
Report to: Clackmannanshire Council

Date: 22 August 2019

Subject: Weir Multicon Non Traditional House Upgrade - Caroline Crescent, Alva

Report by: Strategic Director (Place)

1.0 Purpose

- 1.1. The purpose of the report is to provide the Council with an update on the upgrade of the 17 Weir Multicon homes located in Caroline Crescent Alva as approved by Council in August 2018, and provide a further option for consideration following structural assessments.
- 1.2. The report details the actions taken so far, recent developments, the next steps, and recommendations for council to consider.

2.0 Recommendations

- 2.1 It is recommended that Council agrees :
 - (a) to pursue a pilot scheme, involving a revised scheme of works towards the application of an external render system on two properties (subject to Building Control approval), and
 - (b) to consider a further report, on completion of any pilot, prior to approving the upgrade of the remaining 15 properties.

3.0 Background

- 3.1. The 51 Weir Multicon homes were built by the then Alva Town Council in 1965. They were designed as a temporary housing solution with a projected life of 35 years (i.e. these properties are now twenty years older than their projected life span).
- 3.2. These homes have been very popular due to their size and location and since 1980, 34 of them have been sold through the "Right to Buy" Legislation to sitting tenants. No restriction was placed by the government on their sale. Some 17 remain within our existing stock portfolio.
- 3.3. Due to their non-traditional build the council have commissioned structural assessments at 10 year intervals, the last assessment being carried out in 2012.

- 3.4. In terms of the Energy Efficiency of these properties, they will not meet the Energy Efficiency Standard for Social Housing (EESH) set out by the Scottish Government to be achieved by the 31st of May 2020. This in brief will require an Energy Performance Rating of at least 69 per house ('C' rated). Given the wall construction type, typical current ratings are between 55 and 62 with "A" Rated Heating Boilers. The 17 Weir Multicon properties are the most difficult to treat housing stock within the Council's HRA Asset Portfolio.
- 3.5. The Housing Service has already highlighted this as an expected exemption to the Scottish Housing Regulator, and we are reasonably confident that we will be granted such an exemption on the basis of the construction type.
- 3.6. The Council agreed to upgrade the 17 remaining council properties in August 2018 through the Housing Capital Programme, with a programme of works estimated at £750,000.
- 3.7. The scope of proposed works agreed at Council in August 2018 included the fitting of internal wall insulation to improve the thermal performance of the dwellings, bathroom, kitchen and electrical rewire, central heating replacement, roof replacement, additional loft insulation and works to the external façade.
- 3.8. To set these properties in context, since 2012, Clackmannanshire Council has made great progress in terms of improving and upgrading its non-traditional Housing Stock. To date some 857 non-traditionally built homes have been upgraded with thermal efficient external wall insulation. This has sustained the longevity of the assets, increased value, addressed thermal efficiency and delivered significant fuel savings for our customers. This has given the Council a solid platform to achieve the EESH standard by the deadline set by the Scottish Government and enabled the Council to be the best performer in terms of achieving the Scottish Housing Quality Standard.
- 3.9. The last remaining 17 "Hard to Treat" properties within Westercroft have been subject to many assessments since 1996 and, as stated earlier, are the most difficult to upgrade due to their layout and condition. This is not a new problem for the Housing Service but to date has been difficult to resolve, especially with mixed tenure ownership in the street.

4.0 Update

- 4.1. A Briefing Paper was circulated to Members on the 19th of June 2019 advising of progress in terms of the council decision taken in August 2018.
- 4.2. This mentioned that the uptake of tenants showing interest in the original scope of works agreed at council has been low (6 out of 17 households) due to the decanting requirement to allow works to proceed. The tenant profile make up includes many elderly households.
- 4.3. Furthermore the structural assessment that was carried out by CRA in February 2019 has highlighted new concerns (which were not identified in the 2012 survey) with regards to the present condition of the external cladding, with extensive remedial repairs to the façade now required. Had these concerns not been raised by the Engineer, the original Council decision would

have been implemented with those tenants keen to take the package of improvement works.

- 4.4. The recent Engineers assessment has further influenced our discussions with the contractors to seek a more long-term solution for the properties that would encompass the upgrade of the external façade and thus alleviate the Engineers concerns, whilst delivering thermal improvements for the tenants.
- 4.5. The Housing Investment Team has since engaged with the councils current Term Contractor, Everwarm, to identify two pilot homes to explore the possibility of applying an external thermal render system to the properties. Consequently, Everwarm expressed an interest in the project moving forward and sought to explore with their Structural Engineer the possibility and feasibility of installing an external wall insulation cladding system (EWI). There have been changes in the market place with newer lightweight EWI systems coming on board to help the UK meet its carbon reduction targets.
- 4.6. As stated earlier the properties are of an unusual, non-traditional design however both Everwarm and the System Engineer from Weatherby are very confident that revised proposals to carry out external cladding are appropriate, and could be applied to the council stock in isolation (i.e. without owners participating).
- 4.7. The potential revised scope of works developed are as follows –
 - Removal of existing metal cladding facade
 - Removal of asbestos soffits and verges
 - Full repair of the existing timber frame
 - Sheet out entire wall area osb board or equivalent
 - Carry out full replacement of windows and doors as per the councils Secure by Design specification
 - Apply a Wetherby Epsitec External Thermal Wall Insulation system
 - Remove existing roofing fabric and Re-Roof including soffit and fascia and downpipe upgrade
 - Fit Panel 2.7kW solar PV System including 2.9kW battery storage (this could be building warrant dependent).
- 4.8. While this project is still fraught with difficulty it is considered worth exploring the revised proposal given the condition of the external facades, which would need to be addressed even if the original council decision was implemented.
- 4.9. Following close consultation with Structural Engineers, a full Design Proposal was forwarded to the Council and a Building Warrant Application is being pursued.
- 4.10. Given the problems involved in any decanting and a very poor uptake in terms of interested tenants, an external system (if it achieves building warrant approval) may be applied and could thereby avoid the need to decant any tenants. This would allow tenants to remain in situ during the project and avoid the need for the early upgrade of kitchen, bathroom and electrical rewiring outwith current council policy.

- 4.11. Although, the system can be installed without the involvement of owner-occupiers the adjoining owners will be encouraged by Everwarm to take part in the project and a grant funding package may become available to enable owners to achieve the benefits.
- 4.12. On completion of the works there would be a BBA Certification process, but in essence this could safeguard these properties for a further 30 years (thus lasting 50 years longer than anticipated during construction in 1965).
- 4.13. Crucially, Everwarm are the first contractor who have shown a desire to pursue this course of action to date. These properties have long been a concern and have been subject to many unsuccessful grant applications in previous years.
- 4.14. It is proposed that if Council (subject to warrant) approve this approach that two pilot homes are taken forward first. These can be instructed through the Council's existing term contract with Everwarm providing Energy Efficiency Upgrades. Should the pilots be successfully completed, the Council can directly award the remaining contract to upgrade the remaining 15 properties.
- 4.15. As highlighted, there is risk attached to this but it is considered that it is a risk worth exploring to sustain these properties within the community for a significant period.

5.0 Options for Consideration

- 5.1. Insofar as numerous options were considered prior to the Council's decision on a preferred approach in August 2018 (see background paper) it is now considered that there are effectively two options available, namely :

- (1) continue with the approved approach or
- (2) pursue a revised approach based on the changed circumstances.

- 5.2. (1) ***Approved Approach – August 2018 :***

Refurbish the remaining stock fitting internal wall insulation to the inner walls of the 17 remaining households. The scope of works within the project to include wall insulation, central heating upgrade, window and door replacement, roof upgrade and work to upgrade the existing structure. This can still be instructed however only 6 out of 17 households expressed an interest. Furthermore structural assessments highlighted risks with the condition of the external façade. This scope of work as highlighted in 2018 will ensure that the properties meet the current Energy Efficiency Standard for Social Housing (EESH). However, there will be no guarantee that this will be future-proofed against increases in the standard planned for review in 2022 and 2025. There will be no added value to the assets following this scope of works and we will likely require to finance additional works to the external facades.

5.3. (2) **Revised Approach – August 2019 :**

Instigate a programme of full external cladding to the 17 remaining homes. The scope of works will include external thermal wall insulation, roof replacement and window upgrade. This work will add value to the Council assets and sustain the properties for a further 30 years once the BBA Certification is secured. The work can be instructed to the Council's term contractor Everwarm. The proposed external thermal wall insulation will be guaranteed by the system designer. Sharing private owners can participate in the programme and Everwarm will provide a full engagement along with seeking grant assistance to allow owners to participate. The project is not dependant on owners participating but is subject to building warrant approval.

6.0 Resource Implications

6.1. *Financial Details*

6.2. The approved approach was budgeted at £750,000 in August 2018. The potential cost of the alternative approach has initially been estimated by the Contractor at nearer £800,000. However, until any pilot scheme is carried out it is too early to reliably state what the financial implications will be. Indeed, it is very possible that the approved budget of £750,000 will exceed the sum eventually required. A verbal update on the likely cost of any pilot scheme will be provided at the Council meeting.

6.3. It is intended that two pilot homes are taken forward and fully evaluated prior to a further report to Council on upgrading the remaining 15 properties. This will enable the cost of the revised approach to be fully considered by Council at that stage prior to pursuit of the whole scheme.

6.4. *Staffing*

6.5. There are no staffing implications as a consequence of the revised approach now being considered.

7.0 Exempt Reports

7.1. Is this report exempt? Yes (please detail the reasons for exemption below) No

8.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please click on the check box)

- Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all
- Our families; children and young people will have the best possible start in life
- Women and girls will be confident and aspirational, and achieve their full potential
- Our communities will be resilient and empowered so that they can thrive and flourish

(2) **Council Policies** (Please detail)

9.0 Equalities Impact

- 9.1. Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?
 Yes No

10.0 Legality

- 10.1. It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

11.0 Appendices

- 11.1. Please list any appendices attached to this report. If there are no appendices, please state "none".

None

12.0 Background Papers

- 12.1. Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered).
 Yes (please list the documents below) No

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