



London Borough of Hammersmith & Fulham

Cabinet

14 OCTOBER 2010

**CABINET MEMBER
FOR HOUSING**

Councillor Lucy Ivimy

HOSTEL IMPROVEMENT

Seeking to reinvest capital receipts from the hostel disposal programme to invest in the hostel stock in order to bring them up to a decent standard and to provide an additional 3 disabled units.

**Wards
All**

CONTRIBUTORS

DCS
ADLDS
DFCS

Recommendation:

That, subject to tender, £1.517m be committed to the refurbishment and improvement of 90 units of hostel stock and £150k for the provision of 3 disability units at 456 Uxbridge Road.

<p>HAS AN EIA BEEN COMPLETED? YES</p>
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1. INTRODUCTION

- 1.1 This report sets out a proposal to invest in the hostel stock to bring it up to a decent standard and to create 3 additional disabled units at Uxbridge Road Hostel, in Shepherds Bush.
- 1.2 In February 2007, Cabinet agreed to dispose of 54 units of hostel accommodation which were surplus to requirements. The proposal was to reduce the hostel stock from 161 units in 18 buildings to 107 units in 6 buildings. To date, 11 buildings providing 46 units of accommodation have been sold. The view of the Accommodation Services team is that the previous target of retaining 107 units of hostel accommodation should be revised down in view of the reduction in demand for hostel accommodation and temporary accommodation. The capital receipt from the sale of the sites sold to date is over £9m. Capital receipts are ring-fenced for affordable housing.
- 1.3 The purpose of this report is to review and report on the condition of the remaining hostel stock

2. BACKGROUND

- 2.1 The Council's hostel accommodation is used as short term temporary accommodation for homeless households. This accommodation is, in fact, largely self-contained accommodation.
- 2.2 The units are used to house the majority of homeless families and single people in what is known as 'First Stage' (often emergency) accommodation. Use of this accommodation enables the Council to avoid the use of Bed and Breakfast hotels which are now rarely used.
- 2.3 During the time spent at such accommodation assessments are undertaken of household circumstances and support needs. These can assist in deciding whether or not the Council will accept a long term housing duty to the household. This form of temporary accommodation is therefore critical to the temporary accommodation strategy, enabling the local authority to assess and, if necessary, evict tenants in short term accommodation where long term housing duties are not agreed.

3.0 HOSTEL IMPROVEMENTS / CAPITAL INVESTMENT

- 3.1 It is crucial that the stock which is retained is fit for purpose and that the buildings are improved for future use. Facilities such as bathrooms and kitchens at some of the sites are over 20 years old. Due to their use, there is a high turnaround in hostel accommodation. During 2009/10, 174 new tenancies were created in the hostel stock.

Feasibility studies have been commissioned to examine the scope of works and cost to bring the hostel stock up to a decent standard (**See Appendix 1**).

- 3.2 A feasibility study has been commissioned for converting 3 flats on the ground floor at 456 Uxbridge Road into mobility units. There are only 3 mobility flats within the hostel portfolio: 1 unit at Broomhouse Road and 2 units at Uxbridge Road. We have full occupation of all of our mobility units and are often unable to meet the temporary accommodation demand for these units. We are unable to use PSL accommodation because we are not able to carry out adaptations to privately leased properties without landlord consent. As a result, threats of Judicial Review have prompted the need for additional flats. Costings have not yet been produced, but it is anticipated that the cost of these works would be in the region of £150,000.
- 3.3 Surveys have identified that necessary works are required to maintain the stock and to improve facilities to bring them up to decent standard including all Health and Safety requirements. The minimum amount required including the disability units is £977k. The amount of funding required to bring the hostels up to a decent standard is £1,320,427 (exclusive of VAT and Professional fees). It is recommended that all the hostels would benefit from an upgrade of decorations and facilities to bring them up to a decent standard resulting in a total cost of £1.5m or £12k per unit and £500k for common parts.

4. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE SERVICES

- 4.1 This report proposes to invest in refurbishment works and conversion to three mobility units.
- 4.2 A total of £1.6m has been provisionally earmarked within the Council's capital programme (from the Decent Neighbourhoods pot) to fund the proposed improvements.
- 4.3 There are no material revenue implications of the above proposal.

5. COMMENTS OF THE ASSISTANT DIRECTOR (LEGAL AND DEMOCRATIC SERVICES)

- 5.1 There are no legal comments on this report.

LOCAL GOVERNMENT ACT 2000 **LIST OF BACKGROUND PAPERS**

No.	Description of Background Papers	Name/Ext. of Holder of File/Copy	Department/ Location
1.	N/A	Daren Daly x 1247	Housing Options Division Community Services Department

APPENDIX 1

The following are indicative figures for hostel improvement. In the table “Decent spend” shows what is required to bring the hostels to a good standard and “Basic improvements” shows what is required to continue managing the hostels meeting all basic health and safety requirements. Further surveys will be carried out with alternative contractors in order to compare quotes and determine final expenditure.

HOSTELS TO BE REFURBISHED

6, Castletown Road, West Kensington W14: This is a converted Victorian house on 4 floors. The location and layout of the building mean that the accommodation it provides is not very flexible and with the exception of the two basement rooms there are no en-suite facilities.

8 bedsits	Basic improvements	Decent spend
Common Parts (External and Internal)	£69,952.00	£114,307.00
Kitchens, Shower Rooms, WC's and Bathrooms inc. Re-designing	£36,583.00	£36,583.00
Social Room	£nil	£1,590.00
Unit 3 (IT Room)	£nil	£1,605.00
Units 1 – 2	£14,816.00	£14,816.00
Units 4 - 8	£7,690.00	£7,690.00
GRAND TOTAL		
Exclusive of VAT and Professional fees	£129,041.00	£176,591.00
Exclusive of deleterious materials (i.e. asbestos)		

456, Uxbridge Road, Shepherds Bush W12: The main building is approximately 30 years old but part of the structure is approaching 100 years old. Two of the units are mobility units, which are self contained.

12 bedsits (including 2 disabled) – General Use.	Basic improvements	Decent spend
Common Parts (External and Internal)	£58,000.00	£68,983.00
Bathroom/WC's & Shower Room	£12,294.00	£12,294.00
Units 1 – 12	£66,000.00	£73,620.00
Converting 3 units into mobility units	£150,000.00	£150,000.00
GRAND TOTAL	£286,294.00	£304,897.00
Exclusive of VAT and Professional fees		
Exclusive of deleterious materials (i.e. asbestos)		

Lavender Court, The West Way W12: This is purpose-built sheltered accommodation, originally intended for senior citizens to give them some measure of independent living and is therefore suitable for hostel accommodation. However, the whole building needs to be refurbished; kitchens within the units, en-suite bathrooms/shower rooms and repairs and renewals to building services and the roof.

23 bedsits – General Use	Basic improvements	Decent spend
Common Parts (External and Internal)	£148,758.00	£168,758.00
Office	£1,711.00	£1,711.00
Units 1-23	£197,271.00	£220,271.00
GRAND TOTAL	£347,740.00	£390,740.00
Exclusive of VAT and Professional fees		
Exclusive of deleterious materials (i.e. asbestos)		

Seagrave Lodge, Fulham SW6: This is a former purpose-built hotel which has had no major repairs since we took over the building more than 25 years ago. Works includes roof renewal and refurbishment of all units, kitchens and bathrooms is required.

29 bedsits – General Use	Basic improvements	Decent spend
Common Parts (External and Internal)	£71,751.60	£75,528.00
Office (Units G1 & G2)	£3,406.00	£3,856.00
Units G3 – G6, 11-18, 21-27, 31-35 & 41-45 (29)	£275,169.40	£289,652.00
GRAND TOTAL	£350,327.00	£369,036.00
Exclusive of VAT and Professional fees		
Exclusive of deleterious materials (i.e. asbestos)		

Spring Cottage, Landor Walk, W12: Purpose-built hostel and is less than 20 years old with only minor updating required. Some of the units do not have en-suite facilities but those units have their individual adjacent bathrooms.

9 bedsits – Teenage Pregnancy Unit	Basic improvements	Decent spend
Common Parts (External and Internal)	£6,000.00	£11,358.00
LBH&F Office	£520.00	£940.00
Cyrenians Office	Nil	Nil
Units 3,4,5,6,8 & 9	£56,000.00	£66,865.00
GRAND TOTAL	£62,520.00	£79,163.00
Exclusive of VAT and Professional fees		
Exclusive of deleterious materials (i.e. asbestos)		

GRAND TOTAL FOR ALL HOSTELS	£977,922.00	£1,320,427.00
Professional Fees (15%)	£147,000.00	£198,000.00
OVERALL GRAND TOTAL	£1,124,922.00	£1,518,427.00
Exclusive of VAT		
Exclusive of deleterious materials (i.e. asbestos)		