

Housing, Homelessness and Fair Work Committee

10.00am, Tuesday, 3 October 2023

Door entry systems in minority owned tenements

Executive/routine
Wards

Executive
All

1. Recommendations

- 1.1 Housing, Homelessness and Fair Work Committee are asked to:
 - 1.1.1 Agree to pause the programme of upgrading door entry systems in minority owned blocks;
 - 1.1.2 Agree to repurpose Capital sums committed to this work for the purchase of property to assist in increasing the number of Council owned socially rented homes available in the city;
 - 1.1.3 Notes that this will be managed as part of the Housing Revenue Account (HRA) Capital Programme in line with the Council's current scheme of delegation; and
 - 1.1.4 Notes that a Business Bulletin update will be provided in three cycles advising how the agreed funds have been committed.

Paul Lawrence

Executive Director of Place

Contact: Derek McGowan – Service Director, Housing and Homelessness

E-mail: derek.mcgowan@edinburgh.gov.uk | Tel: 0131 529 2437

Door entry systems in minority owned tenements

2. Executive Summary

- 2.1 This report proposes pausing the agreed Capital investment in door entry systems for tenement blocks where the Council is a minority owner and repurposing that funding as Capital for the purchase of houses. The intention is to use the funding to add to the existing Council social rental housing stock in the city at a time where there is acute demand for social housing.

3. Background

- 3.1 The programme of upgrading secure door entry systems was agreed on [21 March 2019](#) when the Housing and Economy Committee approved the Housing Revenue Account (HRA) Capital Programme. This included a commitment to install secure door entry systems in mixed tenure blocks across the city, reduce antisocial behaviour and increase safety and security for residents and meet the Scottish Housing Quality Standard (SHQS). The cost of system infrastructure would be met from the HRA with owners charged for handsets.
- 3.2 Officers have been working to agree the upgrading of 200 blocks in the west of the city where the Council is the minority owner, with the tendered price now £2.98m. This is £0.720m more than originally budgeted for due to inflationary pressures, including a 10% contingency fund. This would be the final phase of the programme agreed in 2019.
- 3.3 At a time of high construction cost inflation, and over 5,000 homeless households waiting to be allocated settled accommodation, it is proposed that these funds could be used more effectively to deliver investment in the development or purchase of new homes.

4. Main report

- 4.1 Following the decision of March 2019 to invest in secure door entry systems across the city, 832 blocks have had secure door entry systems fitted, with 2,000 tenants and just under 3,000 owners benefitting, at a cost of £6m. In the same timeframe,

the SHQS score for council owned stock has changed from 86.2% to 92.5% when applying comparable Scottish Housing Regulator (SHR) technical guidance. On [23 February 2023](#), the Council budget for 2023/24 was agreed. Subsequently Housing, Homelessness and Fair Work Committee on [9 March 2023](#) approved the 2023/24 HRA Capital Programme, for investment of £173.361 million in Council homes and estates.

- 4.2 In Appendix 1 to that report, £8.791m was identified to fund general improvement work in communal areas of blocks in existing Council homes and neighbourhoods. This includes £2.260m for Secure Door Entry follow-on improvement and CCTV, to continue the progress of secure door entry systems in Council minority-owned blocks.
- 4.3 Officers have been working to agree the upgrading of 200 blocks in the west of the city where the Council is the minority owner, with the tendered price now £2.98m. This is £0.720m more than budgeted due to inflationary pressures, including a 10% contingency fund. This will be the final phase of the programme agreed in 2019.
- 4.4 As consultation has been concluded and binding scheme decisions reached in some tenement blocks, the balance of the committed sum (£1.375m) remains unspent and without any engagement having taken place with private owners. In addition to this, the Council's bid for funding from the Scottish Government's Long Term Ukraine Resettlement Fund has been successful. This potentially frees up £1.3m from the internal upgrades Capital budget (agreed in March 2023).
- 4.5 These combined funds could enable £2.675m of borrowing capacity in the 2023/24 HRA Capital Programme. At a time of high construction cost inflation and over 5,000 homeless households waiting to be allocated settled accommodation, it is proposed that these funds could be used more effectively to deliver investment in the development or purchase of new homes.
- 4.7 Officers are currently appraising opportunities to purchase new build homes off the shelf from private developers. Purchases would be conditional upon grant funding being made available by Scottish Government and approval of a viable financial business case by Finance and Resources Committee. Should these opportunities not come to fruition, there is an opportunity to accelerate the Council's acquisition programme. That seeks to consolidate ownership in mixed tenure blocks where the Council already owns at least 50%. This not only increases the number of new social rented homes, but also improve the quality of tenants' homes as the Council will be able to complete repairs and improvements more easily in majority owned blocks.
- 4.8 The Rapid Rehousing Transition Plan is designed to reduce homelessness and a key component is to increase access to housing across the city. Edinburgh currently has c5,000 homeless households, with the average homeless journey time currently 672.5 days.
- 4.9 In the context of these identified cost and access pressures, it is therefore proposed that a decision be made to pause the door entry scheme and allow the identified

funding to be used on new housing programmes, with a Business Bulletin update provided in three cycles outlining how the funding has been committed.

5. Next Steps

- 5.1 If Committee approves the recommendation, officers will proceed to identify appropriate schemes to commit the combined funds to. These will be progressed for approval to Finance and Resources Committee or agreed under Delegated Authority (if appropriate).
- 5.2 A Business Bulletin update will be prepared in three cycles to update Committee.

6. Financial impact

- 6.1 As these funds have already formed part of this year's budget, there is no additional funding requirement and therefore no additional financial risk. The funds being considered amount to £2.675m, which may be spent as one fund, or added to others to increase funds available for a specific scheme. A Business Case will be developed as required once an appropriate scheme has been identified, for agreement under Delegated Authority or by Finance and Resources Committee.
- 6.2 This report deals with genuine underspends (i.e. monies no longer require to be spent this financial year or in future years), rather than any slippage in the current Capital Investment Programme that will need to be accounted for in future years.

7. Equality and Poverty Impact

- 7.1 It is believed that the proposals in this report will have a positive impact on equality and poverty as they will improve access to housing.
- 7.2 An Integrated Impact Assessment has been prepared and will be uploaded to the [Council website](#) in advance of Committee.

8. Climate and Nature Emergency Implications

- 8.1 An individual assessment (or assessments) will be undertaken as scheme(s) are developed.

9. Risk, policy, compliance, governance and community impact

- 9.1 No consultation has been undertaken over this proposal.
- 9.2 Key risks related to this report are reputational, in two areas. Firstly, non completion of the programme identified in 2019 will mean a small minority of tenants and private owners in tenement blocks where the Council is the minority owner will not

benefit from upgraded door entry systems. Secondly, and contrasting with the first, the current number of homeless households in the city is high and homeless presentations remain high. Failing to use these funds to purchase additional properties may lead to a perception that options to resolve this long-term concern remain untaken. With the Council currently being in breach of the Unsuitable Accommodation Order, there is also a social and legal risk to failing to reallocate these funds for increasing housing supply.

10. Background reading/external references

- 10.1 [HRA Capital Programme](#) - Housing and Economy Committee, 21 March 2019.
- 10.2 [Council budget reports](#) – The City of Edinburgh Council, 23 February 2023.
- 10.3 [Capital Budget](#) - Housing, Homelessness and Fair Work Committee, 9 March 2023.

11. Appendices

None.