

Agenda Item 7

**Supplementary Report – Update on Raynes Close**

**Eco equipment (follow up and progress report), Raynes Close, Bagshot Road, Brookwood Farm**

Prepared for: Overview and Scrutiny Committee meeting 22 Jan 2018

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Background and summary of events:

The 12 property profile at Bagshot Road and Raynes Close are seven shared owners; two properties have stair cased up their shares to full ownership; the remaining 3 properties are fully owned and rented through Thamesway Housing Ltd.

The properties were built with modern low energy construction techniques and fitted with “eco equipment” which includes; mechanical heat recovery ventilation, rainwater harvesting equipment, PV roof panels and a private wire electricity network as supplied by Thamesway Energy Ltd.

The shared ownership leases stated that Thamesway Housing Ltd is to retain the ownership, upkeep and maintenance of the provided “eco equipment”, and recover the costs from residence through service charges.

During the course of occupation, the residents made representation and challenged Thamesway against the service charges, claiming that the heat recovery and rainwater harvesting equipment was not working or sufficiently maintained, and some residents had chosen to withhold paying their service charges.

In April 2017 an open residents meeting was held to provide an opportunity for residents as a group to discuss their concerns with Thamesway Housing. The outcome from this meeting was a clear message from Thamesway that residents are in breach of the leases for withholding money and to make arrangements to pay the outstanding service charge arrears. It was also agreed to consider solutions, for residents to have a choice to maintain the equipment themselves and gain greater control of the service chargeable items.

It was suggested for parties to explore amending the lease agreement, and transfer the ownership of the “eco equipment” to the resident. During the conversation, residents requested that a survey was undertaken to inform and record the equipments condition, prior to any proposed change of the lease.

During the September 2017 Overview and Scrutiny Committee, two representative residents took the opportunity, by invitation, to present their concerns and historic issues to the Committee members. It was resolved by members that Thamesway is to investigate the issues and report back on their proposals.

These resident driven concerns have been discussed on numerous THL board meetings, where senior board members are supportive with the Overview and Scrutiny Committee directive.

## Progress Report and Actions

Thameswey resourced and selected a suitable independent engineering organisation to conduct the condition survey of the heat recovery, and the rainwater harvesting systems. The surveys were undertaken through September 2017 and the final report was made available in late October 2017.

### Brief Summary of the Condition Report

The Heat Recovery System is deemed fit for purpose, functional and required no enhanced remedial works, beyond the standard cyclical servicing activities.

The Rainwater Harvester System is reported as fit for purpose; however, there are a number of properties observed with missing filter covers requiring replacement. The engineer suggested as an improvement, the system would benefit from the install of an extra fine strainer to the incoming supply; this will help to prevent blockages and sediment entering the system.

In addition to the recommended work, Thameswey has chosen to drain, wash through, and partially refill the underground chamber to have confidence of a relatively clean system on completion.

With due considerations, Thameswey has discussed and in agreement that all the costs for the described works will be met by the Landlord and at no expense to residents.

### Actions to date

Residents have been informed in writing of the survey outcomes on 28 November 2017

In December 2017 contractors were engaged and appointed to undertake the remedial works.

Residents have been informed in writing, introducing the contractor with a description of the full scope of works and a request for access by appointment during January- February 2018.

Thameswey will continue to manage the process through, until each shared ownership property has been attended.

### Future maintenance and other matters

Thameswey Housing will follow up in April 2018 with proposals for amending the lease, to provide the leaseholders with the choice to maintain the equipment directly, with no further obligations for the Landlord.

There has been a concern raised that the residents wouldn't gain the benefits of the contractors' buying power, for bulk purchasing of eco equipment filters and spares. To address this item, we advise that our attending internal contractors purchase the spares from various domestic internet retailers and therefore are readily available for residents to buy at the same cost.

An enquiry has been received regarding obligations to residents with 100% ownership. We advise that at the time of sale then all obligations are transferred to the homeowner and Thameswey has no further requirement to upkeep or maintain any part of their property. The homeowner still retains obligations for costs for maintaining the communal areas collected through a service charge contribution.

A query has arisen regarding the three Thamesway owned and rented properties and how the service charges are distributed. These properties are full market rented, and any expense from internal or external repairs and maintenance related to these properties are covered directly from the rental income.

The costs for the maintenance and upkeep of the Raynes Close, the street lighting and grounds maintenance is distributed in exactly the same manner as the rest of the estate. They are included with the total property count and charged at a 12th division to each address as a contribution towards the service charge. The tenant does not need to pay a separate service charge bill, as the rental income is inclusive for the costs, which is reviewed on an annual basis.

Report end