

Better Homes

Housing Asset Management Strategy

2015 - 2020

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1. Introduction & Vision

This Housing Asset Management Strategy (HAMS) has been prepared by London Borough of Barking and Dagenham (LBBd) to complement the Housing Revenue Account Business plan. It is intended to assist LBBd meet its vision and strategic objectives for the housing stock the Council owns and the stock managed on behalf of third parties

Asset management in the context of council housing is the management of the physical assets owned by the London Borough of Barking and Dagenham i.e. houses, land, garages. This strategy aims to ensure that the current and future assets are maintained to an appropriate standard to maintain asset value and to fully support the needs of the local communities.

The strategy aims to ensure that all these assets are well maintained to appropriate standards, are being used to maximum benefit and that opportunities are taken to unlock any untapped potential or take action over stock that no longer meets modern needs or is no longer 'fit for purpose'. As a result, the strategy looks beyond just the physical condition of the properties, seeking to identify actions that can be taken to secure better use of land or properties. It also recognises that at times decisions may have to be made around whether to continue to invest in maintaining existing properties or whether alternative options should be considered in order to provide homes and estates that better meet the existing and future

needs of local people. In this way, the housing stock can evolve over time so it better meets housing needs and optimises the use and value of the property assets.

To deliver this there are three principal objectives:

| | |
|--------------------|---|
| Objective 1 | Delivering a high quality housing stock that meets the needs of our tenants and leaseholders |
| Objective 2 | Optimising the use and value of the housing assets |
| Objective 3 | Developing the Decent Homes standard to achieve an 80% reduction in carbon emissions by 2050 |

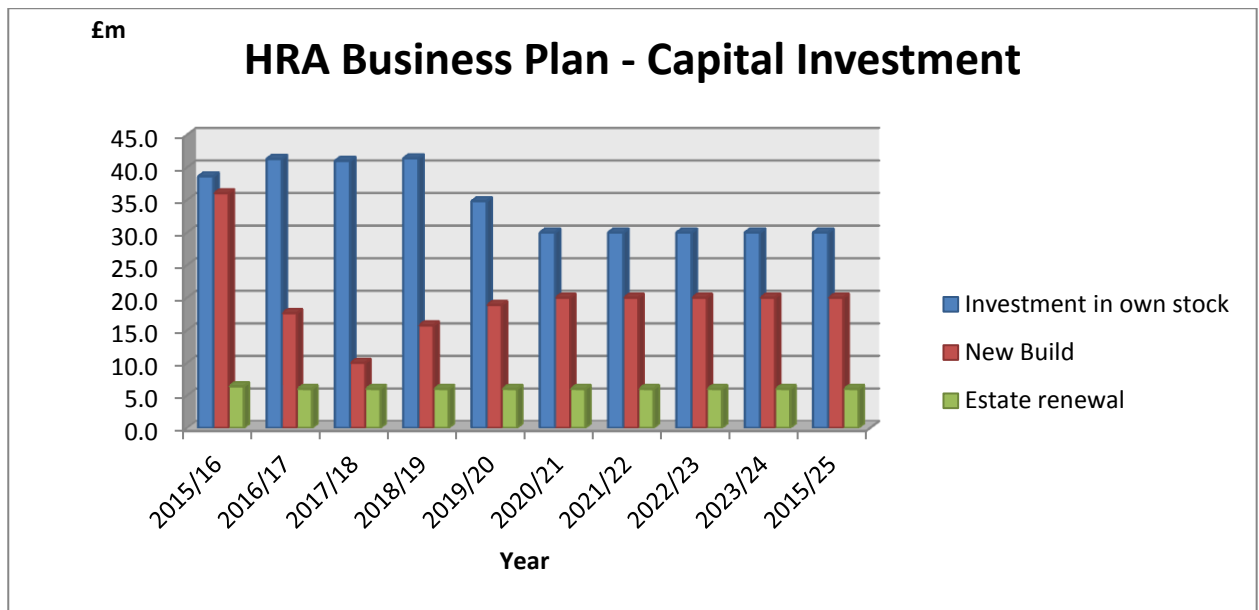
2. The Business Plan

The Housing Asset Management Strategy supports the HRA Business Plan by providing the framework for delivery of programmes of repair, maintenance and improvement, as well as setting the framework enabling the redevelopment of some of the most uneconomic stock.

The HRA Business Plan is committed to achieving 100% compliance against the government's Decent Homes Standard by 2018/19. The commitment to a sustained investment is demonstrated below and shows how the investment in existing stock is to be delivered in conjunction with an estate renewal programme and a significant new affordable housing building programme. The role of the HRA Business Plan is to balance investment across the entire housing service so that our capital and revenue spend is complementary and so that residents receive best value services.

The HRA Business Plan has allocated £347million to investing in our existing homes over the next 10 years. This is based on a balanced approach to providing a housing service along side delivering new build homes and estate renewal. The Business Plan identifies a 10 year revenue provision of £181.64m for planned and responsive repairs and maintenance.

The Asset Management Strategy supports the HRA Business Plan objectives to maintain our homes at a good standard.



This strategy will make sure that decisions about future maintenance, refurbishment and re-development are made through effective business planning processes all with the aim of securing a good quality housing stock into the future. This will ensure that future maintenance, refurbishment and development exceed the basic parameters of energy efficiency and quality as specified in part L of the building regulations.

Asset management is at the heart of organisational delivery and has the potential to positively impact on:

- Delivering against the Value for Money agenda by optimising the use and value of the asset base
- Delivering well maintained and quality homes to meet the needs of tenants
- Delivering regeneration and wider neighbourhood/community sustainability
- Making sustainability and energy efficiency a high priority to mitigate fuel poverty and seasonal mortality which are highly linked to NHS priorities.

Before the reform of the government's financing arrangements for council housing in 2012, the council had limited funding available to reinvest in the maintenance of its housing assets and this period of under investment has led to a backlog of outstanding work. The stock condition survey carried out in 2011 identified a significant maintenance backlog in the short term. While significant progress has been made, this has not yet been fully addressed. The investment need fluctuates over the 10 year planning cycle and the initial higher need will be spread to match the available financial resources. Due to the announcements made in the summer Budget 2015 the impact of falling levels of resources on the investment programme will need to be reviewed.

The council is now part way through an accelerated programme to bring all council owned homes up to the government Decent Homes Standard by March 2019. Decent Homes is a Government standard, introduced in 2000. A decent home, as described by central government is one that is wind and weather tight, warm and has modern facilities – all council homes should be maintained at this standard.

The council has achieved significant success in the last two financial years in obtaining government grant to support these works.

| |
|---|
| 1933 properties completed in 2013/14 |
| 2800 properties completed in 2014/15 |
| Over 10,000 properties will be completed by 2018/19 which includes properties falling out of 'decency' in the meantime. |

Meeting the Decent Homes Standard across all properties is not the end of the process as the essential components needed to provide this standard will continue to age and will require on-going maintenance. The council's aim is to continue a rolling programme of investment that makes sure these components are updated or replaced at the appropriate time.

3. Background & Context

The vision for the London Borough of Barking and Dagenham is:

One borough; One community; London's Growth Opportunity

The borough has 71,000 homes, 18,500 (26%) of which are council owned with 3,300 Council leasehold flats. The rate of council ownership is two and a half times the average for England and Wales (10%).

The council's Choice Homes Housing Register, the "waiting list for housing," has shown a steep rise in demand from around 3,500 in 2003 to 14,500 in 2015. Around 7000 households require one bedroom properties with another 7000 households requiring two and three bedrooms. The B&D Strategic Housing Market Assessment (2011) indicates that just to keep pace with current demand the borough would need to provide a minimum of 1,333 new homes every year. Homelessness has also seen a 28% increase since May 2013 and with the impact of welfare reform can be expected to increase significantly.

The council is aware from the results of Low Income High Cost (LIHC) Fuel Poverty Assessments carried out on several estates that the fuel poverty levels of tenants are well above the national average with high numbers of those households assessed not heating their homes adequately.

In this context the LBBD Housing Strategy 2012 – 2017 supports the overall council objectives with a commitment of continuing investment in improved quality standards in the existing housing stock, to improving fuel efficiency and reducing

fuel poverty. It outlines the borough's plans for the supply of new of high quality affordable housing in the borough and supports the delivery of a sustainable community with the enhancement of the local environment.

It is recognised that the achievement of a significant estate renewal programme does mean pressure on the housing waiting list in the short term as available lets are reserved for use for the decanting tenants, thus decreasing short-term availability and impacting upon waiting times. For these reasons it is vital to monitor the impact of future programmes against the supply of new homes and make sure that all opportunities are taken to provide decant capacity via partnership arrangements for delivery. The production of a ten year housing supply schedule linked to the Local Plan confirms that approximately 800 new homes at capped/social rent will be delivered between now and 2021. ¹

The delivery of the Housing Strategy is measured by:

1. *New council homes and investment in the council's housing stock leading to better health, employment, training and skill levels and community safety*
2. *Achieving a resident satisfaction rating in existing council homes and new built council homes of 90%*

These objectives align with the Council's priorities as follows:

Encouraging Civic Pride –To deliver social and economic regeneration through building high quality homes and thriving communities. Providing good quality housing and well-designed and safe estate environments. Helping residents shape their quality of life by providing them with opportunities to get involved and influence decisions around the future investment priorities.

Enabling Social Responsibility – By providing housing of a good standard, encourage and support tenants to take responsibility for the ongoing upkeep of their homes and communal facilities. Delivering appropriate facilities and specific housing to meet the needs for elderly, vulnerable, or disabled households.

Growing the Borough –Investment in new council homes and estates and establishing new ways to delivery affordable housing in the borough. Providing a sustained investment in housing will continue to enhance the environment, enhance the image of the borough and attract investment and business growth.

The asset investment delivery arrangements will support the use of local companies and encourage local employment opportunities including the provision of apprenticeships and training opportunities.

¹Report to Cabinet 27 January 2015 - Estate Renewal Programme 2015-2021

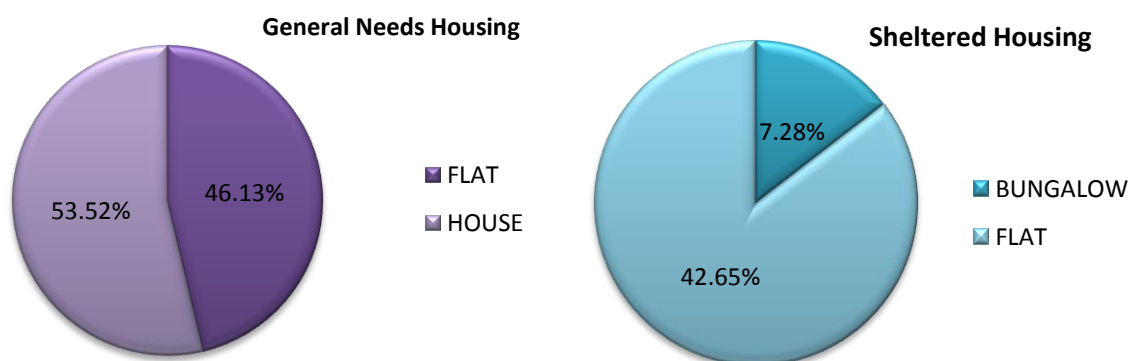
4. The Council's Housing Assets

The council owns around 18,500 tenanted homes and a further 3,300 properties which are leasehold. Around 800 of the tenanted homes are sheltered accommodation, representing just under five percent of the stock. The council also owns over 2,300 garages and over 200 commercial units.

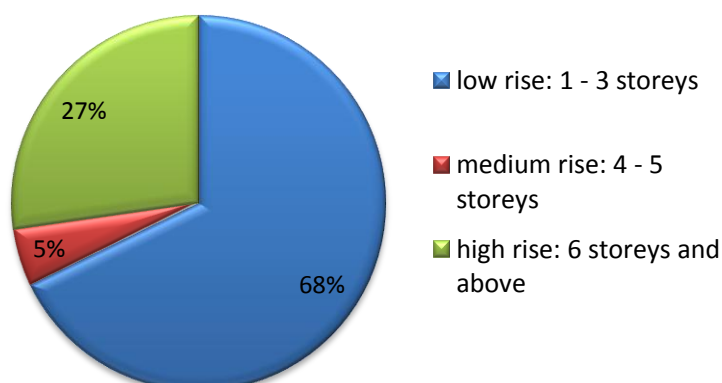
Although the majority of the stock comprises houses there are also over 1000 blocks of flats. The majority of these blocks are low rise 1-3 storeys.

In addition, the Council has management responsibilities for 477 properties owned by Barking and Dagenham Reside².

The diagrams below summarise the housing property type:



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^{2 2} Barking and Dagenham Reside is a wholly owned Council subsidiary set up to provide quality and affordable housing to economically active people who would normally not qualify for social rented housing.

- Traditional housing is constructed of brick and block. The stock condition survey carried out in 2011 identified 716 properties of non-traditional construction types in the housing stock:
 - Belfry 9 properties
 - Bison 76 properties
 - Fidler 606 properties
 - Orlit 20 properties
 - Wates 5 properties

Due to the nature of these construction types, provision is required within the investment plan to undertake future structural work to ensure their long term sustainability.

Robust stock condition information forms the cornerstone of an effective strategy and informs programming of re-investment designed to maintain the stock appropriately and in good condition. A stock condition survey carried out in 2011 provided the basis for the current work programmes. Over 8,000 additional detailed surveys have since been carried out to inform our Decent Homes programme.

While the council is confident there is now a solid baseline, in order to maintain robust projections for future priorities it is vital that this data is continually confirmed. The council will therefore refresh the stock condition survey data every five years and make sure repairs and maintenance and improvements to the stock are systematically recorded.

5. Involving Tenants and Residents

The council has an established range of opportunities for tenants to become involved and influence the housing services provided. At a local estate level the council engages with tenant and residents associations in identifying improvements needed in their areas. The council also invites residents to participate in a regular programme of estate inspections.

The borough's Tenant Federation acts as the umbrella for local tenant and resident groups and provides the opportunity to share views and experiences at a borough level.

At a borough level the opportunity to influence future investment priorities in the capital programme is provided through the Housing Forums, and the Leasehold Association. Specific working groups are also set up when required to influence detailed decisions on design, quality and choices of finish. The Cabinet remains responsible for the HRA Business Plan and the Capital Programme.

Tenants and residents have been actively involved in helping to shape and influence the development of this Asset Management Strategy through a variety of forums.

| Technique | Feedback Received | What changed as a result |
|---|---|--|
| <ul style="list-style-type: none"> • Housing Forums – October 2014 • Tenant and Leasehold Focus Group – January 2015 • Tenant Federation – January 2015 • Surveys carried out after works to properties | <ul style="list-style-type: none"> • Continued investment in internal works • Frequency of planned Maintenance • Careful consideration of timing of investment/estate renewal • The need for easily accessed information on programmed works • Better understanding of what will happen when works are inside the home | <ul style="list-style-type: none"> • Improved and continuing communication on detailed programmes • Informed the standards outlined in the Housing Offer • Provision of detailed programme information on the Internet • Provision of detailed information prior to works commencing inside the home |

Consultation in the development of this strategy has demonstrated that in addition to promoting the standards that residents can expect to receive, it is important to provide detailed information on programmed works at a street and block level on an elemental basis and to provide a reasonable indication of timescales. It is planned that this level of information will be provided on the Internet once the arrangements have been confirmed with the contractors.

The council has agreed a detailed housing offer, known as the New Deal to residents, which sets out the standards tenants can expect from the Council on key issues affecting their home and area around it. In relation to asset investment this covers safety, energy, internal improvements and environmental improvements.

Going forward consultation is underway on the future direction/approach to tenant and resident engagement and there are plans to introduce a tenant scrutiny panel. The following arrangements are being considered for tenant engagement in procurement /housing asset management:

- Housing Maintenance scrutiny. This will focus on the repairs maintenance and improvements to the housing stock.
- Providing the opportunity for tenant and leaseholders representatives to become involved in any procurement project boards
- Workshops for tenant representatives to identify what works well with the existing providers and also areas for improvement
- Using the information obtained from STAR Satisfaction of Tenants and Residents survey to inform the priority areas for repairs and future investment programmes

6. Housing Asset Management Strategy

Objective 1 - Delivering a high quality housing stock that meets the needs of our tenants & leaseholders

6.1 Our Property Standard

To make sure that all the housing stock that has a long term, sustainable future is brought up to a locally determined standard so it continues to remain attractive and meets modern requirements.

LBBB is committed to making sure that the housing stock not only meets the national Decent Homes Standard but that it also meets a locally determined standard that reflects the desire for properties to have good quality, decent facilities and amenities and are energy efficient.

Much work has already taken place to agree the standards and this will continue, to ensure that, over time, the housing stock continues to meet statutory and regulatory standards. Ongoing work will make sure these standards offer a quality of accommodation that meets the developing needs of current and future tenants.

Where homes do not meet the agreed standard, works required will be undertaken as part of the planned major works programme.

Some standards such as the installation of new security measures such as door entry systems would be subject to a business case for the budget provision and would only be considered following local resident consultation.

6.2 Energy Efficiency

A key objective is to integrate energy efficiency and renewable energy improvements into the long term investment strategy for the housing stock. The key aims are to:

- Reduce energy costs by 50% to address fuel poverty amongst housing tenants
- To meet the government's carbon reduction target of 80% of 1990 emissions levels by investing so that all properties reach EPC B rating standard by 2050.

Achieving high levels of energy efficiency in existing homes is increasingly important to tenants to help protect them against rising fuel prices and the risk of fuel poverty given the considerable pressures on tenant's incomes. By making the

stock more energy efficient resident's fuel costs will reduce and will also contribute to reducing carbon dioxide emissions and the associated risks of global warming.

When considering investments in our existing housing stock the council is reviewing how maintenance programmes need to be reconfigured to achieve the energy efficiency objectives within current budgets. To date these improvements have included the installation of double glazed windows, cavity wall insulation to some properties, installation of 'A' rated condensing boilers and modern heating controls, including thermostatic valves on radiators. Going forward such measures will become part of an integrated approach to investment that puts energy efficiency at the forefront of the investment programme.

The council is developing a range of energy efficiency interventions for the different property types. Energy efficiency works are subject to value-for-money considerations and therefore the council will consider the financial cost of the energy efficiency interventions within a financial and economic appraisal assessment for funding and affordability.

The council is exploring options to assist in the funding of high capital cost renewable energy interventions. At this time without either grant support or the development of whole life funding mechanisms, it is unlikely that the council will be able to afford the levels of investment required to reduce fuel poverty and to meet central government renewable energy and carbon reduction targets.

Where a property has a very poor energy rating (less than F) and /or suffers from serious dampness then consideration will be given to increased energy efficiency measures. This rating level will be increased once the poorest properties have been addressed. This may be considered on a block level when the building fabric lifecycle is due, or on an individual property basis in extreme situations. Other works that are due to be carried out that will also impact on the energy condition of the property should also be considered, as secondary measures do not always add a significant and / or cost effective improvement to the property. Improvement measures will be considered within the whole house maintenance programme appropriate for each property.

The council's strategy is therefore to:

- Maximise income from funding sources, securing grants through government and/or utility company sponsored schemes to install energy efficiency measures
- Review our approach to long-term maintenance and refurbishment to develop a funded investment strategy capable of meeting the long-term objective where every property will achieve an EPC B energy rating
- Develop appraisal mechanisms to identify properties for which there is no business case to fund future investment programmes and which should be redeveloped.

- Explore the value and appropriateness of new solutions for improving the energy efficiency of LBBB's more difficult to treat house types, applicability of renewable energy sources and low-carbon impact approaches.
- Developing how the council can help encourage reduced energy consumption by informing and supporting tenants to optimise the use of energy within their homes.
- Mainstream and make "sustainability" the council's day job

The council will monitor the energy ratings of its property portfolio, making sure it has adequate stock data to enable energy assessments to take place and to enable better coordination on retrofitting opportunities across the borough. Over time this will assist the council in achieving a minimum energy rating across all of its stock.

6.3 Property Investment Planning

To have well designed, repair, maintenance and investment plans and procedures which make sure the stock is maintained to the agreed standard in an efficient, cost effective and responsive way and which ensures that procurement and contract management processes are used to best effect to ensure value for money is achieved.

Efficient and effective repair and maintenance of the housing properties is an essential requirement of the Asset Management Strategy and that there will always be a need for routine, planned and cyclical maintenance to be carried out.

Our aim is to have in place well designed repairs and maintenance systems, which encompass the ongoing requirements for the efficient and cost effective delivery of day-to-day, cyclical, planned and improvement works.

The council will continue to identify and work on eliminating avoidable repairs visits and emphasise the landlord expectations about repairs that are the tenant's responsibility under the terms of the tenancy conditions.

Detailed policies must clearly set out the approach to fulfilling the landlord's repair and maintenance obligations whilst being clear about the service that tenants expect to receive. Emphasis will be placed on the tenant's responsibility under the terms of their tenancy conditions to maintain their home in good order and repair.

The council will make sure that there is:

- A responsive, effective and efficient day to day or 'responsive' repairs service.
- A voids service that is efficient and effective so as to help speed the repairs process and minimise loss of rental income.
- Service arrangements that provide for the effective maintenance of grounds and communal areas, as well as for regular servicing/maintenance of mechanical/electrical installations.

- A cyclical and planned maintenance programme that achieves economies through efficient programming of works and by reducing the need for responsive repairs
- A planned programme of refurbishment works

6.4 Repairs and Maintenance Categories

In line with the above, our repair and maintenance services are grouped into the following categories:

6.4.1 Responsive Maintenance

These are repairs which are carried out when components fail, and which cannot wait to be undertaken under a cyclical, planned or improvement programme. These works, which are revenue funded, comprise of day-to-day responsive repairs to items such as plumbing/sanitary equipment, door/window fittings, heating appliances, electrical installations.

6.4.2 Void Works

This is the collective name for the range of repairs and checks that are undertaken before a property is re-let.

LBBB has developed an approach that clearly sets out the range of checks which will be carried out to an empty property, known as a 'void' before it is re-let. It also sets out the minimum condition standard for a wide range of individual components and facilities including:

- internal finishes
- floors and floor coverings
- windows
- doors
- kitchens
- bathrooms
- external areas

There is scope to carry out internal refurbishment works whilst a property is empty. For example if the existing kitchen and bathroom are in poor condition, then consideration should be given to replacing them during the void period rather than a few years following the new tenancy. This will arise unless the retained kitchen and bathroom has a life of at least five years. This strategy is designed specifically to implement a lifecycle approach to asset management.

All efforts are made such that void properties are presentable when viewed by prospective tenants. The council also recognises that many tenants prefer to

decorate their own homes to a colour and style of their own choosing and so we continue to offer a decorations allowance where appropriate.

There is an intention to grow the capacity of the repairs direct works team to deliver internal refurbishment works. This growth in directly delivered works will be subject to the in-house team achieving time, quality and cost targets benchmarked against the market place.

Where the cost of works to a void are estimated to exceed acceptable costs (relative to property values), then an assessment of the property will be undertaken taking into account the cost of refurbishment, the future value of the property compared to its existing use value, local housing need and the wider neighbourhood sustainability. This will then inform a decision as to whether to proceed with the investment, change the use of the property or redevelop.

The council also recognise that helping resident to keep their tenancies is important to reducing void property numbers and associated costs. This is supported by ongoing tenancy management arrangements.

6.4.3 Compliance

The council's statutory compliance requirements are managed and monitored via the repairs service. All housing property assets are managed under appropriate periodic risk assessment, inspection and maintenance programmes. This includes domestic and commercial gas, passenger lifts, asbestos, water hygiene, electrical, fire safety systems, portable appliances, and other specialist plant and equipment.

The inspection and maintenance programmes identify ongoing repair and refurbishment works.

A compliance monitoring system is currently being developed and will be in place by August 2015.

6.4.4 Service Contracts

These include for the range of estate management and health & safety arrangements that need to be in place to make sure that LBBD meets its obligations. Specifically, service contracts are required for regular:

- grounds maintenance of communal areas
- inspection and servicing of plant and machinery, including fire alarms, emergency lighting, water storage systems, kitchen extraction systems and lifts.
- inspection of HRA owned highways

The service contracts provide for regular visits to properties to ensure service standards and health and safety requirements are met.

6.4.5 Cyclical and Planned maintenance

These are maintenance works that are carried out as routine preventative maintenance, in many instances at defined time intervals. The works are undertaken on regular planned cycles for servicing, inspection and testing of equipment, often as required by statute or regulations. Items covered include:

- Annual servicing of gas heating systems/installations, to include the statutory requirement for carrying out an annual gas safety check
- Communal boiler servicing
- Periodic inspection of electrical installations
- External painting and internal communal area redecoration
- Other planned works, to include the replacement or renewal of building elements or components due to them reaching the end of their life e.g. roofs, windows etc.

Where buildings are identified for demolition as part of regeneration plans, minor planned maintenance works will be required to maintain the safe condition of properties and estates identified pending decant.

6.4.6 Improvement Works

The Council will develop and maintain a 10 year programme of expenditure that meets the long term investment needs of its sustainable housing stock. The range of improvement works will be developed in more detail for the first 5 years of the rolling programme and will take into account:

1. the investment requirements identified in stock condition surveys,
2. the priorities of current and future tenants, and
3. the need to ensure that incremental and sustained improvements are made to the homes the Council provide.

Investment work has traditionally been delivered on a component and elemental basis. While this proved effective in addressing the specific issues but did not take into account the lifecycle of adjacent components which could mean a return to site.

In future the Council will take a lifecycle asset management approach which means works will be packaged on lifecycle elemental basis with the aim of addressing all works coming near to the end of their lifecycle at the same time. This will be done on a ward by ward basis. This provides a fair and equitable approach that is better value for money for tenants and leaseholders. Works will be packaged as follows:

1. Building Fabric

Covering all identified works to the external fabric of the building typically would include the roof, guttering, render repairs, insulation, door replacement and door entry if installed.

2. Communal Areas Internal

Covering all works due in the communal areas, typically electrical wiring and lighting, communal decoration, door replacements, flooring and fire safety upgrades.

3. Internal Refurbishment

Covering kitchen, bathroom, internal electrics, heating, ventilation and internal doors

4. Environmental

Covering works required to the external areas typically paving and paths, estate roads, fencing or railing renewal, external storage and waste management areas.

5. Mechanical and Electrical

Covering the major refurbishment and component replacement requirements of key assets such as lifts, district heating, mechanical systems.

When replacing building components or facilities LBBD will aim to use good quality items that are more sustainable, offer better value for money over time and improve the environment of estates and communal areas.

Improvement programmes will be developed in partnership with tenants and Councillors and will be continually shaped by them to ensure that they meet their needs and expectations.

6.4.7 Procurement

The Council recognises that excellence in procurement is at the heart of delivering good value for money and a quality service. The Council will consider a range of options to identify the most appropriate procurement and partnership arrangements which take into consideration cost certainty, quality and added value to the community such as local employment, apprenticeships and other training opportunities and community grants and sponsorship. The use of local supply chain will be emphasised to assist in the growth of the local economy.

The procurement option selected will be designed to improve efficiency and eliminate the need for multiple or duplicated tendering exercises.

Where working in residents homes it is essential that the contractors have the highest standards of workmanship and customer care. Therefore selection of contractors will be informed by their ability to ensure quality of installation, customer care and customer communication.

The Council understands the importance of sound contract management in achieving value for money, ensuring provisions and requirements for standards and compliance are maintained throughout the life of any contract. A robust scheme of contract management will be maintained to support this and this will include the monitoring of performance criteria and addressing any issues at an early stage before poor performance becomes accepted practice by either party.

6.4.8 Standardisation

Wherever possible and appropriate an objective will be to use common design for new properties to achieve maintenance regimes that are simplistic and repetitive in process. This achieves efficiency in management and delivery.

Greater emphasis will be applied to standardisation of materials to obtain benefits of longer term warranties. Common specification of materials will be explicit in procurement of contracts and projects to aid buying from local suppliers and contribute to the community growth. Common materials will also improve maintenance processes and component life cycle. This is currently evident with decent homes improvement programmes.

6.4.9 Health and Wellbeing

This Housing Asset Management Strategy provides a key support to the joint Health and Wellbeing Strategy for the need to continue investment in improved quality standards in the existing housing stock. This approach allows us to address hazards that increase the risk of illness such as damp, mould, cold and structural defects. It also allows us to improve fuel efficiency and reduce fuel poverty.

This strategy provides an opportunity for us to consider housing conditions as one of the mechanisms through which social inequalities translates into health inequalities thus providing an opportunity to intervene and develop programmes to overcome such inequalities and provide adequate housing conditions for everyone.

The relationship between housing and health is a complicated one which involves many different factors. Evidence suggests that living in poor housing and indoor environments cause or contribute to many preventable diseases and injuries. This strategy therefore has as one of its primary objectives a focus upon those

environmental aspects which can have a significant impact upon health and wellbeing including:

- Provision and maintenance of open and green space
- Provision and maintenance of community facilities, supporting social integration
- Tackling crime and anti-social behaviour
- Consideration of health, wellbeing and inequalities in maintenance programmes
- Planning interventions to encourage active travel such as walking routes (thereby also reducing air pollution and health inequalities)

6.4.10 Fuel Poverty and Energy Efficiency

The quality of housing can have a significant impact on health and wellbeing especially in terms being able to maintain a warm and dry home. The council is aware that more efficiently heated and well insulated homes can provide a healthier environment for the resident. This can impact both rates of Asthma and COPD and other seasonal health issues. To this end we work closely with our NHS and public health colleagues.

Fuel poverty is the inability to pay for the cost of fuel to heat a home to an adequate temperature; there have been various definitions the latest being published by Professor Hills in 2013, Low Income High Cost (LIHC).

Department of Energy and Climate Change statistics on Fuel Poverty published in 2013 and updated in 2015 indicated that 11.1% of Barking and Dagenham residents are in fuel poverty. The council has recently commissioned Low Income High Cost (LIHC) Fuel Poverty Assessments on several estates. This (relatively small) sample of 149 residents found that 38% were in fuel poverty as opposed to the previous research which had indicated 11.1%. Potentially these results could indicate a bigger problem for the council than previously estimated. Further detailed survey work will be undertaken during 2015/16 to reassess the position.

The lack of adequate heating has a negative effect on the council's assets as they will require further works and increased maintenance in the future. In the majority of cases where a household is deemed fuel poor there are often damp and condensation issues as a result of lack of ventilation and under heating or cold walls. This leads to mould growth which if untreated can lead to severe health issues. Urgent treatment and remedial works are then required and it is this aspect where the estimated long term costs of the treatment can be more expensive than retrofitting the property to become more energy efficient and more in line with current building regulations.

6.4.11 Meeting Particular Needs

Making sure our stock meets the specific housing needs of elderly, vulnerable or disabled households through the provision of appropriate attributes and facilities.

It is recognised that there is likely to be an increasing need for the housing stock to cater particularly for the needs of older people (given the ageing population) and the specialist needs of people who are otherwise vulnerable or who have support needs. The Asset Management Strategy will be used as one of the key mechanisms to make sure that the stock profile and associated attributes respond effectively to these needs, especially given the likely ongoing lack of suitable, affordable accommodation in the private sector.

One of the key areas of demographic change the borough faces in the coming years concerns a growing population of children and younger people. The impact upon the Asset Management Strategy is twofold:

- The need for well maintained family sized accommodation; and
- The requirement for homes and neighbourhoods suitable and attractive for children and younger people, for example homes that are designed and maintained such as to be conducive to learning

In practice the Asset management Strategy will therefore prioritise the provision and maintenance of:

- Amenity space
- Family eating space
- Space for homeworking

6.4.12 Meeting the Needs of an Ageing Population

While the majority of older people will continue to live in general needs housing, specific older person's housing offers an appropriate, attractive solution for many. This will remain in high demand as long as the product on offer remains of good quality and responds to evolving needs. The council will work to ensure that over the medium to long term an appropriate level of designated older person's accommodation is maintained which continues to respond effectively to residents housing and support needs. All sheltered housing stock should be modernised and, if appropriate, re-structured as necessary to ensure it is 'fit for purpose' to meet local needs. This process will make sure the provision of attractive, appropriate housing that meet both the needs and aspirations of older people.

We also plan a comprehensive review of older people's housing in Barking and Dagenham (commencing late 2015) with a particular focus upon sheltered housing and extra care housing. The review will encompass:

- Needs and demand analysis (down to scheme level)

- Financial analysis
- Stock analysis
- Site appraisals
- Strategic service reviews

The review will report in 2016 and conclusions will inform the refresh of our HAMS for 2016/17.

6.4.13 Adaptations

The council will meet the changing needs of our current and potential residents is through the adaptation of our existing stock. The council will carry out adaptations to meet the needs of people with physical disabilities to enhance their lifestyle and, where appropriate, enable them to remain in their current home.

It is sometimes the case that adaptations are no longer required by the original beneficiary. This equipment may be of use to another of our tenants. As adaptations are often expensive to carry out a live register of adaptations and adapted properties will be maintained, enabling re-letting to a household with similar equipment needs and/or to recycle adaptation items, ensuring value for money.

6.4.14 Building New Homes

All the homes built by the council since its new build programme started in 2008 have been designed to meet the Mayor of London Housing Design Standards, and, before its introduction, Housing Quality Indicator standards. In addition as a requirement of planning all new homes meet Lifetime Homes Standards and Code for Sustainable homes code level 4.

The key elements of the London Design Standard are set out below;

- Shaping Good Places
- Housing for a Diverse City
- Dwelling Space Standards
- Home as a place of retreat
- Code for Sustainable Homes and Climate Change Mitigation

All new build schemes within the HRA portfolio will undergo whole life cost investment appraisals. This takes into account the capital cost of the construction as well as the operational maintenance, repairs and upgrades required for the lifetime of the new building.

The council as the landlord of the new homes and will inform the standards to be applied in the new build properties. This approach will also ensure a standard specification across the housing stock which represents value for money in terms of future maintenance.

6.4.15 Parking

The majority of council estates in Barking and Dagenham have parking facilities - bays and garages - intended for the use of estate residents. Residents are normally required to purchase parking permits which allow them the use of a designated parking space or garage.

Historically most roads on council estates have not been treated as public highways but are considered under legislation pertaining to private property. As such some of the requirements and stipulations relating to the council's general policy on on-street parking have not applied or may have been applied differently on housing estates. This Housing Asset Management Strategy intends that the current position changes by working towards a fully integrated approach to parking across the Borough on both housing estates and streets.

The Housing Service has also made the improvement of all garage sites as a high priority to deliver on the promises made in the New Deal for Residents. We have ring-fenced £950,000 over the next 4 years capital budgets (£300,000 in 2015/16; £300,000 in 2016/17; £300,000 in 2017/18 and £50,000 in 2018/19) to invest in the improvement of failing garage sites and raise the quality standard of each site from a C/D Standard (poor standard) to a B and A standard (Good/ excellent standard).

As part of the 2015/16 Estate Service Improvement strategy we have put in place a comprehensive "Garage Sites Improvement Plan" to:

- Maximise the outcomes of the investment of £950,000 available for 2015/19 to cover all garages sites.
- Achieve a visual improvement of the surrounding environment/estates.
- Effective engagement with all Garage users
- Increase lettings
- Seek opportunity to reduce parking congestion within the housing estates.
- Zero tolerance against garage tenancy frauds.
- Zero tolerance against environmental offenders and ASB.
- Zero tolerance against garage rent arrears.

Objective 2 - Optimising the use and value of the housing assets

6.4.16 Portfolio Performance

To evaluate and appraise the stock to fully understand its relative performance and contribution to the Business Plan, including reference to need, demand and socio-economic factors so that opportunities and liabilities can be identified.

This is still a new area of activity for the council as a landlord which will be developed to take account of the opportunities under self-financing and which will adopt best practice performance assessment techniques from the social housing sector. To better understand the relative performance, value for money and contribution of properties to the HRA Business Plan the council will be seeking to use approaches such as:

- Net Present Value analysis³
- Yield analysis
- Need & demand analysis
- Social, economic and neighbourhood sustainability factors

The council will develop a balanced performance assessment process within a Sustainability Assessment Tool. This process will allow us to categorise our stock in terms of how 'fit for purpose it is for the future. It is envisaged that the bulk of the stock will be 'long term sustainable', but that some stock might exhibit some issues, with other stock exhibiting particular cause for concern. Property types or groups which fall into these latter two groups will, as appropriate, be the subject of option appraisals designed to determine the potential options and, ultimately, a preferred course for intervention.

6.4.17 Portfolio Interventions

To use the portfolio performance data to actively inform decisions for extracting more value, or removing liabilities, from the asset base, informed by a system of option appraisal.

Make sure future re-investment in properties which are well located, meet housing needs and are efficient to manage. To put in place affordable, economic investment programmes providing an appropriate balance between competing repair and investment requirements.

Identify properties for which an alternative use might be more appropriate, using the land or housing assets to build additional homes to increase the number of council owned/managed properties available of the type and quality needed and in areas where people want to live.

³ Net present value is a calculation used in capital budgeting to analyse the profitability of an investment

- Re-designation or re-use of properties
- Remodelling of properties
- Infill development or whole site re-development
- Development on previously undeveloped or cleared land
- Voluntary disposal

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| <p>Objective 3 <i>Developing the Decent Homes standard to achieve an 80% reduction in carbon emissions by 2050</i></p> |
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- Develop an opportunity overview of current funding streams i.e. ECO, FiTs, RHI
- Overview of SAP information for a single dwelling and measurements on upgrading the SAP score across thousands of homes
- A list of typical interventions that impact on average SAP, fuel poverty and carbon emissions for housing stock
- Identify practical solutions within short term funding criteria i.e. external wall insulation, internal wall insulation, HTT cavities and district heating
- Establishing a carbon baseline and developing a short, medium and long term carbon asset management and fuel poverty reduction strategy
- Prioritising the social return on investment that can be derived from investment into sustainability and energy efficiency in housing stock
- Promoting energy literacy and developing behaviour change in relation to energy use, providing residents with the ability and knowledge to live more sustainably reducing fuel debts where possible
- Working closely with the NHS to continue to develop a practical and partnership led approach to improving resident health and wellbeing across the councils housing stock.

7. Delivering the Strategy

The strategy requires a collaborative approach to delivery by engaging resources from across the council. The delivery plan outlines the key actions required to deliver the outcomes specified and the resources and timeframe expected

Delivering a sustainable housing investment programme requires an effective assessment management resource in place. The council will ensure that it has in place sufficient and appropriately skilled resources to manage the overall strategy and deliver the programme with effective resident consultation and quality control.

Progress against the delivery plan will be monitored by the Housing Investment Group on a quarterly basis. A full risk appraisal will be undertaken of the asset management delivery plan and actions arising will also be monitored in this way.

7.1 Impact of the Strategy

The council has considered the risks in adopting this Asset Management Strategy. It also recognises the importance of continuing to identify and mitigate risks as appropriate.

An assessment has been made of the impact the strategy will have on the residents of the borough and the council anticipates that this Housing Asset Management Strategy will have the following positive impact for our residents and for the council:

For Residents:

- Homes which meet as a minimum the LBBD standard and which are well managed and maintained
- Homes which are warmer and more energy efficient and cost less to run
- Homes which meet the individual needs of tenants
- A stock of properties which respond to the needs of the local community

For the council and stakeholders;

- Supporting the council's vision for growing the borough in the provision of high quality homes, a sustainable community, an enhanced environment and improved employment opportunities.
- Continuously improving tenant satisfaction with the homes provided
- Having a well maintained portfolio which allow efficiencies in running costs
- Delivering new projects effectively, efficiently and economically

Annex A : Housing Asset Management Delivery Plan

Housing Asset Management Delivery Plan

| Delivering a high quality housing stock that meets the needs of our tenants & residents | | | |
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| Outcomes | Action | Responsibility | Timing |
| Deliver the Housing Property Standard | Develop and publish a new LBBD Property Standard | Asset Management | March 2016 |
| | Develop a lifecycle based investment plan for bringing the 'long term sustainable' stock up to the new LBBD Standard in line with HRA business plan | Asset Management | March 2016 |
| | Provide a service delivery structure which includes the required levels of expertise to work effectively with and manage the contractors | Asset Management | July 2015 |
| | Put in place a planned maintenance programme to maintain legislative compliance and ensure stock is kept at the agreed standard | Head of Repairs and Maintenance | April 2016 |
| | Put in place a performance management framework that regularly reviews relevant KPI's, adjusting the forward programme of works and associated costs accordingly. | Asset Management | April 2015 |
| | Provide regular update reports to tenants and elected Members on progress in delivering the investment programme | Asset Management | Quarterly |
| | Maintain stock condition survey data in the asset management database as programmes of work are completed. | Asset Management | Ongoing |
| | Emphasise Landlord expectations /tenant responsibilities in terms of maintaining their homes | Landlord Services | Ongoing |
| | Develop a comprehensive set of Repair & Maintenance Policies that clearly set out the Council's approaches and processes for maintaining the housing to the agreed standards. | Head of Repairs and Maintenance | March 2016 |
| | Develop common specifications of materials | Asset Management | April 2016 |
| Improve Energy Efficiency in housing stock and reduce fuel | Develop and implement a programme of targeted works as appropriate to the property types that will be | Asset Management /Energy Efficiency Officer | March 2016 |

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| poverty | delivered alongside repair and investment works improve the thermal insulation of properties and reduce energy consumption | | |
| | Work with key organisations, including utility companies, to identify and secure funds to install energy efficiency measures or help subsidise the Council's own resources. | Energy Efficiency Team | ongoing |
| | Work with colleagues across the Council and with external agency partners to put in place a number of approaches that together will help tenants maximise their ability to pay to effectively and efficiently heat their home | Housing Strategy – Affordable Warmth/Energy Efficiency Team | ongoing |
| | To put systems and approaches in place to actively involve tenants in the investment planning and contract management processes | Resident Engagement Manager | September 2015 |
| | Put systems in place to measure, monitor and assess progress in increasing the energy efficiency of the stock against the agreed KPIs | Energy Efficiency Officer/Housing Strategy | April 2016 |

Optimising the use and value of housing assets

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| An understanding of the performance of the housing asset portfolio including reference to need, demand and socio-economic factors | Undertake a review of all sheltered housing schemes to determine their ongoing suitability and specific investment needs | Housing Strategy Group Manager | March 2016 |
| | Develop new balanced asset performance assessment process | Housing Strategy/HRA Business Plan Manager | June 2016 |
| | Develop an option appraisal process/tool that informs future decisions on estate renewal | Housing Strategy / Regeneration | July 2016 |
| Meeting Particular Needs | Put systems in place to inform a live register of adaptations and adapted properties | Housing Allocations | March 2016 |