryware will be replaced and residents will be given a choice of wall tiling & floor covering.
- We will tile a 150mm splashback behind any sink & full height tiling to the walls on the perimeter of the bath.
- We will install or upgrade any existing fans to ensure there is a working extractor fan within the bathroom.
- Where there an additional bathroom is the property such as a WC this will be refurbished at the same time as the bathroom.
- From 2021/22 onwards we will install an electric shower over the bath for all bathroom replacements. This is a change to the current specification to negate the issues with are experience with low pressure within systems, as part of this upgrade, we will install pillar taps to baths which have thermostatic mixer valves installed on the hot feed.
- Where an electrical test to the dwelling is due within 24 month of the works date one will be completed to the entire property
- We will swap over any existing light fittings to LED light fittings

During 2021/22 we will explore other alternatives to ceramic tiling such as tile panels.

Fencing

All dividing & boundary will be replaced with 1.8m high panels with concrete gravel boards & posts of longevity. Replacement of dividing fences will be subject to a project reviewing boundary fencing lines where the adjacent owner is private.

Communal Doors & Door Entry Systems

All communal block door replacement programmes include the following:

- Aluminium door sets which are grey in colour
- Door entry system with audio devices
- Include a function which allows for remote access & fob programming and includes a reported function built into the platform.

Fire Doors

Where practicable, flat front entrance doors will be replaced with composite solid doors without any glazing. The doors will include a letterplate, door knocker, door numerals and a spy hole. Flats front entrance doors to sheltered schemes will have level access threshold.

All door sets will be manufactured by a third-party accredited manufacturer (BM TRADA Q-Mark manufactures scheme or equivalent) and installed and maintained by accredited installers.

Where a composite door set cannot be sourced a suitable timber replacement will be utilised.

Currently there are no third party accredited composite communal fire doors available on the market. Therefore, timber fire doors will be installed, should composite communal door sets be introduced to the market we will consider the use of them

Electrical Installations

We are working towards a programme of 5-year periodic electrical testing with our housing stock. During these tests we will take the opportunity to upgrade the fire detection system to a Grade D1 LD2 detection system which covers escape routes & high-risk areas. This covers rooms such as hallways, landings, kitchens & living rooms. We will also install a carbon monoxide detector within the kitchen and by the boiler where required.

This will be the minimum standard we renew to; further enhanced standards of detection will be dictated by risk assessment.

Where additional fire detection is added to a property or where a full requirement of a property is completed, the wiring to these installations will be surface mounted.

Communal Areas

During 2021/22 we will develop a standard specification for communal block upgrades which will act as a blueprint for blocks across our housing stock moving forwards, this will encompass:

- Communal lighting
- Flooring & wall coverings
- Handrails & balustrades
- Waste provisions
- External communal areas and pathways

Communal Digital Television

All new digital TV system replacements will include the provision for residents to access SkyQ.

Energy Efficiency Improvements

Whilst undertaking programme noted above, we will take the opportunity to review additional energy efficiency measures that can be installed to improve the energy efficiency of properties, this will include and is not limited to:

- LED light bulb replacements
- Loft insulation upgrades
- Tank jacket insulation

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