DARLINGTON
Borough Council

Housing Services Asset Management Strategy 2024 - 2029

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Introduction

We are committed to providing safe, energy efficient and comfortable homes. This strategy sets out how Housing Services will ensure the efficient and effective management of its homes, as a core requirement of meetings our landlord services function.

The Housing Revenue Account (HRA) business plan is the Council's strategy for spending and borrowing to maintain its stock, operate services for its tenants and leaseholders, and design and build new council homes. As with any other business plan, it must show that we have clear proposals for achieving our objectives and that these are financially viable in the short, medium and long term. Having an HRA Business Plan that is approved by full Council, based on reasoned assumptions and an underlying financial model, forms the basis of good governance and sound financial management. It demonstrates that we are spending tenants' rent and service charges effectively and achieving value for money and managing debt and reserves to maintain a viable HRA overall. This strategy provides a framework under which the investment detailed in the (HRA) Business plan 2024-2053 can be achieved.

Asset management is the range of activities we undertake to ensure that our Housing Properties (assets) meet the needs and standards for the future.

The Housing Asset Management Strategy not only has to direct our investment priorities but also demonstrates how we will deliver excellent services to our tenants, leaseholders, and wider stakeholders. It will identify how we will ensure that people living in our homes remain informed, involved, safe and secure.

The strategy outlines the approach and commitments the council is making under the following key themes:

1. Understanding our service, homes, tenants and stakeholder requirements
2. Providing modern, safe and secure homes for tenants and leaseholders across the borough
3. Proactively decarbonizing the homes to support our Housing Services Climate Change Strategy
4. Developing skills and supporting the local economy.

We will think strategically about our property portfolio to ensure we maintain value and help to meet our aims and objectives.

Background

In 2011, we implemented our previous HRA Housing Asset Management Strategy with aims:

- To deliver an investment standard that mean our homes continue to achieve the decent homes target, reduce fuel poverty, meet identified needs, and contribute to community development.
- To manage the repair and maintenance service as an integral part of asset management, with a twin focus on improved performance and lower costs.
- To manage the stock portfolio, in terms not just of age, condition and standards, but also as part of a process of assessment to guide policies of re-investment to meet the needs of current and future tenants.
- To support our corporate priorities through investment plans that reflect the agreed allocation of resources for repair, maintenance and improvement of the stock and contribute to sustainable homes in sustainable communities.

Since that time, the housing sector has faced a period of great political and financial pressure characterised by rent cuts and the sector's response to the Grenfell Tower fire in 2017.

Despite those challenges during the lifetime of the strategy, we have delivered against our action plan, as follows:

- Undertaken a new Stock Condition Survey and further improved the quality of our stock condition data through in-house surveys.
- Implemented a new IT system to manage the maintenance and repairs service, to plan and schedule responsive repairs.
- Introduced on-line repairs reporting for customers.
- Embedded a new asset management IT system (Asset) which includes an 'Intelligent Energy' module.
- Maintained a 100% level of Decent Homes compliance.
- Recorded that 80% of customers are satisfied with the repairs service.
- Continued to invest in the repairs and maintenance of our housing stock at a level that meets the needs of the stock, improving the average Standard Assessment Procedure (SAP) rating to 64 in 2023 and an Energy Performance Certificate (EPC) rating of D in 2023. The SAP rating is the methodology currently used by government to estimate the energy performance of homes. The methodology has two main uses:
  - To demonstrate compliance of new homes with Part L of the Building Regulations
  - To generate EPC's, which tells us and our tenants how energy efficient a building is and is rated from A (very efficient) to G (inefficient).

Aims

We will maintain our housing stock to a high standard that ensures effective investments, while meeting legislative requirements and meeting the needs of our tenants and leaseholders.

This strategy is based on four key aims:

1. Ensure the housing stock is safe and well maintained.
2. Develop a housing portfolio that is fit for purpose, meeting the needs of current and future generations of tenants and their families.
3. Improve the energy efficiency of the housing stock and the ways of working that reduce carbon emissions and level of fuel poverty.
4. Developing skills and supporting the local economy

Our key priorities are:

- Ensure homes are always safe and compliant.
- Develop a fabric first approach to net zero carbon in use.
- Continue to invest in the new build programme.
- Work towards a ratio of at least 70:30 planned maintenance to responsive repairs.

This strategy is framed around the following objectives and will continue to act as the framework, which will drive the decisions on housing asset spend in the 30-year HRA business plan. It provides the framework around which the maintenance, regeneration and the new build of our social housing portfolio will be undertaken.

- Delivery of an efficient and effective repairs and maintenance service is both critical to tenant satisfaction and the proper management of the property portfolio.
- We need to minimise the number of responsive repairs we undertake. This strategy will be reviewed annually, with a key aim of reducing the work undertaken as a responsive repair and to increase the work undertaken in a planned manner.
- All maintenance activity will be undertaken in a targeted and timely manner, which makes the most cost-effective use of maintenance resources and protects the value of an asset.
- We will ensure, through proactive contract monitoring, that all work undertaken on our properties by external contractors, or by other Council services under Service Level Agreements, is completed to a high standard and in a timely manner.
- We will support our tenants by completing minor adaptations to their homes, where appropriate, and will support our tenants in making applications for larger adaptations.
- We will take a fabric first approach with our properties, to support delivery of net carbon zero targets.
- We will set an annual budget to deal with environmental issues, to support the woodland strategy, such as tree management and hedge cutting.
- We will review our asset performance, such as the number and cost of repairs, to ensure investment decisions are appropriate. This evaluates the costs required to bring properties to the correct standards and if they are value for money (this is known as a stock asset performance review).
- We are the freeholders of our properties, and we will work our leaseholders under the terms of their leases, to ensure the safety of the building, including fire safety.

In summary, this strategy aims to build on the successes of our previous HRA Asset Management Strategy and sets out our approach to asset management moving forward. It also aims to make the link between our ambition and delivery on the ground, helping an improved sense of place and community. This will be achieved with a set of key actions, which we will deliver over the next five years.

Given the increased knowledge we now have about how our stock is performing, this strategy purposely draws on this intelligence and the stock asset performance review we have undertaken in the past five years, to highlight our asset management challenges and priorities moving forward.

Our Approach

Delivering our Asset Management Strategy

To achieve our strategy aims and objectives, we have developed a time-bound and prioritised action plan.

As a plan for action, this strategy purposely takes account of changes in our operating environment and sets out the priorities for the next five years. These priorities apply to the specification, physical care and improvement of our property related assets.

We will deliver the strategy aims and objectives by:

- **Working with our tenants** - ensuring effective engagement, involvement and communication with our tenants, both about repairs and maintenance and safety relating to their individual homes and in the areas surrounding their homes, such as open spaces and communal entrances.
- **Adding Social Value** - ensuring real local employment and training outcomes for the town's residents and communities and ensuring investment programmes and other asset management related interventions are delivered in a cost-effective manner and following sound procurement principles, including, where possible, meeting the needs of young people and particularly those in care and care leavers. We will do this through our standard procurement processes.
- **Enhancing the value of the HRA asset base** - we are committed to achieving value for money (VfM) in the way that we deliver services. We recognise that having a value for money service relates to the quality of the service provided, as well as the cost. We recognise the need to deliver ever improving and cost-effective services for all our tenants and in doing so, we will seek to adopt good practice and incorporate VfM principles into every project. VfM will be an integral element of all performance measures and we will work to ensure that there is VfM awareness throughout the organisation and partners that we work with.
- **Maintaining the availability of accurate information about the HRA asset base** - ensuring programmes, interventions and investment decisions are timely and well informed, being based on good quality information associated with our properties.
- **Maintaining compliance with statutory obligation and emerging legislation** - ensuring that all statutory compliance obligations are achieved, that plans are in place to respond to anticipated legislative and regulatory changes, including those stated in the Social Housing White Paper 2020 and the Carbon Zero agenda, and that we can respond to any new regulatory requirements.

Impact of the strategy

This strategy will have a positive impact upon the repairs and maintenance service and therefore, on the organisation as a whole.

This strategy will help to:

- Improve tenant satisfaction with property standards and the repairs service.
- Contribute towards having a well-maintained property portfolio, ensuring that capital and revenue funding is effectively prioritised and utilised.
- Deliver projects effectively and efficiently.
- Maximise returns on any investment into properties.
- Deliver continuous improvement through performance management.
- Allow an effective utilisation of resources.
- Provide our tenants with warm, safe and sustainable homes.

Legislation and Regulation

As a registered provider of social housing, we adhere to the required standards set out by the Regulator of Social Housing (RSH) in the Consumer Standards:

- Housing Services Information Standards 2024 - We will process and manage your data to ensure we keep your information safe and secure.
- Housing Services Safety and Quality Service Standards 2024 - Our commitment to providing safe, energy efficient and comfortable homes.
- Housing Services Your Neighbourhood and Community Service Standards 2024 - We want our neighbourhoods to be places where you want to live and where you will have peaceful enjoyment of your home.
- Housing Services Rent Account Service Standards 2024 - We are committed to providing an effective, accessible, and accountable rent collection service to assist tenants to be able to pay their rent and service charges.
- Housing Services Tenant Involvement Service Standards 2024 - Involving our tenants in everything we do is integral in helping us to shape and improve our services. We want to make sure that you can easily give us feedback and be involved in improving our service.

We will adhere to the standards set out in the Consumer Standards and determine how we meet these. The Safety and Quality Service Standards has particular importance within this strategy and will become an underlying core value as this sets out our commitment to providing safe, energy efficient and comfortable homes.

We will comply with the significant range of legislation and regulation which supports the delivery of repairs and maintenance and the standards that govern the way in which we work, including (but not limited to):

- Housing Act 1985.
- Housing Act 2004.
- Defective Premises Act 1972.
- Homes (Fitness for Human Habitation) Act 2018.
- Data Protection Act 2018.
- Equality Act 2010.
- Commonhold and Leasehold Reform Act 2002.
- Management of Health and Safety at Work Regulations 1999.
- Gas Safety (Installation and use) Regulations 1998.
- The Secure Tenants of Local Housing Authorities (Right to Repair) Regulations 1994.
- Landlord and Tenant Act 1985.
- Building Regulations Act 1984.
- Defective Premises Act 1972.
- Health and Safety at Work Act 1974.
- Regulatory Reform (Fire Safety) Order 2005, including requirements for Fire Doors and Means of Escape (MOE).
- Housing Health and Safety Rating 2006.
- Control of Asbestos Regulations 2012.
- Data Protection Act 2018.
- Building Safety Act 2022.

Links to internal policies and procedures

This document should also be read in conjunction with:

- Housing Management Policy 2022-2026.
- Repairs Handbook.
- Housing Services Damp, Mould, and Condensation Policy 2023-2027.
- Leaseholder handbook.
- Fire Safety Policy for Sheltered and Extra Care Accommodation.
- Darlington Borough Council Customer Standards.
- Housing Services Tenancy Agreement.
- Housing Services Void Lettable Standards.
- Housing Complaints, Compliments and Comments Procedure.
- Housing Services Climate Change Strategy.
- Housing Services Repairs and Maintenance Policy.

Social Housing [Market] Context

Asset Management in the affordable housing sector has been going through a significant transformation in recent years. This is described as the sector moving from 'doing maintenance' to becoming strategic managers of assets.

The Decent Homes Standard was, for many years, the key sector driver, using stock condition data to drive timely programmes of elemental replacement, such as kitchens and bathrooms, while providing effective repairs services. We established our own standards 'The Darlington Standard', meaning some replacements were carried out earlier than recommended.

The Decent Homes Standards (DHS) dealt with historic underinvestment issues and keeping that standard has been important for residents. However, following a government consultation, 72% of respondents identified changes were needed. As part of the social housing white paper, the government committed to carry out a review of the DHS. This was also built upon in the levelling up white paper, which sets to reduce the number of non-decent homes and bring legally binding DHS into the private sector.

The sector continues to change, and the government relaunched its review of the DHS in June 2023. This review will consider a range of changes including:

- An updated list of items which must be kept in a reasonable state of repair for a home to be considered 'decent'.
- An updated list of services and facilities that every property must have to better reflect modern expectations for a 'decent' home.
- Whether the current DHS sets the right standard on damp and mould, to keep residents safe.
- Updates to how the condition of building components, such as roofs and walls, are measured to ensure that buildings which are not fit for use, cannot pass the standard.
- The introduction of a Minimum Energy Efficiency Standard for the social rented sector.

As the DHS is still under review, we need to plan for the unknowns. Our strategy must also include wider considerations:

- An asset management strategy must consider investment and standards in the immediate environment, such as open green spaces, as well as the home within which it is located.
- Building and tenant safety is key, with new legislation and best practice.
- Achieving EPC rating of C or above by 2030.
- Achieving a net zero-carbon housing stock by 2050.

We now need to ensure our asset management strategy and underlying regeneration and investment plans accommodate all these new demands, to continue to give our tenants good quality, safe, energy efficient and well-maintained homes, in attractive places to live.

Our business plans must make adequate provision for all known and expected investment needs and we must be prepared not to invest in inadequate assets, where design, quality, construction type or energy efficiency are not cost effective, to be addressed by capital investment to meet the required standards.

We need to be clear about our core assets, to plan for investing in and improving these, but for any less well performing stock we must be prepared to be more visionary, to secure best overall returns on investment. This will take consideration of the cost of bringing properties up to standards, the costs of ongoing maintenance and repairs, the rental income achievable on those properties and the lifecycle of those properties before further major investment would be required.

This may involve remodeling, demolition, change of use or more significant regeneration. We will continue to use our financial capacity to create the very best housing assets from our existing homes, as well as through regeneration and new development.

Strategic Drivers

Ageing Assets - Maintaining the performance and safety of an ageing asset base.

More exacting tenant expectations - Keeping our assets relevant by ensuring they are aligned with the reasonable expectations of new and existing tenants.

Technology – Exploiting technological advances in property management and ensuring our homes can be adapted to accommodate the increase in use of electric vehicles and are digitally connected.

Climate Change - Responding to climate change by decarbonising our homes and providing homes and services in a sustainable way.

Financial constraints - Becoming more efficient in the way we manage limited financial resources from HRA income and seeking opportunities for inward investment, such as grant funding.

Legislative and regulatory change - The social housing white paper 2020 (including DHS Review proposals) and further significant changes to building safety and consumer standards.

Asset Management Components, Tools and Information

We need significant additional investment to improve energy efficiency, as well as the ongoing investment in key components (such as kitchens, bathrooms and windows) and building safety. To effectively balance and manage these priorities, we will ensure we have a strong approach to understanding our assets, the service expectations of our tenants, as well as the data to support our decision making. Additionally, this will be clear and well communicated, to ensure we have a coordinated and consistent approach to our investment in our housing stock.

This will be managed through an improved approach to both asset and service data and intelligence, so we know as much as we can about our tenants and their homes.

Asset Data

Having accurate and up-to-date Stock Condition Surveys will be vital to understanding the current standard of our properties, as well as being able to carefully project the investment requirements over the 30-year business plan. Following a recent data review, the elements of data we collect and the ICT systems we use are robust. Even so, we will refresh, update and improve the accuracy of the data we hold, as well as increasing the number of properties we will survey.

We will work closely with our contractors, analysing their data to identify materials or components which are more costly to maintain, or where we are seeing repeat failures. This will be used to continually improve our quality standards and specifications. We will also use this data to inform our New Build Design Standards. We will develop a rolling programme of new stock condition surveys and we will also undertake a review of our ICT systems and data held, including future development and the investment required.

We have developed a range of analytical tools to assist in meeting our aims. These include:

- An asset system supported by extensive stock condition data, which is regularly updated through ongoing surveys.
- Maintenance planning, building safety and repairs scheduling systems.
- An HRA Business Plan to support programmes of work including:
    - A planned maintenance programme, achieving economies by replacing components just before they would otherwise require responsive repairs, anticipating changes in minimum acceptable standards, and reducing future requirements for demand driven maintenance.
    - Regularised maintenance programmes with a primary focus on keeping residents safe in their homes, such as testing fire alarms and smoke detectors.
    - Cyclical maintenance, such as gas servicing to prevent deterioration in the physical condition of the stock.
    - A responsive maintenance service to address unforeseen irregular repairs and to prevent unplanned deterioration in its condition.
    - An efficient and effective empty homes repairs service, ensuring we offer our new tenants' good quality and safe homes that meet our lettings standards.

Asset Profile and Grading

We own and manage approximately 5,300 homes, 114 of which are leasehold, with an approximate value of £390m. These provide a well-balanced mix of property types that supports the ranging household compositions and needs of our tenants. The majority, 93%, of homes are let as general needs, with some of these allocated specifically to older people.

There are no high-rise residential buildings (over 11m) within our stock, which greatly reduces risk in terms of building and fire safety, in comparison to other social landlords. Even so, the building safety agenda remains a key priority.

The nature and requirements of leasehold properties does vary to that of General Needs properties due to the properties being owned by the resident, but we retain some maintenance and upgrade responsibilities, and this has been considered when developing this strategy.

The council has several sheltered schemes which, because of their vulnerable tenants and possible difficulties in evacuation, will be considered high risk by this strategy.

The council also owns 1,018 garages, which are rented to both council tenants and other residents. We have reviewed the condition and overall demand for our garages, but this has been on individual garage sites, rather than taking a holistic view. Consideration has been given to the use of less popular garage sites for future development opportunities and assessments will be conducted to understand the current condition and future maintenance liability, to improve the letting of garages. Whilst a garage strategy has not specifically been developed as part of this Asset Management Strategy, the standard, safety and use of garages is an important factor of good asset management and is considered as part of the provision of quality homes.

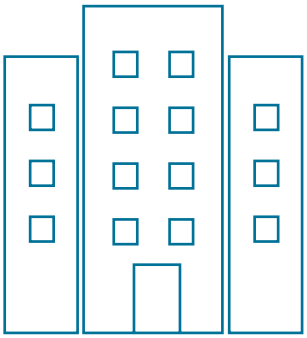
Stock Profile

Senior Living

5%

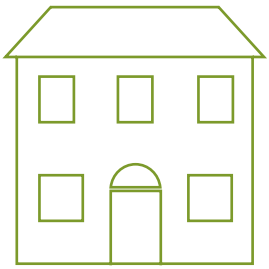
Bungalows

7%



Flats/Maisonettes

40%



Houses

45%

Pre 1945 - **15%**

1945-1965 - **49%**

1965-1973 - **21%**

1974+ - **15%**

Property Type	No of Properties	1 bed	2 beds	3 beds	4+ bed
Flats/Maisonettes	2,089	1,503	586	-	-
Houses	2,567	0	1,051	1,474	42
Bungalows	344	313	30	1	-
Sheltered (Flats)	209	209	-	-	-
Extra Care (Flats)	48	48	-	-	-
TOTAL Dwellings	**5,257**	**2,073**	**1,667**	**1,475**	**42**
Other Properties	**Quantity**				
Garages	1,018				

Age Profile of tenants

The adult population has an increasing life expectancy; currently, 30% of our tenants are aged 65 or over. Due to this expected increase, an ageing tenant population will bring increased health issues and vulnerabilities. 9% of all our tenants have notified us of a disability.

Adaptations will support our tenants living longer but not necessarily in good health. This will mean we will need to cater for frailer tenants who may not be able to meet their responsibilities to look after their homes, which may need significant support due to dementia rather than a physical disability.

The design of new properties and adaptation of existing homes to meet the ageing population, will be a key feature of out Asset Management plans. Properties that enable tenants to remain in their homes longer will need to embrace not just structural adaptation, but also telecare products that enable remote monitoring and care. Links with our Housing Lifeline Service, social care and other appropriate partners will become essential, as the same tenants may be cared for by the different agencies.

27% of our tenants are aged 40 or under. Due to this younger population, we are seeing an increase in demand for family homes. This also brings opportunities and drivers for new technology and smart homes. Since the Covid pandemic, we have seen an increase in the use of digital and online services. Technology is already changing the way we do things across multiple services, such as enhancing customer service and providing transparency, where previously there was none. Although transparency is important, the data collected is arguably even more so. It can be used to inform and improve our services, helping us to analyse trends, predict behaviour and provide better customer service. Technology can also be a driver to improve safety, such as monitoring when smoke detectors are offline, or predicting homes that are at increased risk of suffering damp or mould conditions. We will continue to explore these technologies to help support us to take a proactive approach to managing both our stock and the health and safety of our tenants.

Asset Management Objectives

In addition to compliance with all legal requirements, we will:

- Ensure all tenants live in homes that offer affordable warmth, by completing Energy Performance audits of our properties ensuring all achieve minimum of EPC Band C by 2030. Where this is not possible, we will review our options in line with the Housing Climate Change Strategy.
- Maximise all available grants, particularly relating to energy improvements and making applications for works to improve our properties.
- Reduce the risk of condensation and mould growth, by ensuring adequate ventilation, along with sufficient levels of insulation and adequate heating. We will also advise residents on how to reduce moisture levels in their homes in line with our Housing Services Damp, Mould and Condensation Policy
- Ensure all tenants live in homes with adequate levels of fire protection by completing Fire Risk Assessments and regularly assessing these, completing new assessments if significant changes occur within the property.
- Ensure all tenants live in homes with appropriate levels of security, by listening to our residents' concerns and those of the people that support them and ensure we support any request to improve security, both within the home and to the boundaries.
- Ensure that appropriate tenant engagement is undertaken and that tenants are involved in any project works to be completed within their home, prior to commencement.
- Maintain all properties in the most cost-effective manner over a realistic period, including the completion of appropriate option appraisals, where necessary.
- Ensure all works are recorded on the asset management system, along with updating the attributes, such as date of install and expected life cycle of that component.
- Review high-cost schemes and schemes that appear un-economical.
- Increase the proportion of planned maintenance to responsive repairs by working towards a budget split of 70:30 respectively.
- Reduce reactive maintenance costs, by ensuring all properties are loaded on to the asset management system with relevant attributes, updated to reflect current condition.
- Conduct timely replacement of property components. By ensuring all information is loaded on to the asset management system, we can ensure planned maintenance programmes can be calculated and planned when they are due.
- Ensure consistency of improvement standards. Ensuring everyone is given the opportunity to give feedback on the way to improve the delivery of our services. As an example, we will work with our new build design team, and our planned and responsive maintenance teams, to explore new products together and apply those improvements across all areas.
- Develop our workforce, through improved training and skills development, and address any shortfalls in staffing resources through proactive recruitment drives, apprenticeships and procurement of external contractors, where required.

Planned Maintenance

Planned Maintenance (PM) are works caried out at agreed intervals to keep our homes in good repair and working order. We upgrade major components, such as central heating systems, kitchens, and bathrooms when they reach the end of their useful life. This helps to reduce the number of unplanned repairs, by reducing the probability and likelihood of failure. PM tasks are undertaken in accordance with a predetermined plan at regular, fixed intervals.

The advantages of PM over responsive repairs are:

- Maintenance tasks can be planned and undertaken when convenient for the tenant and staff.
- Maintenance costs can be reduced by avoiding the cost of consequential damage and use of emergency resources.
- Downtime (the time that an element of the building or whole building is out of service) can be minimised, so the occupancy and rental income of the building is maintained and increased.
- Health and Safety of tenants and staff can be improved.

However, there are some disadvantages to consider with PM:

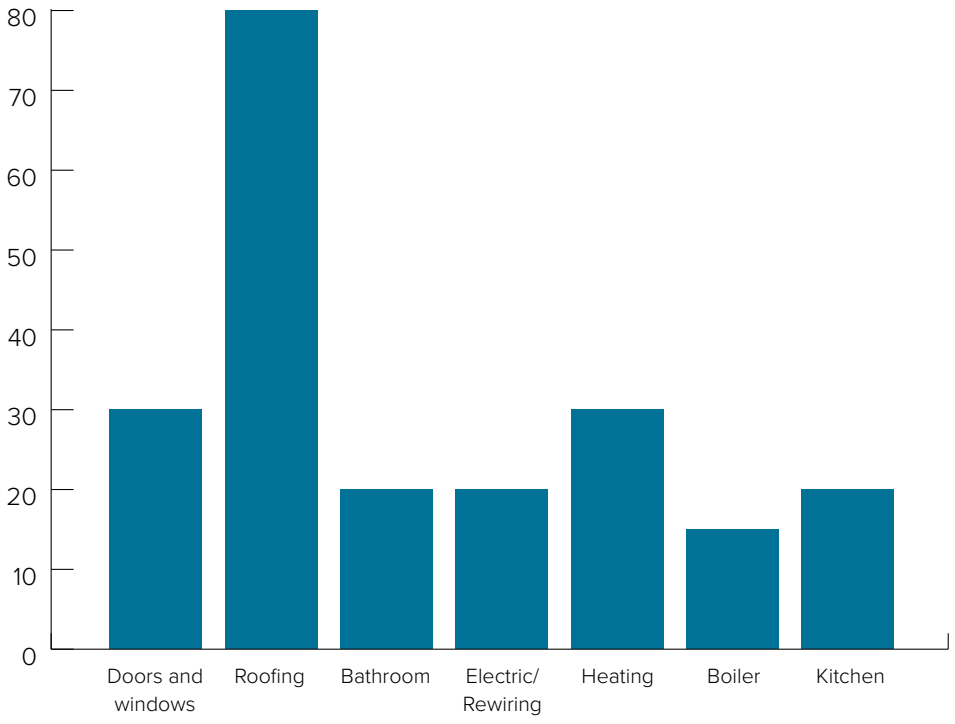
- Maintenance will be performed irrespective of the condition of the item/element (that is, some tasks will be performed on elements that may have remained in a safe/acceptable operating condition for a longer period).
- Maintenance tasks can be more costly in terms of spare parts and labour costs if they are carried out without control or when not required.

To address these disadvantages, we will consider the condition of the item/elements against their current lifecycle and the current number of repairs, to review if the lifecycle should be extended. In some instances, we may only be required to carry out part replacements, rather than full replacements, such as in a bathroom, where a bath may have a shorter lifecycle than the sink or toilet.

We will also ensure that any new products we use have been considered in relation to maintenance, to ensure all our teams are qualified, skilled, and equipped to deal with those unforeseen repairs, ensuring parts are cost effective and easily obtainable at the same time.

Where resources permit, we will aim for a ratio of 30% funding on Responsive Maintenance to 70% Planned Maintenance.

Current Life expectancy of key elements:



Cyclical maintenance

These are works organised and carried out to a pre-determined plan or interval of time. This can be to meet regulatory, manufacturing, or good practice requirements. This is done to prevent the premature breakdown of time sensitive components, with a view of prolonging the life of that component.

This includes servicing, checking components and identifying elements which may need replacement to avoid failure. An example of this would be Gas Boiler Servicing. We are required by law to carry out an annual landlord gas safety check. We exceed this, by carrying out a full service in line with the manufacturer guidelines, to ensure the continued safety and efficient operation of the appliance. At the same time, we also check that smoke detectors and Carbon Monoxide alarms are also in working order. In each of these instances, we check all parts are working correctly and identify if any parts are showing signs of decline and arrange for those to be replaced.

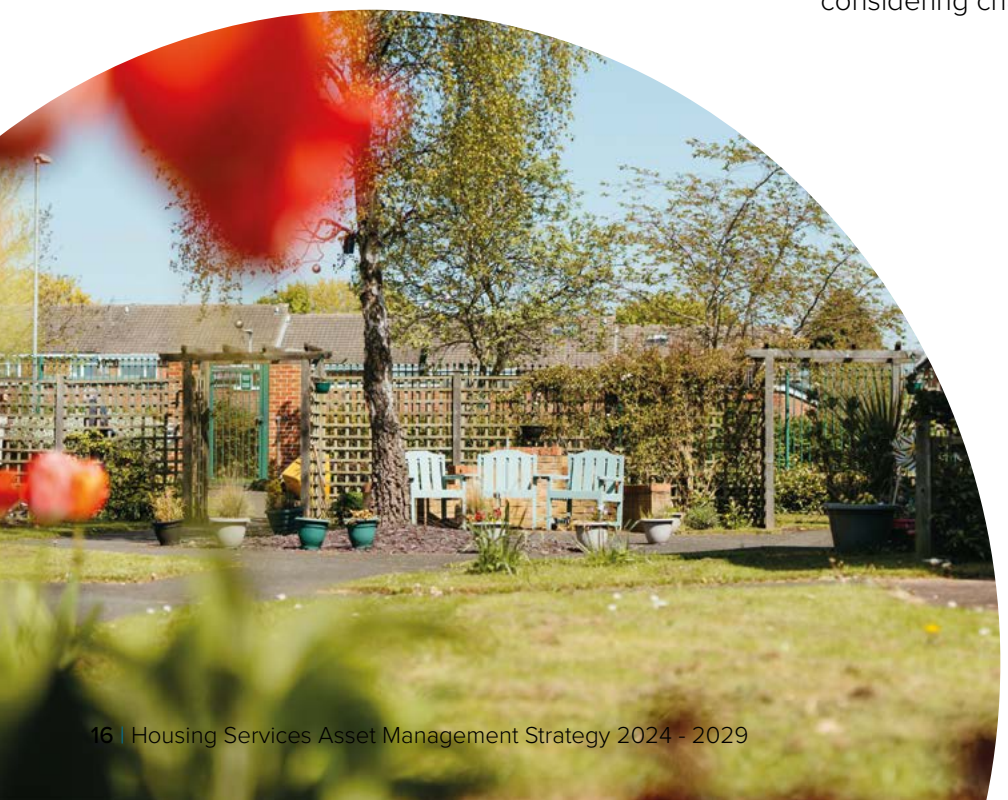
Tenant Involvement

We are committed to involving our tenants and ensuring they play a meaningful part in the shaping of services and setting standards. This strategy complements the council's Customer Engagement Strategy and ensures tenants and leaseholders, their families and carers, are at the heart of the decisions we need to make, to ensure this strategy is a lasting success.

Managing Risk

The evaluation of risk is an essential part of an effective asset management approach. Major decisions taken about the future and utilisation of the asset base in the absence of a risk assessment, may have a long-term detrimental effect on the sustainability of communities and financial health of the HRA.

We have a systematic approach to managing asset-related risks. This involves the regular review of impact and probability of specific risks occurring and an evaluation of the control arrangements that are in place for managing and minimising current and emerging risks. For example, legionella bacteria occur naturally within freshwater and when exposed to certain conditions, such as water being stagnant and exposed to high temperatures, which could occur in hot water tanks/cylinders. Legionella can be breathed in via small droplets of water in the air that contain legionella bacteria, so for instance when running a shower or tap. To eliminate or reduce this risk, we have improved our specifications to remove or move to a lower risk system during our planned programme or empty property works. This would include water tanks or outside taps and are updated, considering changing circumstances.



Funding the Strategy

HRA Business Plan

The HRA 30-year Business Plan is updated annually, providing a long-term income and expenditure profile, based upon the latest data and business priorities. To ensure that the asset management strategy is deliverable, it is critical to understand this business plan and profile this against known and identified additional investment.

As outlined in the Housing Services Climate Change Strategy, significant investment is required to achieve net zero carbon by 2050. This needs to be considered alongside this strategy, to evaluate the performance of our stock against our business plans. This means we need to give careful consideration to the long-term future of any lower performing stock, in terms of energy efficiency and return on investment, together with the lifecycles for asset replacements and the high levels of investment required.

In addition, there are further risks that could potentially impact the balance between the business plan and actual investment needed. The primary factors are considered as:

- Labour shortages and Cost Increases - the social housing sector is experiencing a disproportionate increase in the cost of materials associated with construction and property maintenance; this has been further heightened by wider economic factors and labour/skills shortages. It is expected that component costs will increase and potentially inflation might rise higher than assumptions included within the business plan. This is also expected when labour demand outstrips supply and costs increase, particularly where there will be peaks of similar activity as the sector works towards the short-term 2030 EPC target and the longer term 2050 Net Carbon Zero target.
- Investment to meet Decent Homes Standard - as the standard is still under review, the impact of any changes cannot yet be evaluated and may not have been factored in.

Government Grant Funding

We will continue to bid for Government funding for energy efficient works. This will help support investment into the properties and will offset investment required by the HRA business plan. Any Government funding will need to be matched by investment from our HRA, usually on a 50:50 basis.

Asset management and maintenance

Good asset management needs to consider whether a ‘one-off’ capital expenditure to enhance an asset would reduce the ongoing revenue costs of maintenance. To make the most effective use of limited funds, maintenance and upgrading improvement works are often carried out together to meet service needs.

Maintenance works often involve decisions about using newer, better materials, components and systems, and these will be considered alongside our plans.

Responsibility and Review

The strategy will be monitored on a regular basis, as part of existing governance arrangements and will involve our tenants at key stages in its delivery.

The Government are still developing the Decent Homes Standards and this strategy will be reviewed alongside this, once that has been published.

Performance Monitoring

To assist in our continuous improvement, we will collate and monitor performance information. We will use tenant feedback, including survey data and complaints to look for improvements and will involve our Tenants Panel and Council Members in monitoring this. We will also ensure that our performance is provided to the RSH through Tenant Satisfaction Measures. We will provide information on our performance on our website, our annual report and in our in-house magazine, Housing Connect.

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Name of Policy	**Housing Services Asset Management Strategy**
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Author	**Housing Asset and Compliance Manager**
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