



# South Derbyshire District Council

## **HOUSING SERVICES**

## **ASSET MANAGEMENT STRATEGY**

Third Revision: February 2008

## **1. Introduction and Background**

- 1.1. This third revision of the Housing Asset Management Strategy (AMS) continues to provide a framework for the effective management of the housing stock from the perspective of maintaining and improving Council homes. The document is structured to measure the performance of South Derbyshire's Housing Services against a series of key objectives that have been established to ensure that the Council's housing assets are managed efficiently and effectively. It seeks to ensure that the stock and land is maintained in good condition and that products and service delivery continues to improve to achieve value for money and a high standard of customer satisfaction. By undertaking these responsibilities, Housing Services will increase the effective use of its capital resources and effectively control the dependency upon the Housing Revenue Account (HRA) for delivering responsive repairs.
- 1.2. Since 2003, the AMS and its incorporated action plan has been reviewed annually to take into account changes that have occurred since its inception in 2002. The AMS was re drafted in 2005 to accommodate market, contextual and legislative requirements. At that time, it was considered that the contents of the strategy were still relevant to the needs of the authority and that there should be a continued focus on rolling out the actions that were defined within the strategy to ensure the maintenance and improvement of housing stock remained on course. In this 2008 revision, the underlying principles of the AMS remain consistent with these aims, however, a number of new priorities have emerged since the AMS was first written, none more so than Climate Change and the impact that more expensive energy resources are having upon Fuel Poverty, particularly within Social Housing. It follows that the AMS has become and will continue to be a key instrument in addressing these new priorities along with Housing's other strategic plans.
- 1.3. This AMS sets out the strategic aims of South Derbyshire's Housing Service in its endeavours to meet the decent homes standard as well as its vision beyond 2010. The strategy should be read in conjunction with the stock condition 'Lifespan' database, which has been continuously updated to reflect the progress that has been made by Housing's Repair and Improvement Team in meeting the government's deadlines. This latest review provides a snapshot of the housing stock condition and sets out the actions that will be needed during the next period to ensure that South Derbyshire remain on course. The AMS continues to tie in with corporate themes and objectives, which are set out in this document.

## **2. Responsibilities, Terms of Reference and Objectives**

- 2.1. Primary responsibility for the delivery of the AMS remains with the Repair and Improvement Manager and the Repairs and Improvement Team. The terms of reference for the team remain largely consistent with the original terms of 2002. They are:
  - To drive through improvements in Asset Management and Housing Maintenance through an annual Repairs and Improvement Programme
  - To review the programme for Asset Management identifying key areas of risk and take action where deemed necessary
  - To regularly review and maintain an Asset Management Strategy to reflect corporate, market and legislative conditions
  - To procure goods in accordance with best practice
  - To maintain and communicate effective repairs and improvement procedures
  - To deliver value for money in Asset Management.
  - To proactively involve tenants in Asset Management decisions.
  - To ensure full corporate and local area partners are engaged in decision making, where deemed appropriate
  - To manage void properties efficiently
  - To maintain effective IT for Asset Management and Housing Maintenance
  - To ensure Asset Management decisions and actions are cross-linked to corporate and service strategies
- 2.2. The Repairs and Improvement Manager carries out the asset management review process using a variety of key performance measurement mechanisms. These include performance against targets

set out in the AMS action plan, projects delivered through the Repairs and Improvement Programme and national Best Value Performance Indicators. The AMS is reviewed at least annually with a full written revision undertaken every 2 to 3 years.

2.3. The objectives of the Asset Management Strategy are:

- Achieve the Decent Homes Standard by 2010 on all Council maintained homes
- To set out a vision for stock maintenance and improvement beyond 2010
- To increase and maximise the asset value of housing stock year on year
- To maximise and maintain high performance in customer satisfaction
- To improve levels of retention of existing tenancies year on year through being a 'landlord of choice'
- To maintain the level of void properties to a minimum achievable number of days between tenancies to maximise income
- To use green procurement methods and monitor quality and value for money for goods and services used to maintain and improve homes
- To maintain cost effectiveness and transparency in all expenditures made upon housing stock
- To annually review and challenge the approach to asset management to ensure value for money
- To steadily lower the energy used in homes through education and grant funding to support sustainable living and eradicate fuel poverty
- To consult tenants and local partners on key decisions relating to the provision of high quality affordable housing

### **3. Cross Links to Strategic Planning**

3.1. The Council's Community and Corporate Planning framework sets out six key themes which are designed to guide service delivery so that Housing Services can achieve the Council's vision in "Making South Derbyshire a healthier, more prosperous and safer place to live". The AMS will continue to help the Council deliver these themes through cross-linked objectives. The corporate themes are:

- Theme 1) Safer and Healthier Communities*
- Theme 2) You at the centre*
- Theme 3) Higher quality services*
- Theme 4) Prosperity for all*
- Theme 5) Rural South Derbyshire*
- Theme 6) Stronger in the region*

3.2. South Derbyshire District Council and Housing Services also maintain a number of strategic documents within the corporate framework. The following documents are directly linked with this strategy:

- The Housing Strategy
- The Corporate Affordable Warmth Strategy
- Housing Services' Energy Efficiency Strategy
- Housing Services' Carbon Management Plan
- The Corporate Procurement Strategy
- The Capital Improvement Programme
- The Investment and Resource Strategy for Affordable Housing

### **4. Managing Capital Assets and Policy**

4.1. The Capital Programme Asset Monitoring Group (CPAM) reviews the Capital Improvement Programme on a monthly basis. The group is chaired by the Council's Chief Accountant and has representations from the Corporate Asset Manager and delegates from all departments who are responsible for capital spending. The group's purpose is to ensure effective planning, prioritisation and implementation of capital schemes as well as monitor spend levels and receipts. The group's aim

is to ensure capital spending and asset management decisions remain aligned to corporate strategic priorities with minimal risk to the authority.

- 4.2. The Housing and Community Services Committee and the Finance and Management Committee take policy decisions on the use of housing assets in support of their strategic responsibilities to provide of affordable housing.
- 4.3. The Council's policy on the use of its housing land assets has been recently reviewed to support corporate themes and in light of the government's policy to provide an incentive to councils to examine their Housing Revenue Account (HRA) land holdings. Following a review of the Council's investment strategy, a policy decision has been made to allow surplus land held in the HRA to be disposed of to facilitate the promotion of affordable housing or regeneration, subject to other spending considerations. This will take advantage of the opportunity to retain all receipts generated by HRA land sales, which otherwise would be subject to a government levy of 50%. The decision also supports a longer-term strategic vision to facilitate the provision of new additional affordable housing in rural communities. As such the housing investment priorities have been established as:

Priority 1. – Sheltered Housing

Priority 2. – Rural Affordable Housing

Priority 3 – Affordable Private Sector housing leasing scheme

- 4.4. Over recent years, Housing Services' policy to reclassify properties that have not been entirely suited to sheltered housing has been a key factor in supporting the levels of general purpose stock which have been depleted through 'Right to Buy' legislation. Reclassification has provided an opportunity through natural tenancy movement to place younger households in communal blocks where accessibility for the existing elderly and more vulnerable residents has been restricted. This process has led to whole community blocks eventually being occupied by a younger profile of housing customer and provided increased property availability. This policy has delivered an increase in 'general purpose' stock by 96 homes in the last four years.

## **5. Value for Money and Procurement Considerations**

- 5.1. A fundamental aim of the AMS is to ensure that the housing stock is maintained in good condition in order to maintain its value, avoid deterioration of assets, prevent future repair costs and meet legislative and regulatory requirements. The effective management of the housing stock must reflect the stock's future viability by consideration of demand for stock, property values, and stock condition. The Strategy must also take into account the following:
  - Sustainability and environmental factors in a low carbon society
  - Technology including the use of green electronic procurement
  - Price, quality and value for money
  - Democratic representation
  - The need to remain competitive
- 5.2. Maintaining value for money from the procurement of goods and services is essential. As such the AMS should be read in conjunction with the Corporate Procurement Strategy where these considerations are defined through key actions and processes within a defined framework. Each decision made by Housing's Repairs and Improvement Team, should ensure that investment priorities and processes reflect the strategic needs of the Housing Service to ensure the maintenance of assets remain relevant, cost effective and meet high standards of performance and sustainability. The procurement of goods and services are categorised as:
  - Routine Procurement – Where a significant proportion of the Council's expenditure is made up of multiple transactions involving low value items
  - High Value/Strategic Procurement – Where despite there being less transactions, many carry a higher value and higher risk to the Council
- 5.3. The objectives of South Derbyshire's Procurement Strategy are defined as:
  - to continue to evaluate and improve current procurement practices, to achieve better value for money and ensure customer/client needs are met

- to ensure procurement best practice is highlighted and used consistently throughout the Council
- to align procurement activities with other strategies adopted by the Council and to ensure that corporate objectives are addressed
- to ensure that current and future procurement activities are planned, monitored and reviewed effectively
- to identify opportunities for working with others, both in the public and private sectors, in order to widen the scope for maximising purchasing power and identifying innovation

## 6. Latest Stock Information

- 6.1. The Council now owns 3103 homes (as of 1<sup>st</sup> Jan 2008) throughout the District, 1,044 (33%) of which are sheltered. This figure has reduced by 505 homes since the original survey was conducted in Sept 2002. The table in Fig 1 shows the profile of South Derbyshire District Council's current level housing stock.

Fig 1

| <b>Building type</b>   | <b>Beds</b> | <b>Pre 1945</b> | <b>1945 - 1964</b> | <b>1965 - 1974</b> | <b>Post 1975</b> | <b>Totals</b> |
|------------------------|-------------|-----------------|--------------------|--------------------|------------------|---------------|
| Bedsit                 | 1 bed       |                 | 8                  | 20                 | 6                | 34            |
| <b>Total bedsits</b>   |             |                 | 8                  | 20                 | 6                | 34            |
| Bungalow               | 1 bed       | 16              | 153                | 91                 | 46               | 306           |
|                        | 2 bed       |                 | 55                 | 152                | 123              | 330           |
|                        | 3 bed       |                 |                    |                    | 1                | 1             |
| <b>Total bungalows</b> |             | 16              | 208                | 243                | 170              | 637           |
| Flat                   | 1 bed       |                 | 16                 | 98                 | 265              | 379           |
|                        | 2 bed       |                 | 170                | 55                 | 179              | 404           |
|                        | 3 bed       |                 | 1                  | 2                  | 3                | 6             |
| <b>Total flats</b>     |             |                 | 187                | 155                | 447              | 789           |
| Houses                 | 1 bed       | 1               |                    |                    |                  | 1             |
|                        | 2 bed       | 137             | 321                | 21                 | 18               | 497           |
|                        | 3 bed       | 305             | 619                | 94                 | 88               | 1106          |
|                        | 4 bed       | 28              | 5                  | 5                  | 1                | 39            |
| <b>Total houses</b>    |             | 471             | 945                | 120                | 107              | 1643          |
| <b>Totals</b>          |             | <b>487</b>      | <b>1348</b>        | <b>538</b>         | <b>730</b>       | <b>3103</b>   |

## 7. Progress on meeting the 2010 Decent Homes standards

- 7.1. The original stock condition survey carried out in Sept 2002 concluded that 79% of the housing stock met the 'Decent Homes Standard' but the remaining 21% failed due to a variety of reasons including heating, windows, doors, insulation, kitchens and bathrooms. The report highlighted that many properties had failed due to gas and electric central heating systems being beyond their design life and the need to have a full replacement programme. The report also recommended a systematic approach to the replacement of kitchens, bathrooms and windows.
- 7.2. The recommendations resulted in the Repairs and Improvement Team putting together a Housing Improvement and Planned Maintenance Programme, which combines elemental programmes such as kitchen, bathroom and heating replacements with the five year cyclical planned maintenance programme. The combined programmes set out a systematic approach to upgrading the stock in line with 'Decent Homes' standard by 2010. The stock condition data is held on 'Lifespan' software and remains in use by the Repair and Improvement Team to monitor and manage stock improvements against annual performance targets that are reported annually.
- 7.3. The Housing Improvement and Planned Maintenance Programme has been measured against a series of baseline assessments which has ensured that so far Housing Services have met government decent homes targets. This has resulted in a progressive reduction of the remaining 21%

of non-decent homes throughout the last 6 years. The service is on course to achieve completion of the programme before 2010 having already achieved the 2004 (33%) and 2006 (50%) targets comfortably. The Housing Improvement and Planned Maintenance Programme continues to be modified to accommodate any changes as a result of the 'Right to Buy' effects upon stock numbers.

- 7.4. To date the programme has delivered a reduction in the number of non decent homes from 774 down to 52 and is on course to meet the 2010 deadline for completion comfortably. Detail of the expenditure through the Improvement and Planned Maintenance Programme is shown in Appendix B of this document.
- 7.5. The data continues to be validated both at desktop and on site with details checked for accuracy using 'Lifespan'. During 2008/9, Environmental Health's need to establish private sector stock condition in support of their Private Sector Renewal Strategy has provided an opportunity for Housing Services to explore the possibility of jointly commissioning survey work and to benefit from the economies of scale provided by a larger contract. The survey information will allow the Repairs and Improvement Manager to ensure that data on 'Lifespan' remains accurately aligned to the programme. Any additional improvements will be factored into the 2009/10 programme to ensure that Decent Homes is achieved by the 2010 deadline.

## **8. Improvement and Planned Maintenance**

- 8.1. Historically, Housing Services have operated an annual cyclical planned maintenance programme since 1983. This has ensured that the housing stock has systematically benefited from ongoing refurbishment funding. The programme has always presented challenges and resulted in the need to prioritise stock improvements based upon the resources of the time. The high percentage of homes that qualified in 2002 as decent is testament to the good practice and frugal use of resources deployed by the Council during this period.
- 8.2. The Housing Improvement and Planned Maintenance Programme continues to be the mechanism for delivering Decent Homes. The following information provides an update of progress under the primary headings of the programme:

### **8.3. Planned Maintenance and Improvements**

8.3.1. This work is currently undertaken through a formalised partnering agreement with a local building works contractor, Harvey and Clark Ltd. The work consists of a variety of housing stock improvements, which are identified within the Council's capital improvement programme covering the following:

- Roof Repairs
- Window and Door Replacements
- General Exterior Building Works inc. Paths and Fences
- External Painting and Pre paint Repairs
- Improvement Programmes inc. Kitchen and Bathroom Replacements

8.3.2. The partnering agreement was formed in 2004 following a number of years of annual market testing, which had resulted in the contractor consistently out performing other competitors for the work. Relationships between the Repairs and Improvement Team and the contractor are strong and concentric to 'Egan' partnering principles that are considered to be best practice. The agreement has realised significant financial benefits by releasing internal resources that had previously been deployed upon annual tender preparation and ongoing contract management and financial control. This in turn has delivered annual savings in line with 'Gershon' procurement ideology.

8.3.3. In recognition of the need to re appraise the vision for improvements and planned maintenance after 2010, the Repairs and Improvement Manager intends to rewrite the specifications and tender the provision of this service by 2009.

#### **8.4. Central Heating Replacements**

8.4.1. The central heating modernisation part of the programme is configured to deliver two key elements.

These are:

- To ensure that the non decent homes identified in the original stock condition survey of 2002 are brought up to standard
- To systematically identify and improve the heating systems in those properties, on a rolling annual basis, that are likely to fall below the standard.

8.4.2. A formal partnering agreement with Robert Prettie Ltd has been in existence since 2004. Like the planned maintenance programme, this contract has been successful in meeting stock improvement targets.

8.4.3. Since 2006, the prioritisation of work has been focussed upon reducing the number of homes heated by solid fuel. Focus continues on finding ways to effectively tackle Fuel Poverty through a prioritised systematic approach to heating upgrades. Efforts will also be focussed through the Energy Efficiency Strategy to continue to improve thermal efficiency of the stock and to examine cost effective renewable energy heating alternatives, particularly in 'off grid' homes that depend on oil, LPG or electricity as their source of fuel.

8.4.4. The heating modernisation part of the programme remains on course to deliver Decent Homes. Details are set out in the Housing Improvement and Planned Maintenance Programme (Appendix B).

#### **8.5. Electrical Installations**

8.5.1. The first formal electrical rewire and upgrade programme was introduced in April 2007. Prior to that time electrical repairs and rewires were reactive only and carried out through the recommendations contained within Periodic Electrical Inspection reports which were commissioned following routine electrical repairs or void letting. These recommendations are now factored into the housing stock modernisation programme in conjunction with the installation of new kitchens and bathrooms to deliver overall savings. Since 2007, all Periodic Inspections have been evaluated and any electrical rewires or upgrading requirements incorporated into an annual programme to achieve value for money through proactively tackling repairs.

8.5.2. The benefits of this approach are that properties can be systematically upgraded to IEE 17<sup>th</sup> Edition Standards within a shorter time frame and through targeted use of funding.

8.5.3. Until recently, Housing Services delivered the bulk of their electrical work through a partnering agreement with a local business, Goodmans Electrical Ltd, which was originally secured through competitive tender in 2000. Following a review of the provision of the electrical responsive repairs element, the work was separated out and formally tendered in Dec 2007 (see section 8.7). The contract for electrical rewire and upgrade work is to be reviewed during 2008/9 and may also be the subject of formal tender.

#### **8.6. Managing Risks Associated with Asbestos and Legionella in the Home**

8.6.1. South Derbyshire District Council have met with and acted upon their legislative responsibilities with regard to asbestos and Legionella. In 2005, Housing Services commissioned a specialist asbestos firm, ECS, to undertake a survey and make recommendations to eliminate the risks associated with asbestos in the home. The results of the survey are to be incorporated into the 'Lifespan' database and action has and continues to be taken to minimise the risk of asbestos. Risk Assessments for Legionella in communal housing areas have been prepared and a number of samples have been taken from sites and tested by specialist contractors. Risk Assessment documentation is maintained on site and by the Repairs and Improvement Team.

8.6.2. Housing tenants receive general advice on asbestos safety through the Tenants' Handbook. A specific advice letter accompanied by an advisory leaflet targeting those properties which are known to contain ACMs (asbestos containing materials) will also be sent out. Tenants are also provided with a range of other support including, personalised advice offered through the survey team and workforce as well as guidance online through South Derbyshire's website.

8.6.3. The Repairs and Improvement Team engage two specialised asbestos removal companies who can provide a 24 hour service and a procedure is in place to relocate tenants to alternative accommodation in the event of an emergency.

8.6.4. All housing staff members have received training in asbestos awareness, which is now also incorporated into the induction-training programme for new starters with the Council. Specific staff will also receive annual refresher training in accordance with the Control of Asbestos Regulations 2006.

8.6.5. Legionella awareness training is to be carried out with selected members of the Repairs and Improvement Team during 2008/9 to ensure a level of expertise remains within the service to minimise future risk.

## 8.7. **Responsive Repairs Service**

8.7.1. Housing's responsive repairs service is delivered through three interrelated contractual arrangements. They are:

- Gas Servicing and Maintenance provided by a local gas-servicing contractor - This service is currently delivered by Gas Care Ltd who have provided the service since 2004 following a European tendering process. The contractor carries out an annual programme of gas safety checks and 24-hour year round responsive service in accordance with CORGI and legislative gas safety requirements.

Gas Care work in partnership with Housing Services to ensure that they maintain their statutory duties as landlord and that all properties receive an annual gas safety check. This is carried out through a process that uses a 4 letter access procedure followed by subsequent court action. Both Housing Services and the contractor maintain comprehensive gas safety records for all the relevant housing stock. Performance has been consistently around 99% access since the start of the contract.

The Gas Servicing and Maintenance Contract is to be market tested again in accordance with corporate procurement guidance during 2009 to ensure the service continues to provide value for money. During this period, the Gas Procedures will also be reviewed in line with national best practice guidelines.

- Electrical Responsive Repairs provided by national electrical contractor – This contract was tendered during the latter part of 2007 and the successful contractor, Powerminster Ltd, has been awarded a 3 + 2 year partnering agreement from April 2008 to provide responsive electrical repairs for the term. The agreement is for the provision of a 24 hour electrical repairs service and to provide Periodic Electrical Inspection reports to void properties in accordance with statutory requirements and in accordance with IEE 17<sup>th</sup> Edition electrical safety standards.

Performance on responsive repairs had previously been maintained adequately. However, the new contractor's performance has been more clearly defined and will be monitored closely during the first six months to ensure that upper quartile BVPI performance is maintained. Subsequent consideration will then be given to combining both the Electrical Installation Programme and the Responsive Repairs service.

- General building repairs and maintenance currently provided by Housing Service's own DLO of 11 tradesmen - Housing Service's Direct Labour Organisation carries out responsive

repairs in Plumbing, Joinery and Bricklaying trades to the Council's housing stock. The organisation turns over around £800,000 per annum consisting of Emergency, Urgent and Routine responsive repairs, along with void property work. The DLO is based at Darklands Road Depot where a Manager and Customer Services Team operate a 'Repairs by Appointment' diarised system for housing customers.

The contract has not been tendered for over 7 years, however, the service has been subject to an Options Appraisal and number of independent value for money exercises since 2005, where prices have been benchmarked against comparable organisations and national indices. In 2006 a full independent value for money report stated that the service offered good value for money and that tendering responsive repair work was more likely to increase rather than reduce costs. In 2007, the organisation moved onto the National Housing Federation Schedule of Rates scheme, which has become one of the most used pricing models within social housing.

Since 2005, performance of the DSO has improved significantly and responsive building repairs have been maintained at upper quartile BVPI levels since 2006. Saturday and evening appointments are currently being trialled with customers following consultation with the South Derbyshire Tenants' Forum. A decision to continue with the added service will be made following further consultation and completion of the trial.

The DLO continues to provide good value for money and supports the diverse 'Best Fit' approach taken by Housing Services towards the provision of responsive repairs.

The following represents the average performance between April 2004 and Dec 2007 for each target category:

- Emergency (within 4 hours) – 99% (Target 99%)
- Urgent (within 2 days) – 98% (Target 95%)
- Routine (Within 20 days) – 98% (Target 92%)

The DLO also maintains a repair by appointment service. 97% of all appointable (government criteria) jobs received are carried out by appointment. Of them 99% of all emergencies have been attended by the DLO on time.

At present, there are no plans to re tender the service. However, the Repairs and Improvement Manager intends to review the position following the completion of the Decent Homes Programme in 2010.

## **9. Sustainability, Climate Change and Fuel Poverty**

- 9.1. South Derbyshire's corporate aims are for a 'Cleaner, Greener, Safer and Healthier' community. These are incorporated within Housing Services strategic framework through a range of delivery mechanisms. The AMS is one of a number of key documents that are to be used to promote sustainable living through efficient use of financial resources and access to grant funding opportunities in conjunction with Housing's Energy Efficiency Strategy. The aim is to provide homes that are affordable as well as thermally and energy efficient. In doing so, the AMS will be able to deliver targets to tackle Climate Change and Fuel Poverty by providing customers with homes that use less carbon based fuels to heat and light.
- 9.2. Housing Services have incorporated the concept of sustainability and 'Lifetime Homes' into its working practices and endeavour, wherever possible, to factor better design features into existing and modernised housing stock in accordance with the Building Regulations and the new Code for Sustainable homes.
- 9.3. The partnered contractors and Repairs and Improvement team continue to meet on a monthly basis to evaluate progress against the Housing Improvement and Planned Maintenance Programme. Innovative ways have been used to improve quality and reduce costs on the programme including

securing over £400,000 worth of grant funding for energy efficiency schemes. This money has supported key aims of the AMS to lower the use of energy in homes and the risks of fuel poverty.

- 9.4. Efforts will be concentrated during 2008/9 on accessing further funding opportunities through the Carbon Emission Reduction Target (CERT) and improving the thermal efficiency of solid wall properties in line with the aims of Housing's Energy Efficiency Strategy.

#### **10. Customer Satisfaction and Stakeholder Involvement**

- 10.1. Customer satisfaction with the service is excellent with South Derbyshire's Housing Service ranked by the Audit Commission as 5<sup>th</sup> highest in the country. The organisation has achieved 'Chartermark' for excellent customer services and operates a robust consultation process through the South Derbyshire Tenant Forum (SDTF).
- 10.2. Housing Services have increased the level of stakeholder involvement in line with good practice advice following an Audit Commission Inspection in 2005. The Repairs and Improvement Working Group has become well established with strong tenant representation from members of the SDTF. The group's involvement has resulted in a revised 'Fit to Let' standard, a new Repairs Policy and a new Tenant Starter pack. The process has increased the range of choice offered to housing customers in terms of specification for kitchens, bathrooms and external doors. During 2008 the group will also be involved in the selection of contractors to deliver future contracts in grounds maintenance and responsive repairs.

#### **11. Customer Movement and Retention**

- 11.1. Since the preparation of the first Asset Management Strategy, movement and retention of the Housing customer profile has been consistent with many other authorities of a similar size. Since 2002, the number of stock has reduced through 'Right to Buy' by 505 from 3608 to 3103. This figure is characteristic of recent falls of social housing stock numbers to private ownership.
- 11.2. The Head of Housing undertakes periodic reviews of this aspect of the service and regularly meets with neighbouring Chief Executives from Derby Homes and Trent & Dove Housing to benchmark this and other aspects of the service.

#### **12. 2010 and Beyond- The 2020 Vision**

- 12.1. Despite Housing Services being in an excellent position to achieve their 2010 target, anticipating the likely effect that national and regional housing trends will have upon demand for affordable homes remains a strategic priority. Achieving the decent homes standard will not only result in a re factoring of the Capital Programme but will also require considerable thought into how homes can be maintained against a backdrop of increasing demand, an aging population and the need for a sustainable environment.
- 12.2. Amongst the strategic priorities, the efficient maintenance of the housing stock will be essential in order to ensure that standards of accommodation continue to improve. Furthermore, capital costs will still be significant as the fabric of homes become worn and require reinvestment. Many of the homes that were built of solid wall construction before 1945 remain inefficient and require high levels of expenditure to maintain compared with other homes. Considerable thought will be needed in order to ensure that these homes are replaced with sustainable properties and that areas of South Derbyshire receive the necessary funding for regeneration.
- 12.3. These considerations also apply with regard to the effects that increasing energy costs and climate change are having upon people and the welfare of the environment. Consequently, focus must remain on tackling fuel poverty through improving thermal performance and SAP rating within homes as well as through taking a more strategic approach to targeting potentially fuel poor families and target hardening their needs.

- 12.4. In order to remain proactive in these areas and in support of the post 2010 vision, Housing Services have commenced the allocation of investment for longer term improvement projects, not only in capitalising on additional funding for affordable homes as has been mentioned previously in this AMS, but through the allocation of funding for maintenance and improvement projects in support of the 'Built Environment'. Over £300,000 has recently been set aside for a range of schemes. The money has been targeted to be spent predominantly on improvements to the external fabric of housing estates including:
- Soft and Hard Landscaping
  - Installation of Handrails for the Elderly and Disabled
  - Improving the Aesthetics of targeted areas such as Garages
  - Installation of Safe Surfaces
  - Increased Security Measures for Buildings and Vulnerable Groups

### **13. Conclusion**

- 13.1. Housing Services remain in a strong position to achieve the 'Decent homes' Standard before 2010 and have commenced setting out their vision for 2020. Further work in this area is to be taken by the Repairs and Improvement Team under the guidance of the Head of Housing and Corporate Management Team.
- 13.2. The following Action Plan 2008 – 2010 (Appendix A) sets out the main priorities that will need to be addressed during the next 2 years to ensure the organisation meets its corporate and service specific objectives. The action plan also sets out work that will be required to meet longer term objectives for the service.

## Appendix A:

## Asset Management Strategy – Action Plan

| Repairs and Improvement Section |   | Asset Management Action Plan 2008/10  |  |                 |
|---------------------------------|---|---|--|-----------------|
| Ref                             | Objectives for 2008/10  | Progress to Date  | Designated officer(s)  | Completion Date |
| a)                              | Maintain the Repairs and Improvement Programme  | Annual update undertaken. Next revision required by March 2009  | Repairs and Improvement Manager  | 01.04.09        |
| b)                              | Monitor delivery of new Electrical Responsive Repairs service and subject to satisfactory performance, incorporate Electrical Installation element of Improvement and Planned maintenance Programme |   | Repairs and Improvement Manager (lead officer)<br>Improvement Manager<br>Quantity Surveyor | 30.09.08        |
| c)                              | Maintain up to date asbestos and Legionella data and complete training of internal specialist skills in legionella  | Current asbestos and legionella data up to date.<br>Training course for Repairs and Improvement Team members to be arranged during 2008/9 | Repairs and Improvement Manager  | 01.04.08        |
| d)                              | Jointly commission a new stock condition survey with the Council's Environmental Health Department and validate all stock condition data on 'Lifespan'  |   | Repairs and Improvement Manager<br>Improvement Manager (lead officer)                      | 1.08.08         |
| e)                              | Prepare a procurement plan for a revised Gas Servicing and Maintenance Contract   |   | Repairs and Improvement Manager  | 1.10.08         |
| f)                              | Prepare a procurement plan for a revised Planned Maintenance and Improvement Contract   |   | Repairs and Improvement Manager  | 1.10.08         |

|    |   |   |   |          |
|----|---|---|---|----------|
| g) | Carry out review and quantify numbers of solid wall properties eligible for thermal improvement. In conjunction with Energy Efficiency Strategy, establish opportunity for grant funding through new CERT obligations | . | Repairs and Improvement Manager<br>Improvement Manager (lead officer) | 1.06.08  |
| h) | Review current Gas Service Procedures to reflect best industry practice and incorporation into new Gas Tender   |   | Repairs and Improvement Manager                                       | 01.09.08 |
| i) | Review current Electrical Procedures to reflect best industry practice and incorporation into new Electrical Tender   |   | Repairs and Improvement Manager                                       | 01.05.08 |
| j) | Undertake a review of DSO performance including Value for Money and recent revision of appointments service through consultation with SDTF  |   | Repairs and Improvement Manager                                       | 01.06.09 |
| k) | Develop a target hardening strategic approach to identify potentially fuel poor families in order to offer selective homes that are more energy and thermally efficient   |   | Repairs and Improvement Manager                                       | 01.04.09 |

## POST 2010 VISION

|    |  |   |   |          |
|----|--|---|---|----------|
| l) | Prepare a strategy for improving the built environment in housing areas  | . | Repairs and Improvement Manager<br>Improvement Manager (lead officer) | 1.06.09  |
| m) | Following the results of the stock condition survey, establish a clear methodology of identifying potential regeneration areas and the impact this may have on targeted spending |   | Repairs and Improvement Manager                                       | 01.09.09 |
| j) | Undertake a review of DSO performance including Value for Money and recent revision of appointments service through consultation with SDTF                                       |   | Repairs and Improvement Manager                                       | 01.06.09 |

## **Housing Improvements and Planned Maintenance Programme**

The Council has various ongoing improvement programmes supplemented by a planned maintenance programme to ensure compliance with the Decent Homes and to reduce the demands for responsive maintenance.

### **Housing Improvement Programme**

The improvement programme includes for the replacement of central heating, kitchens and bathrooms on a programme that is currently planned until 2010, and is funded from the Major Repairs Allowance (MRA).

Partnered contracts were introduced in the 2004–05 financial year for the replacement of kitchens and heating systems.

### **Planned Maintenance Programme**

The planned maintenance programme supplements the improvement programmes and with continued investment reduces the requirements on the day-to-day responsive repairs.

The works concentrate on the external fabric and structure of the housing stock, which includes:

- the provision of PVCu windows with double glazed units, to replace all timber, metal and single glazed PVCu windows,
- replacement of defective external doors,
- pre-paint repairs and external painting,
- damp-proofing where rising damp exists,
- roof repairs and re-roofing where required,
- repairs for paths and the repair and
- renewal of front boundary fences.

The funding for these elements is split between the Major Repairs Allowance (MRA) and the Housing Revenue Account (HRA).

### **Properties and expenditure**

The expenditure and number of completed properties over the last six years (i.e 2002 onwards) since the introduction of the Decent Homes programme, including estimated cost for the current year (to March 2008), are detailed below:

| <i>Scheme</i>  | <i>Number of Properties</i> | <i>Expenditure</i> |
|--|-----------------------------|--------------------|
| <b>Heating Improvements</b>                            | 920                         | £2.72M             |
| <b>Kitchen improvements</b>                            | 479                         | £1.57M             |
| <b>Bathroom improvements</b>                           | 389                         | £0.65M             |
| <b>Planned Maintenance and associated improvements</b> | 3608                        | £6.6M              |

## Partnering

The partnered contracts for heating, kitchens and planned maintenance schemes all commenced in April 2004 for a five-year period, and expire in March 2009.

The contracts and contractors, with estimated costs for 2008/09, are:

| <i>Scheme / Contractor</i>                                   | <i>Number of Properties</i> | <i>Value (2004-09)</i> |
|--|-----------------------------|------------------------|
| <b>Heating Improvements</b><br>Robert R Prettie & Co Limited | 610                         | £2M                    |
| <b>Kitchen Improvements</b><br>Harvey & Clark Limited        | 451                         | £1.6M                  |
| <b>Planned Maintenance</b><br>Harvey & Clark Limited         | 3300                        | £5.5M                  |