

**ASBESTOS TREATMENT SUPPLEMENTARY BUDGET  
REPORT OF THE DEPUTY CHIEF EXECUTIVE (CORPORATE  
DIRECTION)**



**WARDS AFFECTED: ALL WARDS / CORPORATE ISSUE**

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**1. PURPOSE OF REPORT**

- 1.1 To update members on the current position regarding asbestos treatment at a number of Housing properties.
- 1.2 To seek member approval for a supplementary budget required to cover the costs arising from the required treatment.

**2. RECOMMENDATIONS**

- 2.1 That Council approves the supplementary budget of £130,000 from the Housing Revenue Account (Responsive Repairs) to enable all of the required works to be carried out.

**3. BACKGROUND**

- 3.1 As a result of other works being carried out, the Housing Repairs Service has become aware of a risk of asbestos dust and particles being present in the loft space of some of our properties. The risk is present within our British Iron and Steel Federation (BISF) Non-Traditional Houses (98 in total). Appropriate testing was commissioned to determine the precise nature and content of the dust and particles in the loft space.
- 3.2 The reports have been submitted stating that chrysotile asbestos cement dust is indeed present in small amounts with a recommendation that the contamination is to be removed and safely disposed of. As the contaminate is also present within loft insulation, the removal works will also require making good with new insulation.
- 3.3 Providing the asbestos is not disturbed, it does not pose a risk to health. All affected tenants and residents have therefore been advised not to enter the loft space until the works have been completed. Upon completion of the works, further tests will be carried out, including an air test, to ensure all traces of the contaminant has been removed.
- 3.4 The works now need to be carried out as soon as possible at all affected properties. 39 of these 98 properties have been previously sold under the Right to Buy scheme. Whilst the Council does not have a statutory duty of care to these properties, we do have a moral duty and should act responsibly, as such, they are included within the work programme.
- 3.5 A procurement process has been used to select an accredited contractor for the works through an Efficiency East Midlands framework. The cost of the works for all properties is c£130,000. This work was not programmed as it was unforeseen and therefore cannot be met from existing budgets. Council is therefore asked to agree a supplementary budget of £130,000 in accordance with Financial Procedures.
- 3.6 It is understood that the asbestos remains following reroofing work that was undertaken during programmed works in the 1980s where the removal should have been completed.

#### **4. FINANCIAL IMPLICATIONS (KB)**

- 4.1 The original responsive repairs budget for 2013/14 was £1,058,655. This was reduced by £150,000 in September 2012 following Council approval of a virement to the HRA capital scheme.
- 4.2 On the basis of the above, this supplementary would mean a revised estimate for Responsive Repairs of £1,038,655 as indicated below:

	Budget £	Supplementary £
Original budget	1,058,655	
Supplementary budget (Sept '12)		-150,000
Revised estimate	908,655	
Supplementary budget (Jan '13)		130,000
Latest estimate	1,038,655	

- 4.3 The expenditure for asbestos removal cannot be capitalised as the cost of the work on individual properties is below the capitalisation threshold for the Council. In addition, the work is not deemed to be an enhancement to the properties.
- 4.4 The Housing Repairs Account had an opening balance of £420,170 as at 1<sup>st</sup> April 2012. The cost of this additional work will be funded from this balance.

#### **5. LEGAL IMPLICATIONS (AB)**

- 5.1 With regard to the Council's liability for properties previously sold under the right to buy scheme. In the sale of any property it is the responsibility of the buyer to carry out sufficient surveys of the property to ensure that the property is sound and that there are no dangerous materials such as asbestos in their construction. The Council does not have any legal liability to the homeowners of these properties.
- 5.2 As there have been no personal injuries and the failure to remove the asbestos happened more than 15 years ago the Limitation Act 1980 provides that no action can now be taken against the roofing contractors who originally carried out the work.

#### **6. CORPORATE PLAN IMPLICATIONS**

The Council's financial standing is maintained and the finances remain healthy over the period of the plan.

#### **7. RISK IMPLICATIONS**

It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision/project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report/decision were identified from this assessment:

<b>Management of Significant (Net Red) Risks</b>		
<b>Risk Description</b>	<b>Mitigating Actions</b>	<b>Owner</b>
Asbestos being present in additional properties	All known presence of asbestos is recorded within the Council's Asset Maintenance System. Asbestos surveys still continue to be carried as required.	Ian Parsons

**8. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

None.

**9. CORPORATE IMPLICATIONS**

By submitting this report the author has taken the following into account:-

- Community Safety Implications
- Environmental Implications
- ICT Implications
- Asset Management Implications
- Human Resources Implications

Background Papers:           None

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