

Subject:	Housing Asset Management Strategy		
Date of Meeting:	2 March 2016		
Report of:	Acting Executive Director of Environment, Development and Housing		
Contact Officer:	Name:	John Currell	Tel: 29-3355
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Ward(s) affected:	All		

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 This report presents the proposed Housing Revenue Account (HRA) Housing Asset Management Strategy 2016-2020. Members are required to consider the Strategy contents within the current policy context as described.
- 1.2 The HRA manages approximately 11,650 dwellings and 2,700 leasehold properties, along with associated assets including land, car parks, garages and commercial properties.

2. RECOMMENDATIONS:

- 2.1 That Housing and New Homes Committee approve the Housing Asset Management Strategy as shown in Appendix 1

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The HRA Asset Management Strategy is a key document to ensure that we align our assets with the current and future needs of residents. As such, it aligns directly to the City's Housing Strategy 2015, which was also developed collaboratively, and sets out the detailed housing challenges across the City. It has 3 key priorities: Improving Housing Supply, Improving Housing Quality and Improving Housing Support.
- 3.2 The Asset Management Strategy acts as a link between the Housing Strategy and Investment Programmes, whilst acknowledging that there are a number of challenges in meeting priorities, such as rental, welfare and housing policy reforms. By consulting, and continually working with our residents and other

stakeholders, the overall aim is to strike an optimum balance between investing in existing homes and creating new homes.

3.3 The key priority objectives of the Asset Management Strategy are :

- a) Investing in homes and neighbourhoods to provide safe, good quality housing and support services
- b) Supporting new housing supply
- c) Ensuring financial viability within the Tenancy Strategy

3.4 Through effective asset management, the HRA will continue to be able to offer homes and services based on affordability, and will be able to adapt to changing circumstances. Stability can help residents to live successful, independent, lives.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 Throughout the development of the Asset Management Strategy, Housing Strategy priorities, along with models of the likely levels of resources available for re-investment have been fully considered and balanced alongside resident consultation feedback and priorities.

4.2 The Welfare Reform and Work Bill 2015/16 will set a statutory requirement to set the rents at 1% less than the previous year for 2016/17.

4.3 The HRA 30 year financial plan will be further updated in 2016 to reflect the impact of the changes resulting from government legislation, once the detail is known. This will enable review of future detailed investment decisions on existing and new homes.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 Involvement of our residents in helping shape strategy and service delivery priorities is a key focus for Housing. Ongoing consultation with tenants and leaseholders takes place continuously through a large number of different forums and settings.

5.2 The Asset Management Strategy was presented and discussed at all Area Panels at the end of January/early February 2016.

5.3 During 2015, residents and leaseholders have played a key role in helping to shape the Asset Management Strategy through a series of discussion events chaired by the interim Head of Housing, and the views expressed now form part of the strategic direction of future services and investment. Separate consultation sessions were held with leaseholders, residents in houses, and residents in flats, as well as with staff.

- 5.4 Generally, feedback from the consultation sessions included indications that an area for higher prioritisation should include greater investment in the exterior repair of buildings and common parts, such as decorations in stairwells, and lighting, with the aim of achieving a more consistent standard across the City. This is now reflected and supported through the capital programme.
- 5.5 The Asset Management Strategy overview was also presented and discussed at the November 2015 Home Service Improvement Group meeting with residents, and also at the December Citywide Conference.

6. CONCLUSION

- 6.1 Linking the wider Housing Strategy with the asset management of the HRA Assets allows for a joined up approach to meeting the City's housing priorities. By additionally ensuring that residents are appropriately involved in the scrutiny and development of the strategy, and that decisions are affordable in the long-term, the Asset Management Strategy creates a robust framework for the future management of HRA assets.
- 6.2 This strategy includes information on the latest medium and long-term financial forecasts for the HRA. However, there are a number of uncertainties due to impending government legislation which mean that the current forecasts should be treated with caution.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The HRA Asset Management Strategy, Capital Investment Programme and 30 year financial are aligned to ensure that the resources available for investment are maximised, and that those that are available are used in the most efficient way to meet priorities.
- 7.2 The HRA Asset Management Strategy includes the HRA medium term and 30 year forecast along with the business planning assumptions used for income and expenditure as presented in 'Housing Revenue Account Budget and Investment Programme 2016/17 and Medium Term Financial Strategy' report to the Housing and New Homes Committee in January 2016 and updated to Policy and Resources Committee in February 2016.
- 7.3 The 30 year financial plan will be further updated in 2016 to reflect the impact of the changes resulting from government legislation, once the detail is known, and the 2016/17 budget proposals. This will enable a review of future opportunities for additional investment in existing housing stock and building new homes aligned to the priorities of the HRA Asset Management Strategy.

Finance Officer Consulted: Susie Allen

Date 22/01/16

Legal Implications:

- 7.4 The council has several key statutory obligations to its residents including asbestos management, legionella management, fire risk assessments and gas safety. The proposed Strategy is compatible with those obligations.

Lawyer Consulted:

Liz Woodley

Date: 29/01/2016

Equalities Implications:

- 7.5 The HRA Asset Strategy supports the funding of services to people with needs resulting from age, vulnerability or health. All investment programme projects resulting from the investment programmes include full consideration of various equality issues and specifically the implications of the Equality Act. To ensure that the impacts of decisions on priorities for investment are fully considered as part of the decision making process, a framework of relevant equality impact assessments are developed on specific areas where required.

Sustainability Implications:

- 7.6 Helping residents to live in well insulated, efficiently heated, healthy homes remains a key long-term commitment. Progress on achieving this has been consistently good, with national Standard Assessment Procedure (SAP) energy rating performance monitoring being used to benchmark these. Key investments supported that contribute to these include installing high efficiency boilers, new doors, windows, insulation and renewable energy where appropriate. We are continuing to plan future additional improvements, including identifying potential community & district heating schemes and sustainable delivery methods to ensure affordable warmth for our residents, alongside emission reductions.
- 7.7 Investment programmes include consideration of sustainability related issues, including energy conservation and procurement of materials from managed and sustainable sources.

SUPPORTING DOCUMENTATION

Appendices:

1. Appendix 1: Housing Asset Management Strategy 2016-2020

Documents in Members' Rooms

None

- 1.