

Report Title: Council Housing Asset Strategy and Investment Plan

Cabinet	12 March 2024
Cabinet Member	Cllr Moses Crook Housing & Highways
Key Decision	Yes Affects all wards and will result in spending over £500k.
Eligible for Call In	Yes
Purpose of Report To seek agreement from Cabinet to the adoption of an Asset Management Strategy for Council Housing and to the capital plan to support delivery of this strategy.	
Recommendations It is recommended that Cabinet approves: <ul style="list-style-type: none"> • The Asset Management Strategy for Council Housing 2024-2029 for adoption and implementation. • The proposed 5-year capital plan and the additional £4.4m from the HRA required to fund this. • The approach to be taken to asset option appraisal. • The delegation of powers to the Strategic Director, Growth and Regeneration and the Service Director Finance to agree annual capital plans and programmes in line with the approved 5-year capital plan. • The delegation of powers to the Service Director, Homes and Neighbourhoods in consultation with the Service Director Legal, Governance and Commissioning, to agree and negotiate the terms of and to enter into any Funding Agreements and other documentation to enable individual projects and schemes to proceed. • The delegation of powers to the Strategic Director, Growth and Regeneration in consultation with the Service Director Legal, Governance and Commissioning to award future tenders for works within the approved 5-year capital plan, subject to the production of robust and affordable business cases. 	
Reasons for Recommendations <ul style="list-style-type: none"> • The 5-year Asset Management Strategy for Council Housing will provide a framework for service improvement to enable compliance with statutory requirements and support improved outcomes for residents living in council housing. • The 5-year capital plan represents the investment needed to support delivery of the Strategy and to provide safe, good quality homes for council tenants. The 5-year capital plan is affordable and capable of delivery through teams in Homes and Neighbourhoods, working with contractors and the supply chain. 	

Resource Implications:

- The proposed 30-year capital plan requires an additional £71.2 million investment in Council housing. This will be financed through the Major Repairs Reserve (MRR) and revenue contributions to capital outlay (RCCO) from the HRA with any additional amounts being financed through new borrowing and reductions to capital proposals for new builds and development activity to support this plan.
- The 5-year Asset Management Strategy for Council Housing and capital plan will require changes to service delivery and the way schemes are procured. There are sufficient staff resources within Homes and Neighbourhoods to deliver the Strategy and the capital plan. There will be a requirement for corporate services such as Procurement, Finance and Legal to support the delivery of works procured from external contractors.

Date signed off by Strategic Director & name

David Shepherd
Service Director Growth and Regeneration
20 December 2023

Is it also signed off by the Service Director for Finance?

Isabel Brittain 29 February 2024



Is it also signed off by the Service Director for Legal Governance and Commissioning?

Julie Muscroft 1 March 2024

Electoral wards affected:

All wards.

Ward councillors consulted:

None.

Public or private:

Public report and appendix.

Has GDPR been considered?

GDPR has been considered and there are no implications arising from this report.

1. Executive Summary

- 1.1 This report sets out a new five-year strategy for the Councils housing stock and the investment that will be made to support this.
- 1.2 The strategy supports our vision for Kirklees to be a district combining a strong, sustainable economy with a great quality of life. Good homes and thriving local neighbourhoods are part of the foundation of this vision, supporting all our shared outcomes.
- 1.3 Good homes in thriving neighbourhoods support the delivery of all of the shared outcomes set out in the Councils four key partnership strategies and the Council Plan ([link](#)). Good homes in thriving neighbourhoods enable people to live independently and well, feel safe, give their children the best start in life, and support a sustainable economy with the skilled jobs required to develop and maintain local housing.
- 1.4 The strategy and investment plan also support the ambitions set out in Our Council Plan to address financial pressures in a fair and balanced way, to transform council services, to deliver a greener and healthier Kirklees, and to continue to invest in the future. The strategy and investment plan will enable the Council to improve outcomes for residents through better engagement, improved services, and a more coordinated and targeted approach to delivering improvements to homes. The strategy provides a framework to underpin

continuous improvement of service delivery and to ensure a focus on the areas that will be of the most benefit to residents and the Council.

- 1.5 The prioritisation of investment in existing homes to ensure they are safe and of good quality is of paramount importance to the Council and this is demonstrated by the scale of investment in homes that will be made through the HRA Business. The 30-year capital plan makes provision for investment in homes to ensure they are upgraded to and maintained at modern standards.

2. Information required to take a decision

Statutory Requirements

- 2.1 The Economic and Consumer Standards issued by the Regulator of Social Housing set out the statutory requirements for landlords to adhere to. The Home Standard deals with the quality of accommodation and repairs and maintenance and includes requirements that landlords must:

- ensure homes meet the standards in the Governments Decent Homes Guidance
- provide a cost-effective repairs and maintenance service that responds to the needs of, and offer choices to, tenants and aims to complete work right first time
- meet all applicable statutory requirements relating to the health and safety of residents
- ensure a prudent, planned approach to repairs and maintenance, demonstrating an appropriate balance of planned and responsive repairs and value for money
- co-operate with relevant organisations to provide an adaptations service that meets tenants' needs

- 2.2 In April 2024, The Home Standard will be replaced by the Safety and Quality Standard as the Social Housing (Regulation) Act 2023 comes into force. The Safety and Quality Standard extends the requirements to ensure homes are safe and of an appropriate quality and includes provisions for registered providers to:

- have an accurate, up to date and evidenced understanding of the condition of their homes that reliably informs their provision of good quality, well maintained and safe homes for tenants
- take all reasonable steps to ensure the health and safety of tenants in their homes and associated communal areas
- provide an effective, efficient and timely repairs, maintenance and planned improvements service for the homes and communal areas for which they are responsible
- assist tenants seeking housing adaptations to access appropriate services

- 2.3 At the close of 2022/23, 6.5% or 1,415 properties did not achieve the requirements of The Home Standard and were classed as non-decent.

Asset Strategy

- 2.3 The strategy sets out a 5-year plan for council housing assets and seeks to ensure statutory compliance as a minimum and to address the investment needs of homes whilst

acknowledging the challenges faced. It establishes a number of 2 and 5-year pledges to help drive progress and provide step targets for improvement.

2.4 The strategy provides the priorities for action that officers will need to focus on over the next five years to improve homes and services, and has eight priorities:

- Ensuring a resident focus in our work and improving their experience of services
- Providing safe homes and raising the quality of homes and neighbourhoods
- Delivering effective and efficient repair & maintenance services
- Delivering a new approach to void property maintenance
- Delivering a new approach to planned investment
- Decarbonising homes
- Developing our approach to intelligent and intelligence-led asset management
- Building the right resources to deliver our work

2.5 The strategy has been developed based on reviews of void process and performance, the effectiveness of the Direct Labour Organisation (DLO) and the client function as well as on what asset data tells us about the state of council homes. The strategy sets out the high-level objectives for change and actions to be taken based on these and other reviews. Detailed action and project plans for changes to services will be developed to enable the strategy to be delivered.

2.6 The delivery of the strategy requires not only an investment in homes, but also in staff and delivery mechanisms. Developing the way services are delivered means upskilling and reskilling the workforce so that works are designed for the future, of a high quality and resident focussed. Ongoing transformation projects in Homes and Neighbourhoods are already redesigning processes and procedures to ensure clarity of function and purpose for officers and to help them adjust the way they work to align with this.

Capital Programme

2.7 In parallel with the development of the Asset Management Strategy for Council Housing, detailed analysis of the requirements for investment have been undertaken. This analysis shows that based on asset data held, there is a backlog of investment of £125m to the end of 2023/24 and over the next 10 years an estimated additional £225 million needs to be invested in homes. The cost projections are based mainly on the age and lifecycle of components as the level of current stock condition data is low. Failure of building components under the Decent Homes Guidance is based on age and condition and so gathering up to date stock condition information is key going forward. Appendix 3 provides a breakdown of the investment requirements by component workstream.

2.8 In 2022/23 the Your Home, Your Place capital investment programme for existing homes moved from 'whole-house' to a worst-first component led approach. The whole-house approach resulted in investment impacting a small number of properties every year and did not support achievement of The Home Standard. A worst first component led approach will better enable statutory compliance with standards of quality and decency for homes.

2.9 The sums estimated as required for investment are greater than provisions made in previously agreed capital budgets. The scale of investment is such that it is not feasible to

fund and deliver the entirety of all workstreams within a 5 or 10 year period but over the life of the 30 year plan virtually all requirements have been planned and budgeted for. As the projections are based only on the age of components not their age and condition, they should represent investment beyond that needed to achieve decency under The Safety and Quality Standard. The analysis has been used to develop investment plans which address the backlog and largely deal with future investment requirements in an affordable and deliverable way. The plans identify budgets at component workstream level in order to target and apportion spending to help achieve the investment levels required.

- 2.10 Planning by workstream also helps provide visibility of the delivery pipeline, providing clarity for the DLO on spend levels and enabling workforce and capacity planning and supporting the development of a procurement strategy for works to be tendered to external contractors. In previous years the DLO have delivered non-specialist capital improvement works either directly or through sub-contracting. From 2024/25 the DLO will focus on capital works to the inside of people's homes (e.g. kitchens and bathrooms), and external works (roofs, windows, render) will be tendered to external contractors and managed by the client team. In the long term, this approach will improve the efficiency of delivery and reduce costs.
- 2.11 The 30-year plan includes investment at the levels required in the majority of component workstreams, but there are some where investment falls below the projected requirement. Most of these shortfalls are below £500k, those that are greater than £500k are:
- Electrical installations £3.9m
 - Kitchen fittings £802k
 - Roofs £510k
 - Protective installations £2.2m
- 2.12 The shortfall in spend on electrical installations is considered to be low risk as EICR testing is carried out every 5 years and critical faults are dealt with immediately, as such all installations are safe and legal. Homes are partially rewired when undertaking renewal schemes (e.g. kitchens and bathrooms) and partially or fully rewired as required when void. The shortfall on kitchens and roofs is considered to be a low risk and as stock condition data is updated this will be addressed. The shortfall on protective installations (sprinkler systems) is not an actual shortfall as these works will be undertaken as part of the refurbishment of Retirement Living Schemes and provision has been made for this work through other capital scheme budgets. The shortfall stands at a total of £4.4m once the value of the protective installation requirements has been omitted. These shortfalls should not impact on the achievement of decency under The Home Standard.
- 2.13 Having up to date stock condition survey information will enable more accurate assessment of the need and timescales for component renewal. It will also support wider capital planning to integrate programmes of work – e.g., fabric first retrofit targeted at homes where there are recurrent or ongoing damp, mould and condensation issues. A commission to carry out stock condition surveys will be developed and will look to collect up to date information on at least 80% of homes within a 2-year period. Once this initial survey process is completed, a rolling programme of 20% of stock per annum will be delivered in-house. Drawing wider data sources into planning activity will complement stock condition information and represent a more intelligence-led approach – e.g., repairs data on high spend components or homes.
- 2.14 Until such time as more current stock condition information is available and data has been integrated to support capital planning, surveys will take place for each year's capital

programme to ensure that inclusions represent the worst first approach and are properly prioritised. Annual programmes and budgets will be developed in a way that enables flexibility in year to deal with unforeseen issues through the dynamic planned maintenance initiative.

- 2.15 Investment in component renewal will increase in years 3 through to 5 (26/27 to 28/29) so that strategy and workforce development can take place. Over the same period data coverage and quality will be increased and improved to support better intelligence-led planning. This will help to ensure that funding is targeted efficiently and to reflect the priorities of Homes and Neighbourhoods, the wider Council and those in play nationally.
- 2.16 To help manage demands and pressures on the capital programme and extend the life of components a programme of cyclical (revenue) maintenance was reintroduced in 2023/24. The absence of cyclical maintenance over recent years has contributed to increasing levels of component failures particularly in relation to roofs (decoration of fascia's, soffits) and fencing. This has also resulted in increased demand for repairs.
- 2.17 In addition to ensuring homes are properly maintained and meet The Safety and Quality Standard in terms of their condition and decency, there is a need for considerable investment in building safety works, and in particular fire safety works, to ensure and improve the safety of homes and residents. Workstreams for building safety investment have been included in the 5,10- and 30-year plans based on the age and condition of components, as well as recent spend on remedial works. Works to deal with high priority remedial fire safety works are ongoing with a large number already completed. For the four high-rise buildings in council ownership, two are being decanted in preparation for demolition and site redevelopment, one is being decanted to enable remodelling and refurbishment works and the fourth is undergoing works to deal with fire safety requirements. Future investment in fire safety remedial works in blocks other than high-rise was the subject of a separate report to Cabinet at its meeting on 11 April 2023.
- 2.18 The Capital plan also makes provision for investment to address the energy efficiency and decarbonisation of homes. At present an allowance has been provided of £1.5m per annum, to support fabric-first retrofit. Workstreams to renew and replace components in homes will have an impact on their energy efficiency and technical specifications will be developed to ensure works support the achievement of targets in these areas. The heating workstream of the capital plan looks to increase the level of investment from 2026/27, this is to allow time for pilot schemes and analysis of appropriate solutions for different types of homes and to set out a plan for ceasing to install gas boilers and to move to new technologies. A Decarbonisation Strategy is being developed and will be in place by the autumn of 2024. This Strategy will support the production of a costed roadmap to achieve energy efficiency targets which will be incorporated into future capital plan reviews.
- 2.19 To enable the level of investment required in existing homes, the development programme for new build and regeneration has been reduced. The plan makes provision for existing commitments on high-rise regeneration and redevelopment, extra care and the redevelopment of Sycamore Grange to be delivered. The provision for housing growth through buybacks and S106 reduces through 2024/25 to 2026/27. From 2027/28 onwards £1m per annum has been provided for growth through conversions of existing buildings where this is of strategic benefit to the council and to take up S106 opportunities. This provision will be reviewed annually and as the outputs from the asset option appraisal become known, these will be fed into the planning process for development budgets.

Asset Performance Modelling

- 2.20 Wider performance modelling of homes has been carried out by looking at contributing four areas and assessing how these impact on individual properties. The four areas assessed are:

- **Assets** – the investment needs and demands of assets. Including repairs and void demand as well as forecast costs and property data.
- **People** – what residents and staff say about the performance of homes. Including tenancy length and turnover data as well as perception information from council officers.
- **Finance** –the relative cost of managing each asset derived through intensive testing and distribution of costs and income.
- **Markets** – comparison data around rents, values, deprivation and other local factors.

2.21 The performance modelling places properties into one of three categories:

- **Class A** – homes that represent sustainable core stock and perform well.
- **Class B** – homes that are not fully sustainable as some aspects do not perform well.
- **Class C** – homes that are potentially unsustainable as they do not perform well.

This modelling shows that 60% of properties fall into class A, 24% into Class B and 16% into Class C. Houses perform better than flats with 85% of them in Class A, 10% in Class B and 5% in Class C. 49% of flats are in Class A, 30% in Class B and 21% in Class C.

2.22 Over the next two years those homes categorised as Class B and C, will be assessed further to understand the reasons for their current performance. In cases where there may be underlying issues, an option appraisal will be conducted to help decide on the best course of action for their future. To help do this an option appraisal framework will be developed and will build on the inputs to the performance model. A typical option appraisal will consider a range of key viability or sustainability factors including:

- The financial performance (NPV/return) of the home or homes.
- Operational intelligence (data) on how the assets are performing including energy performance.
- Operational judgements about how the assets are performing.
- Socio-economic and/or neighbourhood sustainability factors.
- Changing resident needs, demands and expectations.

2.23 In some circumstances, alternative options may need to be considered for properties if they no longer meet resident or Council needs.

2.24 For those homes assessed as performing below requirements (Class B and C), until stock condition information is more up to date, and full option appraisal has been carried out, works to be carried out will be considered as part of annual programme development. Ensuring the decency of these homes until longer term decisions are made, will be critical.

A full programme of improvement and investment works will apply to homes categorised as Class A.

3 Implications for the Council

3.1 Working with People

3.1.1 The proposed Strategy and capital plan will support the improvement of service delivery to residents of council homes and the provision of good quality, safe homes. Engagement with residents to develop proposals for homes and neighbourhoods will be essential to the delivery of the Asset Strategy.

3.2 Working with Partners

3.2.1 Schemes and projects to be delivered through the capital programme will be developed through engagement with partners or using intelligence they have provided. Estate landscaping and improvement schemes will support safer neighbours and look to design out opportunities for anti-social behaviour and criminal activity. Fire and Building Safety schemes will seek input from West Yorkshire Fire and Rescue Service and act upon intelligence provided by them during inspections. Health partners will be engaged to help design schemes and services that support tenant health and wellbeing in relation to their homes (for example to reduce damp, mould and condensation).

3.3 Place Based Working

3.3.1 The proposals are informed by intelligence and evidence about the condition and safety of homes and neighbourhoods and offer appropriate local solutions. Working with ward members and residents to develop learning from similar schemes will help to tailor proposals to the needs of Kirklees as a place and the individual needs of its distinct communities.

3.4 Climate Change and Air Quality

3.4.1 The Asset Strategy includes a priority for 'Decarbonising Homes' and an action to develop a Carbon Reduction Strategy. The government has set a target for all social housing homes to be brought up to band C for energy performance (Energy Performance Certificate) by 2030 and to be net zero carbon by 2050. Kirklees Council has declared a climate emergency and set a target of 2038 to be net zero carbon. It is not currently feasible to fund the costs of whole house retrofit to all properties, additionally, there will be properties where achieving SAP band C is exceptionally difficult or costly. For this reason, a fabric first approach needs to be taken to improving the carbon performance and energy efficiency of homes. The specification of capital renewal schemes will be developed to support the achievement of SAP band C and net zero, e.g. specification for window units and their installation to achieve specific u-values and air tightness levels. The model for option appraisal referred to at 2.21 will include criteria relating to the ability of homes to achieve SAP band C or above and the cost and deliverability of this.

3.4.2 Seeking funding from sources other than the HRA will be necessary to support achievement of net zero. The council has already been successful in obtaining funding for fabric first retrofit to homes through mechanisms such as the Social Housing Decarbonisation Fund. Horizon scanning for funding opportunities needs to continue and be broadened to look at other possible funding approaches.

3.4.3 The environmental impacts of delivering the capital plan and Asset Strategy will be established by gathering learning and intelligence from different schemes and pilot projects. The carbon impact of removal, re-use and recycling of existing materials when delivering works will be quantified where possible and ways to minimise this sought. The carbon impact of new materials and different construction and delivery methods will also be assessed. This will help

to develop toolkits and specifications for future schemes to manage environmental impacts in the most appropriate way.

3.5 Improving outcomes for children

3.5.1 The improvement of homes and the achievement of The Safety and Quality Standard will contribute to improved living standards for those children who live in council homes. The provision of warm, safe homes should lead to better physical and mental health for children and young people. Many young people who are care leavers live in Council homes and the strategy will help to ensure that they live in good quality homes that support their safety and wellbeing.

3.6 Financial Implications

3.6.1 The proposed 30-year capital plan to support delivery of the Asset Strategy requires an additional £71.2 million investment in Council housing. This will be financed through the Major Repairs Reserve (MRR) and revenue contributions to capital outlay (RCCO) from the HRA with any additional amounts being financed through new borrowing and reductions to capital proposals for new builds and development activity to support this plan.

3.6.2 The HRA Business Plan is reviewed annually, as stock condition survey information is updated this will be fed into the annual review process to ensure the capital plan is adjusted to reflect current investment needs.

Financial Implications for people living or working across Kirklees Council

3.6.3 Works that improve the fabric of homes (such as insulation provision or renewal) should improve thermal performance and help residents to keep their homes warm at a lower cost. The Carbon Reduction Strategy that will be developed, will look at the affect of changes to homes on residents, balancing the cost of living and quality of their home with its impact on the climate.

3.6.4 Many of the works proposed will be tendered to the contractor market and this offers opportunities for local employment and investment. Larger schemes will include requirements for social value as part of the tender, this could include training and jobs and investment in local community infrastructure. The programmes of work also offer the opportunity to develop local contractor and supply chain relationships.

3.7 Legal Implications

3.7.1 The Asset Strategy and investment plan will support the Council in ensuring that council housing meets all relevant statutory requirements relating to the management, maintenance and repair of homes.

3.8 Other (eg Risk, Integrated Impact Assessment or Human Resources)

3.8.1 An initial Integrated Impact Assessment for the Asset Strategy was carried out on 22 January 2024, and can be found [here](#)

3.8.2 All the projects within the capital plan will ensure that where changes are made to building elements or layouts that they are done in a way that is accessible and enables full, safe and proper use by people with disabilities. Designs will take account of guidance on best practice as well as statutory requirements in relation to dementia, physical and visual disabilities, and impairments.

3.8.3 A Stage 1 Integrated Impact Assessment was carried out on the proposals for fire safety remedial works on 8 February 2023 and a Stage 2 Integrated Impact was not required. The proposals have a largely neutral effect on equalities, with disability being the protected

characteristic most likely to be impacted. As proposals for these works are developed, the Integrated Impact Assessment will be reviewed and updated.

Theme	Calculated Scores						Stage 2 Assessment Required
	Proposal	Impact	P + I	Mitigation	Evidence	M + E	
Equalities	4	4.2	8.2	0	2	2	No
Environment		4	4	5	2	7	No

4 Consultation

- 4.1 If the investment proposals are agreed then formal engagement with residents about individual projects and proposals for work will be needed. Engagement will be tailored to the different cohorts of residents and stakeholders involved and support schemes to be developed appropriately by understanding their impact on residents.
- 4.2 Project teams include Quality Liaison Officers whose role is to understand the individual needs of residents and households so that plans can be developed in a way that minimises disruption and supports residents through the build period. These officers manage day to day communication through during the build period and work with residents to ensure it is tailored to their needs, e.g. through supporting the use of respite and decant properties should they be needed.
- 4.3 Some aspects of schemes will require planning permission and where this is the case, formal consultation will take place.
- 4.4 The Council's Tenant Advisory & Grants Panel and Tenant Voice Panel were consulted on this report at their meeting on 31 January 2024 and were supportive of the proposals. The panels asked for more information on how the pledge to 'build an effective resident involvement framework that actively helps shape and inform our repairs service and planned maintenance works' would be developed and who would be involved. The panels were informed that a range of engagement and involvement would take place and that they, Tenant and Resident Associations and other tenants would be involved in developing the framework and re-designing services.

5 Engagement

See Consultation section above.

6 Options

6.1 Options considered

The Asset Strategy has been developed to reflect the findings of reviews of service delivery and performance and to support the achievement of legal standards for housing asset management. The reviews have looked at how services are currently delivered, how council performance compares to the wider sector and the changes needed to improve services to be in line with higher performers. As plans and projects needed to deliver the Strategy are developed, options for service design will be considered and consulted on, with recommendations made on the most appropriate options for final development and adoption. The option appraisal work referred to at 2.2 will result in further proposals for investment in homes.

6.2 Reasons for recommended option

The Asset Strategy provides an appropriate framework to ensure legal compliance and for the development of plans for service change and redesign that will improve

performance, the resident experience and journey. The investment plan represents an affordable and deliverable approach to improvement of homes.

The Homes and Neighbourhoods Improvement Board considered the Asset Management Strategy, capital investment plan and this report at its meeting on 14 February 2024 and recommends it for Cabinet approval.

7 Next steps and timelines

- 7.1 Once agreed the Asset Strategy will be implemented and detailed delivery projects and action plans developed.
- 7.2 Capital programmes will be developed and delivered annually based on the proposals set out in this report.
- 7.3 A project team will be convened to develop the approach to option appraisal of underperforming properties.

8 Contact officer

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9 Background Papers and History of Decisions

- 9.1 On 11 April 2023 Cabinet was presented with a report on the procurement of fire safety remedial works to 6-storey, low-rise and retirement living scheme blocks. The report can be found [here](#) and the decision [here](#).
- 9.2 An Integrated Impact Assessment was carried out on the new service delivery model for damp, mould and condensation in November 2023 and can be found [here](#)

10 Appendices

- 10.1 Appendix 1 – Asset Management Strategy 2024 – 2029
- 10.2 Appendix 2 – Your Home Your Place Component Workstream Investment Requirements
- 10.3 Appendix 3 – Proposed 10 Year Capital Investment Programme
- 10.4 Appendix 4 – 2024/25 Capital Programme unit numbers

11 Service Director responsible

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Council Housing Asset Management Strategy

**Creating solid foundations
2024 - 2029**

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Foreword

'Our Asset Management Strategy sets out how we will go about creating solid foundations for our asset management activities and services.

The strategy is pivotal to us having the right approaches and actions in place to make sure the homes we provide are safe, well maintained, of improving quality, and meet the needs of current and future residents. It will also help deliver the Council's vision and ambition for our homes and services.

The strategy is built around 8 priorities that provide the overarching framework for how we will focus our activities on the most important things over the next five years. In this way we can do what we need to raise the condition and quality of our homes, neighbourhoods, and services, as well as respond to the changing needs and expectations of residents. In delivering the strategy we will work to reduce both fuel poverty and impact on the environment by investing in improvements to homes to make them more energy efficient and to provide alternative sources of heat and power.

Whilst focussed on the next five years, the strategy also provides the basis for a much longer-term approach to investment and decision making."

Councillor Moses Crook, Cabinet Member Portfolio Holder for Housing & Highways

Our asset management ambitions

Our vision is for Kirklees to be a district combining a strong, sustainable economy with a great quality of life. Every day we work together with people and partners in places across Kirklees to enable this vision and deliver our shared outcomes. Good homes and thriving local neighbourhoods are part of the foundation of this vision, supporting all our shared outcomes.

Good homes in thriving neighbourhoods enable people to live independently and well, feel safe, give their children the best start in life, and support a sustainable economy with the skilled jobs required to develop and maintain local housing. We owe it to our residents to enable this vision, and we will only achieve our ambitions through our ongoing commitment to good homes and thriving neighbourhoods.

We are constantly striving to deliver modern, efficient, and effective services within the finances available, but this is now more important than ever. In Our Council Plan ([link](#)) we have set out our ambitions for transforming our services in a fair and balanced way whilst continuing to invest in the future and deliver a greener and healthier Kirklees. Our ambitions in asset management are central to these plans.

This asset management strategy represents a step-change in how we will go about investing in homes and neighbourhoods. It reflects a more strategic approach to decision making, reviewing options, and selecting priorities for action based on insight from accurate and up to date information and intelligence.

This strategy sets out a five year plan for our housing assets and seeks to address historic underinvestment. We can't do this overnight, so we have set some two year, and five year pledges to help drive the progress we need to make.

To help us on our journey, we are determined to introduce and adopt the very best professional practice in asset management. For example, we have already introduced some improved practice in better understanding the condition and investment needs of homes. We have fed a range of data and insights into our new asset performance tool and will be using this to actively shape and inform our decision-making processes.

We also need to build on our existing strengths. One of these is the wider social value our operations and activities bring through our in-house workforce. Our Direct Labour Organisation (DLO) employs many local, skilled operatives which helps keep our expenditure local and allows us to invest in our successful apprenticeship scheme.

We have already made a strong start, so this strategy continues to build on these initial steps and put in place the foundations we need for a strong, sector leading approach to asset management.

The ultimate objective is for us to improve the condition and standard of our properties over the next five years, so they provide better maintained, better quality, more modern homes for our residents.

What is asset management?

'Asset Management' is the term used to describe the range of activities we need to carry out to repair, maintain and improve all our homes so we reflect changing policy and practice, modern standards and the evolving needs of tenants.

While asset management includes repairs and maintenance, it is about much more than this; it is about updating, improving, and investing in properties so they provide homes we can be proud of for the 2020s' and beyond. Our strategy therefore includes a wide range of work and activities including maintaining safe and healthy homes, tackling climate change by reducing carbon emissions, modernising our sheltered housing and placing a focus on the needs of our tenants.

Our two and five year pledges

Within the next two years we will...

- Raise levels of satisfaction with the repairs service to at least average benchmark levels
- Build an effective resident involvement framework that actively helps shape and inform our repairs service and planned maintenance works.
- Bring all homes up to the current Decent Homes Standard.

- Develop and implement clear policies and procedures to manage disrepair, damp, mould, and condensation effectively.
- Use our Dynamic Planned Maintenance initiative to tackle the backlog of most pressing and visible overdue items.
- Reduced our expenditure on void property maintenance to an affordable level.
- Develop and put in place a Decarbonisation Strategy for homes and operations.
- Work to better understand the reasons and options for our poorer performing homes and estates
- Establish our DLO on a firm business footing, supported by a strong strategic client role.

Over the next five years we will...

- Redesign our repairs service and systems, supported by modern and effective IT platform.
- Have well established planned maintenance programmes that are designed to meet the investment needs of homes and built around the known priorities of residents.
- Ensure all homes are continually maintained at the prevailing Decent Homes Standard.
- Have a portfolio of homes that benefits from sector leading approaches for proactive and preventative maintenance, including excellence health and safety compliance.
- Put in place a new approach to preparing empty properties that is effective, affordable and fair.
- Have tackled the backlog of planned maintenance and have a proactive programme that keeps on top of the investment needs of homes.
- Have begun to implement our Decarbonisation Strategy for homes and operations, supported by the additional skills and resources needed to expand our work in this area.
- Have well established systems and approaches for reviewing and acting on the needs of our poorer performing homes and estates through option appraisal.
- Have built up our DLO to be a well performing business of sufficient scale to maximise its contribution to repairing and maintaining homes.

Our homes

Our housing portfolio contains around 21,500 social rented homes and we also manage 1,150 leasehold homes. All our homes are within the Borough of Kirklees, and we are the largest landlord in our area.

Over 40% of homes we own are houses, 40% are flats and maisonettes and 15% are bungalows.

Of our homes, 504 (2%) are used for supported housing.

We spend around £10m each year carrying out day to day responsive repairs and minor works and around a further £10m carrying out servicing and checks of heating, fire safety systems, lifts and other installations.

Every year we relet around 1,500 homes, equating to a turnover of tenancies of around 7%. In recent years the amount of money we spend on preparing properties for reletting has increased significantly and in 2021/22 reached £11.7m, equating to around £7,400 per home.

We have a development programme that aims to provide more additional homes than we lose through Right to Buy.

Our challenges

Tenant experience

Despite some recent improvements, levels of satisfaction with our repairs and maintenance services and the quality of homes remain lower than we want them to be. In the annual STAR Survey, we continue to rank in the bottom quartile on many measures compared with similar landlords in our peer group. We want to be better at dealing with repairs and maintenance, including carrying out repairs more quickly and addressing concerns about the quality of homes we provide.

We want to be more proactive in involving and engaging with residents so their views can help shape and inform our wide range of repairs and asset management services.

Home quality standards

We have some homes that do not currently meet the government's Decent Homes Standard. We need to remedy this by addressing items of disrepair (including damp and mould) and through targeted planned programmes including kitchen and bathroom replacements.

The overall quality and condition of homes falls short of our aspirations. However, the level of resources available to us for improving the quality of homes over the next few years will make it challenging for us to meet the markedly higher standards we would like to provide.

We are keen to review the quality and environment of external shared areas on estates, due to ageing hard landscaping, poor quality grounds maintenance and current caretaking services capacity. It is crucial that we continue to focus on the upkeep and maintenance of these external areas, to improve the environment for residents.

Repairs and maintenance

Our performance in carrying out repairs and maintenance to homes and communal areas is below some of our targets, including timeliness and levels of customer satisfaction. We want to improve our performance so we carry out repairs and maintenance as effectively and efficiently as possible, meeting our obligations to keep homes in good repair, in a timely manner and at a cost that is affordable.

We must do this whilst meeting the wide range of new and pre-existing legislation and required practice to ensure residents are safe in their homes and addressing a range of identified fire safety issues through an ongoing programme of remedial works.

Preparing empty homes (voids)

The costs of carrying out the works in void properties is higher than we would like to see them and these often complete outside of the timescales we have set. We have already reviewed this service and are now acting on the findings and recommendations of an independent report, by taking a fresh approach to void property works.

Planned improvements

We know we have a backlog of planned improvement works to homes. This results in part from previous approaches to the targeting and delivery of improvements, as well as delays due to the pandemic. We will now place a strong focus on identifying and catching up on these works, putting programmes in place to tackle them.

We are investing in designing and resourcing new arrangements for maintaining and renewing external and internal building elements.

Decarbonisation

The government has set a target for all social housing homes to be brought up to band C for energy performance (Energy Performance Certificate) by 2030 and to be net zero carbon by 2050. Kirklees Council has declared a climate emergency and set a target of 2038 to be net zero carbon. We therefore need to continue to develop our understanding of the range of works and costs that will help us to meet this target. This needs to involve upscaling our plans and works programmes for retrofitting homes, so they have much higher levels of thermal insulation and use renewable energy.

Collecting and using survey data and intelligence

We are working hard to improve the accuracy and completeness of our property condition data and have invested in the development of a stock performance assessment tool. We will continue to develop the way we collect and update this data, so we can turn it into insight to help make properly informed decisions about how, when and where we spend money investing in homes.

There are some homes and estates that may have property condition and management issues that mean they may struggle to be suitable longer-term. We will therefore use the stock condition assessment outcomes to develop a more structured and consistent approach to appraising the options for investment works, remodelling or regeneration, coupled with the development of new Council homes.

Resourcing our work

The funding position of the Council's Housing Revenue Account (HRA) is limited and we are likely to have insufficient financial resources to maintain and upgrade homes to the high standards we would like, as well as to address new challenges such as achieving net zero. There will be pressures especially over the next few years as we seek to tackle the backlog of planned maintenance works. Additionally, many services provided to residents are funded through the Council's General Fund which is experiencing pressures. This presents challenges that need a joined-up approach to service provision.

Like many council landlords, we can find it difficult to recruit sufficient experienced people to plan, organise and deliver our repairs, maintenance, and investment works. We have a positive legacy of supporting and developing our own local workforce and we will renew our efforts to strengthen our team.

Our asset management strategy priorities

Our Asset Management Strategy is built around 8 priorities. These have been designed to deliver the right outcomes for residents and the Council. An action plan has been developed to address the challenges we face and set out how we will improve the approach to repairs, maintenance, and planned investment programmes. Through our two-, and five-year pledges we will take a staged approach to delivering our priorities so the actions are more manageable and aligned to the length of time it will take to deliver them.

The detail within each of the priorities has been designed to ensure we have the right blend of approaches and actions in place, so we target our financial resources and energies where they are most needed and to best effect.

It is crucial to recognise how our eight priorities are all inter-linked and cannot be seen in isolation. For example, delivering effective and efficient repairs and maintenance should also help drive the delivery of an improved resident experience. Likewise, delivering a new approach to planned investment relies on having an intelligent, data-led approach to asset management, whilst also raising the quality of homes and neighbourhoods.

By delivering our eight priorities we will strengthen the role and purpose of the Council in providing much needed, good quality affordable housing in the borough.

Ensuring a resident focus in our work and improving their experience of services

At Kirklees, we are determined to raise levels of satisfaction with homes and repair and maintenance services by improving the services we deliver and how residents experience them. We want to do this by ensuring a stronger customer focus around how we go about repairing and maintaining homes. To help us, we will actively work with residents, engaging with them and involving them in the design and delivery of our repair services and planned programmes of work. We will be open and respectful, listening to the 'voice' of our residents and acting on what we hear.

Ensuring a resident focus in our work

We want residents to help shape and inform how we go about delivering our repair and maintenance services, the standard of homes, and our investment plans. Residents are well placed to help determine what works are carried out in their home and to ensure this is done in the most efficient way. We will therefore ensure we seek and act on the views and opinions of tenants and leaseholders through surveys, including regular sample surveys using the new set of Tenant Satisfaction Measures (TSMs) set out by the Regulator for Social Housing. We will also actively engage with residents through the groups we have established as part of our Tenant Involvement Strategy.

Our determination to ensure that residents are at the heart of everything we do aligns strongly with one of the key recommendations of the Better Social Housing Review (BSHR, December 2022). This sets out how social landlords should partner with tenants, contractors, and frontline staff to develop and apply new standards defining what an excellent maintenance and repairs process looks like. Involving residents in collaborative working with our staff and contractors to help co-design service standards and then

ensure they can hold us to account for our performance will help us to achieve this recommendation.

Work in partnership with our leaseholders is important, giving them an opportunity to help shape the services we deliver.

To ensure a resident focus in our work we will:

- Carry out regular resident surveys, including sample surveys using the new TSMs.
- Respond to the BSHR, shifting from just engaging with residents to working proactively with tenants and leaseholders in the co-design of the whole repairs process. We will ask 'how does it feel to be a resident on the receiving end of our service?'
- Use a similar approach to the BSHR initiative to then work to co-design our decision-making processes for planned maintenance programme design and implementation.
- Work proactively with the tenant and leaseholder panels and groups to ensure the residents voice informs the redesign of services and the way we measure and monitor performance.

Improving the experience of residents

Our annual STAR Survey provides us with information about what residents think about how we go about repairing and maintaining their home. Around a quarter of our tenants and leaseholders are dissatisfied with how repairs and maintenance is dealt with overall. Around a third of customers are dissatisfied with the quality of their home. And nearly half are dissatisfied with how we communicate around carrying out repairs and maintenance. Whilst these figures reflect some recent improvements in levels of customer satisfaction, we still have some way to go in delivering services that meet the needs and expectations of people.

We therefore need to improve and modernise our services with repairs carried out more quickly, at people's convenience, within the timescales agreed with customers, with excellent communication from beginning to end. One of our main priorities over the next two years from 2024-26 will be to raise levels of satisfaction with the repairs service to at least average benchmark levels.

We will do this by redesigning the repairs process, by maximising the benefits of a new DLO IT system, and by empowering staff on the front line of service delivery to resolve service failures at the initial point of contact.

We will also communicate more effectively on our plans and timescales for carrying out our planned maintenance works, both inside and outside homes. We will explain the reasoning for our decisions about what works will be carried out, and when, with staff being confident and consistent about this. We then need to keep customers informed and updated on our progress.

In our activities we will:

- Develop our understanding of residents' views and opinions on our service standards, as well as their needs & aspirations for their homes.
- Understand what features and attributes of their homes are going to have the biggest impact on residents' lives, including issues around digital inclusion, so these can be fed into our investment planning activities.

- Involve residents in the development of programmes of future works and have discussions about how these will affect them in both the short and the long term.
- Understand how residents want to be involved in measuring and monitoring our performance in doing what we say we will.

To improve the experience of our residents we will:

- Redesign the repairs process to focus on the resident journey and experience. We will deliver this through a project within our transformation programme, pulling together a project team from across the Council's wider 'access to services' programme.
- Replace the in-house DLO IT system to improve the ways residents can report repairs and help keep residents and staff up to date on progress to support getting the job done properly.
- Reduce the number of complaints by resolving service failures at the initial point of contact, empowering frontline staff to take action to remedy issues.
- Communicate more effectively the plans and timescales for carrying out planned maintenance works, as well as keeping people informed of progress.
- Build relationships and trust with residents and be honest about what we can and can't do.

Providing safe homes and raising the quality of homes and neighbourhoods

We are determined to continue to improve the quality of the homes we provide, as well as the neighbourhoods and external areas we manage and maintain. We have a backlog of planned and preventative maintenance that we are already tackling. Over time, our aim must be to improve the quality of accommodation we offer and the external environments in which our properties are located, so homes and neighbourhoods better meet the needs and expectations of residents now and in the future.

Providing safe homes

We carry out surveys and inspections to understand the safety of homes and properties as well as regular servicing and maintenance of installations where safety is paramount. These surveys and inspections inform changes to building management processes and identify remedial works or actions needed to ensure safety.

The fire safety of homes and damp, mould and condensation have been high on the national agenda in recent years and we have spent time understanding how these issues affect Kirklees council homes. Extensive surveys of multi-storey and higher risk buildings have been carried out and used to develop major investment projects to address building safety, condition and energy efficiency issues. The approach to reports of mould has been redesigned to ensure early identification and resolution of problems and to keep residents informed about what is happening.

We will continue to assess the situation with safety in homes and properties and take remedial actions as necessary either through reactive works or larger planned investment programmes.

Raising the quality of homes

As a minimum, we need to ensure all homes meet the government's Decent Homes Standard (DHS). At present, our some 6% of homes fall short of meeting the DHS, for a variety of reasons. We are taking early steps to remedy this position. To do this we need to put in place proactive approaches for surveying our properties to assess DHS compliance, carry out repairs and component replacement works where needed, and update our records. We expect further requirements and expectations to emerge during and beyond the life of this strategy. This includes an updated Decent Homes Standard which is likely to set out more stringent requirements in key areas including damp and mould, disrepair, and thermal performance of properties.

Beyond decency, the quality of some homes is affected by work that is needed both inside and to the exterior of homes. This includes poorer quality kitchens that need replacing earlier than forecast, external painting of doors and of timber facias, and a backlog of fencing repairs or replacements.

Looking longer term, we will make sure we focus on carrying out a range of works inside homes and to the outside of properties that optimise the value and outcomes gained from investment. This includes looking at a range of factors that make for a 'modern home' and that matter most to residents. Examples are works that increase the thermal comfort of homes, reduce real life costs of living in one of our properties, and improve the condition and durability of key facilities such as kitchens and bathrooms, along with principal external components such as windows, doors and roofline works. This will require a programme of preventative cyclical works to support the maintenance of the condition of common areas and the exterior of homes as well as larger projects to upgrade homes.

To help raise the quality of our homes we will:

- Take action to remedy in a timely manner all identified Decent Homes Standard failures, including through specific risk based targeted inspections to identify damp, mould and disrepair issues.
- Tackle the backlog of planned maintenance, whilst also consulting with tenants and leaseholders to set clear technical and service standards for our investment works.
- Implement programmes for cyclical works to extend the lifecycle of components and keep homes in good condition.
- Use intelligence to develop programmes of work and ensure a joined-up approach to improving homes.

Raising the quality of our neighbourhoods

For successful asset management it is important that we take a broader view of a home – looking beyond the four walls and recognising the importance of the quality of the

neighbourhoods and environments in which homes are located. This includes the common areas of blocks of flats, the pathways and parking areas that serve homes, the planting and grass in common areas of estates and the trees and larger green spaces. By keeping all these areas clear of rubbish, well maintained, and effectively managed it will help support more successful neighbourhoods and communities that are cleaner and safer, where residents can take more personal responsibility and where people have a 'pride in place'. This will help enhance the lives of our residents and support good physical and mental wellbeing.

Many homes are located within large estates built between the 1940s and 1970s. Some of these estates are of poor-quality design by today's standards and have layouts and streetscapes that make them less attractive and more difficult to manage.

In some cases, this leads to both real and perceived problems with crime and anti-social behaviour. The pepper-potting of ownership resulting from Right to Buy sales since the 1980s makes the delivery of maintenance, improvements, or wholesale regeneration difficult.

Nevertheless, as the principal property owner on many estates, we are determined to take a lead role in ensuring safe, attractive neighbourhoods for the benefit of our tenants, the wider community and to maintain the value of our assets.

To raise the quality of our neighbourhoods we will put in place a Kirklees Neighbourhood Management Plan that will drive our work to improve the management and maintenance of the overall environment including better maintenance of the street scene and better management of grassed areas and open spaces as part of a Pride in Place approach.

Our Kirklees Neighbourhood Management Plan headlines

Review and reconfigure our grounds maintenance contract to provide for:

- Grass cutting and clearance at appropriate intervals that responds to the different seasons.
- Leaf and autumn clearance.
- An active approach to weed management.

Re-establish the role of caretakers to help actively manage and maintain communal areas, including:

- Dealing with refuse, rubbish, and litter.
- Working with residents to support them in clearing and maintaining their garden or frontage.
- Carrying out minor or small-scale repairs.
- Picking up and reporting of other communal area repairs and maintenance issues (e.g., lighting)

Environmental improvements through the capital programme, supported by the reinstatement of our cyclical workstream driven by local needs and aiming to enable community ownership of spaces.

Delivering effective and efficient repair and maintenance services

We are committed to continually improving the reliability and performance of our repair and maintenance arrangements over the next two years.

First and foremost, a Kirklees Council home should be free from any hazards or items of disrepair and meet all legal and regulatory requirements, including the Decent Homes Standard (DHS) and the requirements of the Regulator for Social Housing (RSH).

It is crucial we have well planned, expertly delivered arrangements for all our repair and maintenance services that use our limited resources wisely and to best effect.

Safe homes that are free from disrepair

Recent issues across the social housing sector have led to much higher levels of scrutiny on the performance of social landlords in keeping homes safe and free from disrepair. We will tackle head on our own performance in this critical area of our work.

We will therefore take a robust approach to managing all building safety, legal and regulatory compliance requirements, including checks, tests, and servicing.

We are also committed to ensuring homes are free from damp, mould and disrepair. To do this we will act pre-emptively and proactively to help prevent problems occurring and tackle any issues arising, picking up on and carrying out essential repairs straight away. We will work quickly to develop clear policies and procedures to manage disrepair, damp, mould, and condensation effectively.

Ultimately, we must embed a positive culture of care across the Council and ensure all staff, partners and contractors act proactively as our 'eyes and ears' to help address issues relating to the quality, condition, or safety of homes.

Responsive Repairs

Responsive maintenance includes the day-to-day repair requests received from residents, as well as other repairs carried out in response to a need or requirement identified through the course of our on-site repair, inspection, housing, and neighbourhood management activities.

Over the first two years of this strategy, we will be placing considerable importance on improving the quality, reliability, and level of service we provide in carrying out our responsive repairs. This is so we can deliver a better repairs service with most repairs completed on a first time fix basis and achieving much higher levels of customer satisfaction. We have an agreed set of performance targets (Key Performance Indicators) for our repairs service, and we need to make sure we improve service provision to meet these. This will require a concerted effort from across Homes and Neighbourhoods.

Cyclical Maintenance

Cyclical maintenance includes the range of statutory or good practice servicing, testing and checks that we carry out on appliances, systems, and mechanical installations to ensure they remain safe and serviceable. These are also called our compliance activities. Cyclical maintenance also includes works to communal areas and homes to

help keep them in good order and extend their life. External painting and patch repairs are the main item of this sort of cyclical maintenance.

Compliance activities

It is critical that we have robust, reliable and accountable processes, systems and works programmes in place to ensure we meet our statutory and best practice obligations for:

- Gas servicing and safety checks (10 month programme)
- Electrical testing and remedial works (5 yearly) and portable appliance testing
- Fire system checks/servicing, fire appliance checks/servicing, fire door checks/upgrades, fire risk assessments (FRAs) and remedial works
- Asbestos management
- Water hygiene checks/maintenance
- Lift servicing/maintenance

We will continue to monitor our performance in meeting our property compliance obligations through the use of a monthly updated dashboard to record and report the latest position.

Other cyclical maintenance

We need to re-instate arrangements for carrying out cyclical maintenance to help prolong the life of building elements and to keep buildings in a satisfactory condition and appearance.

Internal communal areas redecoration

- External painting
- Gutter and other roofline maintenance to help prevent leaks and consequential damage
- Fencing

Our commitment to our in-house delivery arrangements

The key to providing the most effective and efficient, locally driven repair and maintenance services we can for residents lies in the successful organisation and operation of our Direct Labour Organisation (DLO). The DLO is a large contracting business employing around 570 local people bringing significant value to the employment market in Kirklees and contributing strongly to the local economy. It currently delivers around £ 40m of works to our social housing properties each year, albeit with around £10m (25%) delivered through a range of sub-contractors. It is responsible for organising and carrying out all responsive repairs, gas servicing and other cyclical compliance work, works to repair and prepare empty properties (voids), installation of aids and adaptations, and a range of planned works.

An independent Business Review of the DLO has been carried out, focussing on its effectiveness and value for money. This concluded that the DLO is a key factor in our service delivery, and requires investment in its management infrastructure, IT systems and business planning functions. It is over-reliant on sub-contractors and would benefit

from some aspects of its business activities moving over to form a stronger strategic client capability. We will therefore establish a strong strategic client role that will take responsibility for specifications, procurement, and contract management. We will also consider how best to go about implementing the range of other recommendations made in the DLO Business Review.

To improve the effectiveness and efficiency of our repairs and maintenance services we will:

- Work quickly to develop clear policies and procedures to manage disrepair, damp, mould, and condensation effectively, along with the development of a broad ranging Repairs and Maintenance Policy.
- continue to embed a positive culture of care across the Council and ensure all staff and contractors act proactively as our 'eyes and ears' to help address issues relating to the quality, condition, or safety of our housing assets.
- Improve the reliability and performance of our responsive repairs service to meet the targets developed and agreed with tenants.
- Implement the recommendations from the DLO Review, including developing a robust DLO Business plan that reflects the significant scale of its operations.
- Have robust, reliable, and accountable processes, systems and works programmes in place to ensure we meet all our statutory and best practice obligations for our compliance works, including monthly updated performance dashboard.
- Reinstate our cyclical maintenance works programme for external works, ensuring we have a budget in place year on year from 2023/4 onwards.

Delivering a new approach to void property maintenance

In common with many social landlords, we have seen increasing costs of carrying out works to empty homes to prepare them for reletting and some works taking longer than we expect. We therefore need to design and implement a new approach to our void property maintenance. To help us do this, we have already commissioned an independent review of void costs and performance and are now acting on the findings and recommendations.

Void property maintenance covers those repairs and checks needed to re-let homes. Our average void costs have been running at over £6,000 per home with average turnaround times of over 60 days. Both these figures are above the benchmark of our peers. Around 70% of void works are carried out by the DLO with around 30% of the works being carried out by sub-contractors. The total annual cost of carrying out void works has been increasing year on year and reached around £12 million in 2022/23, equating to about 30% of our annual total expenditure on repairing and maintaining homes. Whilst 60% of

this total is for capital component replacement works carrying out improvements to empty homes this cost is higher than we want to see.

We are now refreshing how we go about carrying out works on void properties to prepare them for reletting to reduce our expenditure and reduce the time it takes to carry out works. This will mean reducing the level of works we carry out which will have an impact on the standard of fixtures, fittings and finishes in the property we provide for a new resident.

We are conscious that in carrying out fewer works on our void properties this could adversely impact the support we are able to provide to residents to help them affordably create a successful and sustainable tenancy. Therefore, our new approach to void property maintenance will need to incorporate working with residents to identify and implement measures to help address this. These could include retaining and cleaning as many carpets and other floor coverings as we can, as well as making a firm commitment on when we plan to replace kitchens and bathrooms that are in poorer condition.

We have identified a number of activities that can be carried out during the notice period for homes that will help to speed up void turnaround once keys are received. These activities include greater engagement with outgoing tenants to encourage the return of homes in a fit and proper state.

To help manage and contain expenditure on voids in the longer term, it is important that we develop preventative approaches to tenancy management. This should help reduce high levels of spending on voids, as well as utilising appropriate use of recharges and enforcement.

To deliver our new approach to void property maintenance we will:

- Review the Void Standard in consultation with tenants. The new standard needs to set minimum levels of acceptable condition for fixtures, fittings, decoration, and flooring, all with reference to the cost of delivering the standard. It also needs to strike the optimum balance between minimising expenditure on essential checks and testing so resources can be focussed where we can on providing a home in a condition that best meets the needs of the incoming tenant.
- Improve the calculation and our understanding of void expenditure costs. Working with the DLO, we need to fully cost each of the items of work we carry out on empty properties and use this to evaluate their costs and merits. This will allow us to adjust and refine our approach to void property maintenance.
- Review our relet process. We need to develop a clear and simple 'process map' with clearly defined roles and clear targets and timescales to ensure the most effective and efficient arrangements from tenancy termination through to getting properties relet. This process map needs to incorporate arrangements for reviewing all high-cost voids to identify the property or people related lessons that should be learned.
- Appraise alternative options where appropriate. Every opportunity needs to be taken to take advantage of the void to help deliver our wider asset management ambitions. This should include conducting an option appraisal for 'high cost' voids, along with the potential for unlocking asset value through redevelopment.

Delivering a new approach to planned investment

Due to financial limits within the HRA and some adverse consequences of the Covid pandemic and previous programming decisions, we face a backlog of planned maintenance. This is impacting on the condition of homes and brings down the appearance of some of our properties. We need to tackle this as a priority by putting in place a new approach for how we go about identifying the need for, then delivering, planned programmes of maintenance, and building component replacement.

We have a backlog of planned maintenance that we need to take a proactive approach in tackling over the next few years. This has arisen partly because of some previous decisions that have focussed our expenditure on the 'whole house' refurbishment of a relatively small number of homes rather than spreading it over a larger number of properties by carrying out a more traditional approach to planned maintenance component replacement programmes. We have also found that delaying the annual cyclical programme of preventative maintenance has contributed to the deterioration of the condition of properties, whilst deferring replacement of items such as kitchen and bathrooms during the pandemic has also contributed to the backlog.

In addition, the backlog includes internal works to replace items including poorer quality kitchens that need replacing earlier than forecast, as well as a wide range of external timber repairs, especially to roof areas, external painting of doors, fencing repairs or replacements and items missed from previous planned maintenance programmes.

We therefore need to introduce a new approach to planned maintenance. This will have two distinct aspects. We will establish a Proactive Planned Maintenance Programme that is fully informed by our stock condition data and range of other repair and asset intelligence. At the same time, this long-term new approach will be supported over the next 2 years by us delivering a Dynamic Planned Maintenance initiative.

Proactive Planned Maintenance Programme

We need to establish a well-informed ongoing programme of planned maintenance for replacing the principal building components in homes and on our properties at the end of their serviceable life, funded through available resources in the HRA. By carrying out proper maintenance and preventative work on an ongoing basis, the intention is to maximise the lifespan of components whilst replacing them when needed to maintain the quality of homes. Resident choice and input on how we carry out works through consultation and information is a key part of carrying out work programmes that place our residents at the heart of what we do.

Our approach to planned maintenance will be informed by our survey work, the information within our Asset Management Database and guided by the outcomes from our recently completed asset performance assessment. By analysing improved data on the remaining lifecycles of components we will ensure targeted programmes that tackle the backlog of work over the next few years through clearly identified, well specified and expertly procured programmes of work.

We plan to invest around £240m over the five years 2024-29 on homes and estates through our range of investment programmes, equating to around £48m a year.

To deliver our new approach to proactive planned maintenance we will:

- Identify and agree the financial resources available over the next five years to fund our planned maintenance programmes.
- Interrogate our information and data on property condition and investment to establish a five-year capital programme of planned maintenance, with annual budgets.
- Boost the resources within our strategic asset management client team to specify and expertly procure the programmes of work identified.
- Create and actively manage the list of works items to be carried out within our planned maintenance schemes.
- Commission the works, both through external contractors and the DLO as appropriate.

Dynamic Planned Maintenance

Our Dynamic Planned Maintenance initiative is designed to pick up on a wide range of items that would ordinarily have been covered under previous planned maintenance programmes.

It is intended to cover a range of ad-hoc smaller planned maintenance items across the whole portfolio that may otherwise not be included on a larger programme and that need to be carried out over the next two years. These could include items that:

Have been missed from previous planned programmes e.g., previous tenant refusals.

Are already known to need doing due to component failure, but that can't wait for a larger scheme of planned maintenance (e.g. partial renewal of roof area, roof renewal of just one block within a larger scheme)

Are as yet unidentified but come to light through routine inspections or maintenance.

The key to the success of the Dynamic Planned Maintenance Initiative will be to ensure that overdue items that are bringing the condition of properties and estates down are reported and acted upon. It will provide a catalyst and an impetus for us to get back on top of our planned maintenance works over the next two years. The Dynamic Planned Maintenance initiative will be managed by the client repairs team working with the DLO, planned works and performance teams.

To deliver our Dynamic Planned Maintenance initiative we will:

- Establish a budget for 2023/4 and 2024/5 for carrying out Dynamic Planned Maintenance backlog items identified and determined as being required.
- Determine the type, nature and definition of works that may constitute backlog planned maintenance. These could include roofline works, windows, doors, kitchens or bathrooms that have missed previous planned programmes.

- Facilitate and enable all surveying, maintenance, and housing staff to look out for, identify and report on items they propose be added to the list of backlog items to be carried out as part of the initiative.
- Create and manage the list of works items to be carried out.
- Commissioning of the works, either by the DLO or external contractors.

Decarbonising homes

One of the biggest challenges we face is to significantly improve the levels of thermal insulation in homes and installing heating systems that use renewable energies, to meet the stretching targets set by government for reductions in carbon emissions and energy usage. Extensive programmes of work will be needed to our properties to meet the target of having all homes meet Energy Performance Band C by 2030 and being 'net zero carbon' by 2050.

We have already carried out some 'retrofit' works to improve the energy efficiency of some of our poorest performing homes. This has included works to 8 homes as a pilot to help us to learn what works for residents and what doesn't, 25 properties part financed by Social Housing Decarbonisation Fund 2 (SHDF1) monies. We now have a further programme for 295 properties using SHDF2 funds.

We need to grow this area of work and activity through a 'fabric first' approach to carefully targeted investment that achieves the best results in the most affordable way. We also need to improve our understanding and use of renewable technologies, building our own knowledge and skills, as well as working with material suppliers and contractors to improve how they can work with us to deliver the best solutions, drawing on best practice and learning from others.

By decarbonising homes, it means they use less energy and should cost less to run. It also improves the health and wellbeing of our residents, as their homes are warmer and provide a better living environment. In addition, we need to reduce the carbon footprint of our organisation's operational activities, so we play our part in addressing climate change and help protect our planet.

We already hold some data on the energy performance (EPC Ratings) of homes and we are using this to help develop a better understanding of the type of works needed, along with the costs associated with carrying these out. We are developing a more detailed understanding around the energy performance and retrofit prospects for our properties and this work is ongoing.

We want to build on our work to date and are developing an HRA Housing Decarbonisation Strategy. We will have this in place by the autumn of 2024 and it will set out the framework and details of our approach to this crucial area of activity. To sit alongside the Decarbonisation Strategy, we will also develop a fully costed roadmap for how we will work to meet the national target of having all homes at a minimum of EPC Band C by 2030. We will have this roadmap in place by the end of 2024.

The Decarbonisation Strategy is being built around five key initiatives.

Quantifying the works needed

We are developing a more detailed understanding of the current energy performance of homes and the retrofit options available for each type of property. We currently have over 9,000 homes that are below EPC Band C and it is important we specify and estimate the costs associated with bringing all those we intend to keep in management up to EPC C by 2030. We will use this information to set clear targets in the 'road map' for all properties to achieve EPC Band C by 2030, delivered on a 'worst first' basis.

We have developed a Decarbonisation Dashboard to bring together information on the energy performance of homes and levels of fuel poverty to help develop and target programmes of work. This data also helps to inform other capital investment proposals so that integrated schemes can be brought forward.

We will review the decarbonisation roadmap to reflect the delivery of schemes to improve energy efficiency and increase SAP bandings that are part of the 2030 target. This review will help to ensure that measures proposed to support achievement of the 2050 'net zero carbon' target reflect changes to the condition and quality of homes and the development of new technologies.

Retrofitting homes

Taking a worst first approach, we will focus on having programmes in place to undertake retrofit solutions based on the most efficient, cost-effective, simple solutions that minimise the disturbance to residents. Retrofitting helps to improve a property's energy efficiency through the addition of new technology or features. It can reduce the amount of carbon emissions from the home, thus helping address climate change.

We therefore need to develop works programmes that have an initial focus on reducing heat loss or energy use through newly installed, replacement or additional insulation measures or features. This might be done through an incremental approach to installing additional measures over time or through whole house retrofit where a range of complementary measures are installed as part of one project. We will take every opportunity to integrate our net zero retrofit works programmes into our capital investment programme.

Void properties

In the longer term we will seek to take advantage of periods when properties are empty to carry out more disruptive works that would be difficult to carry out in occupied homes. These works could include:

- Bathrooms – installation of additional insulation including to ceilings, window reveals and internally to external walls with the aim of keeping in more heat, warming surfaces and reducing the potential for damp and mould.
- Floors – installation of under floor insulation to properties with suspended timber floors.
- Walls – installation of internal wall insulation systems to external walls where this can be undertaken without compromising the size and use of rooms.
- Heating, lighting, and water – replacement of older, less efficient radiators or heating equipment with lower or zero carbon, new LED light fittings and low use/flow water measures.
- Roofs – upgrading of loft insulation to latest standards and/or installation of internal insulation board to ceilings.

Pilot schemes, skills, and capacity

Much of the work around reducing the carbon footprint of homes involves a range of new activities in which we haven't previously had extensive skills or experience. Therefore, to deliver our decarbonisation ambitions we will need build our capacity and skills over the next two years through the development of new roles and qualifications for delivery and strategy teams and when needed 'insource' new retrofit technical and data management skills.

We will also help develop our knowledge and experience by exploring the potential of new or additional retrofit or decarbonisation initiatives through pilot schemes, focussed on common property types so initiatives can then be rolled out.

To bring many of our housing properties up to significantly higher levels of energy efficiency it is likely to involve installing measures that use new and potentially innovative technologies. As some of these will be in their infancy, and as we may not be familiar or confident about their potential cost, ease and suitability of installation, or likely impact, we will need to explore or trial a range of different or alternative solutions.

Our pilot schemes will cover initiatives in the two main retrofit areas of fabric first energy efficiency improvements and/or in low carbon heating installations. Examples of potential pilot schemes that we may explore include:

- Use of smart technology to understand resident energy use, demand, and environmental conditions within homes. Greater understanding of usage may help target our investment decisions, with a range of activities that could be trialled to progress low carbon investment and behaviour change.
- New external or wall insulation systems as technologies improve, so we can examine and assess ease and cost of installation, suitability for different types of properties and the impact on SAP ratings, carbon emissions and energy costs.
- Floor insulation systems, including retrofit spray insulation systems for uninsulated suspended timber floors, again to assess ease and cost of installation, suitability for different types of properties and the impact on SAP ratings, carbon emissions and energy costs.
- New heating technologies, including air or ground source heat pumps, photovoltaic (PV) panels, battery storage systems etc and the improvement and expansion of district heating networks.

We will also use large scale improvement projects to understand the carbon impact of our schemes and the works we do to homes; looking at how building materials removed can be reused and recycled and the impact of new materials on the environment and people.

Funding and learning

We will need to earmark funding to decarbonise the housing portfolio by 2050 and improve all homes up to EPC C by 2030. This will represent a considerable investment and will need commitment to this critical area of activity.

To do this we will need to maximise the scope to lever in external funding for decarbonisation works by being alert to potential opportunities and ready to submit applications. To ensure we are well placed to access funding it is important we get ourselves positioned and ready to make applications. This means we will need to understand our funding needs by having a strong grasp of information and data on the retrofit needs of homes, as well as having potential schemes and programmes of work 'oven ready' for if, and when, funding applications can be made. To help us understand

and quantify the need for, scope, and cost of retrofit works, as well as identifying and applying for funding, we may need to work with a range of external specialist partners. These third parties may be able to help us better understand and quantify our needs, devise potential schemes of work, apply for funding and/or manage the works on the ground. We will also seek to benefit from the learning of others based on their experience of carrying out retrofit works and securing funding.

We will also work with our residents to develop our longer-term plans and promoting the success of retrofit and new renewable technologies.

To build our approach to decarbonising homes we will:

- Develop a Carbon Reduction Strategy during 2024 to drive the detail of our approach to 2030.
- Inform the Carbon Reduction Strategy with a full set of EPC rating for our homes as well as cost estimates for a scope of necessary works.
- Carry out further pilot projects using SHDF2 funding over the period 2024-25.
- Develop our Decarbonisation Dashboard to ensure it is updated and 'fit for purpose' in helping prioritise properties and locations for our future retrofitting programmes.
- Develop an annual, costed programme of decarbonisation works to commence from 2025 using an allocation of funding from the HRA coupled with an active approach to obtaining external funding.

Developing our approach to intelligent and intelligence-led asset management.

It is crucial that we collect, store, and use accurate, valid and well-maintained information and data on the condition, maintenance, and contribution of our housing assets. This is so we can demonstrate a good knowledge and understanding of the condition of homes and our performance in properly managing and maintaining them. It is also important that we use this information and data to develop insight and intelligence to drive and actively inform the decisions we make in our repair, maintenance and investment work.

Stock Condition Surveys and business intelligence

Stock condition surveys need to form a key part of how we go about understanding the current condition and forecast the future investment needs of our properties. We will therefore actively use the findings of surveys to update our asset management database and forecast the level and timescales of future investment over the next 30 years, with a focus on the next five years. We will carry out a full stock condition survey between 2024-6 and then 20% internal and external sample surveys every year, meaning we survey all properties over a rolling five-year period.

But we also need to look beyond condition, collecting and analysing a range of other business intelligence on our assets on a continuous basis in 'real time', as well as key housing management and neighbourhood data. This includes tenancy items, customer satisfaction data, on complaints, about day-to-day repairs and on reletting performance.

We need to use all this business intelligence to help identify any trends and issues, such as any 'high cost' homes, so we can act on this by making decisions and remedying issues or failings.

Our Business Intelligence Datasets

Assets

What our systems and surveys tell us about the investment needs and demands of our assets. This will include repairs and void demand but also future planned investment forecasts and contextual data such as property type, age etc. and energy efficiency.

People

What our customers and staff tell us about their views of asset performance. The customer data will be system driven (e.g., turnover, tenancy length etc.) whereas the staff perception information will be collected directly from staff.

Finance

Derived from system generated data but including a series of more intrusive tests. This includes calculating the relative cost of managing each asset by distributing management costs according to how each asset performs and its level of income.

Markets

Comparison data around local rents, values, deprivation, and other local factors.

Data quality and processes

The quality of the data we hold is vital to good asset management. It needs to be comprehensive, complete, and correct so it can be relied on and used to best effect for our business planning and reporting. It is crucial that we use good quality data so we can:

- Demonstrate and evidence compliance with our legal and regulatory obligations.
- See and understand what works have been carried out on all our properties and when they were undertaken.
- See when all building elements, fixtures and fittings are forecast for replacement using a combination of industry recognised lifecycles, adjusting the dates based on day-to-day repairs experience and surveyor and operative assessments.
- Provide the basis for assessment of individual property and portfolio stock condition & performance of assets through a data driven proactive approach to asset management.
- Make sound, informed decisions on what works need to be done, and when, as part of a flexible, dynamic approach to investment.

As we carry out our repair and maintenance work it is crucial we take every opportunity to update our stock condition data 'in real time' by staff and contractors so there is 'one version of the truth' accessible to all staff. This means we must embed into our key

processes and procedures (e.g., day-to-day repairs, reletting, cyclical and planned investment) clear and consistent ways for this updating to take place.

Performance assessment & option appraisal

The Regulator of Social Housing's Value for Money Standard sets out an expectation that housing providers have a clear understanding of asset performance and have plans in place to address any properties identified as 'liabilities.' We have therefore put in place a strategic asset performance tool. This uses our stock condition survey and a wide range of other business intelligence to enable us to improve our understanding of how much each asset will contribute throughout its life. Our c. 21,000 homes have been allocated into 3,534 asset groups (schemes) for analysis purposes.

The range of factors considered by the tool includes property age, location, future maintenance and investment needs, tenancy management demand factors. By feeding this information, data, and insight into the stock performance assessment tool it assesses the viability and return on investment (Net Present Value) of homes.

The asset performance model applies a sustainability rating that reflects the relative performance of homes against the set of assessment criteria, split into three categories:

Class A – homes that are flagged as sustainable core stock that perform well in financial and resident value terms. Full programme of improvement and investment works will be applied.

Class B – homes that are flagged as not fully sustainable as some aspects do not perform well. Improvement and investment work to be considered against the components that are failing.

Class C – homes that are flagged as potentially unsustainable as they do not perform well. Any major improvement and investment works will be subject to further assessment and discussion on the future of these assets (option appraisals)

Based on our inputs into the model, it has produced Net Present Values (NPVs) for each asset group ranging from c. £150,000 down to minus £90,000. The average NPV is £6,948.

Further analysis shows that the average NPV for Class A assets is +£15,811 whilst the average NPV for Class C assets is -£16,025. Overall, 60% of our assets (2,130 schemes) fall into Class A, 24% (853 schemes) fall into Class B and 16% (551 schemes) fall into Class C.

There is a marked difference between the performance of houses compared with flats, with 85% of houses in Class A, but only 49% of flats. Conversely, only 5% of houses are in Class C, but 21% of flats. Stock turnover levels are far higher for Class C assets than for Class A assets.

	Class A	Class B	Class C
Average NPV of assets	+ £15,811	+ £425	- £16,025
Proportion of assets	60%	24%	16%

Number of schemes	2,130	853	551
Proportion of houses	85%	10%	5%
Average NPV of houses	+ £18,905	+ £8,284	- £16,619
Proportion of flats	49%	30%	21%
Average NPV of flats	+ £11,147	+ £53	-£16,646

Based on the outcome of our sustainability rating assessment, over the next two years we will work through those homes whose performance is assessed as red and amber, seeking to understand the reasons and explanations for their lower performance. In cases where it is felt there may be an underlying issue, or issues, we will conduct an option appraisal to help us decide on the best course of action for their future. To help us do this we will develop an option appraisal framework designed to explore all relevant options. The framework will build on the inputs to the ASAP model, with a typical option appraisal including consideration of a range of key viability or sustainability factors including:

- The financial performance (NPV/return) of the home or homes.
- Operational intelligence (data) on how the assets are performing.
- Operational judgements about how the assets are performing.
- Socio-economic and/or neighbourhood sustainability factors.
- Changing customer needs, demands and expectations.

In some circumstances, we may need to consider alternative options for the properties if they no longer meet our needs or those of tenants.

Investment planning

Our stock condition survey work and intelligence led approach to asset management needs to actively inform the development of our longer term investment plans. We will therefore use the outcome of our stock condition survey and stock performance work to help direct our investment programmes of routine maintenance and improvements to sustainable stock. This needs to include aligning works to decarbonise homes with our stock condition based forecast planned maintenance programmes so we deliver both investment priorities at the same time. Our aim is to develop a robust and sufficiently resourced 30-year investment plan that focusses our investment on homes that are sustainable in the long-term. We will make sure our plans and programmes are readily available to staff and residents.

To develop and implement our approach to intelligent and intelligence led asset management we will:

- Carry out a full stock condition survey 2024-6 and then 20% internal and external sample surveys every year, meaning we survey all properties over five years.
- Collect and analyse a range of other business intelligence on our assets on a continuous basis in 'real time', as well as key housing management and neighbourhood data to keep informing the development of our asset performance tool.
- Take forward the outcome of our sustainability rating assessments over the next two years, working though those homes whose performance is assessed as red and amber, seeking to understand the reasons and explanations for their performance.
- Develop a standardised process and approach to option appraisal, then carry out appraisals on those properties, schemes or estates identified as having underlying issues.
- Actively use the outcome of our condition survey and stock performance work to help direct our investment programmes of routine maintenance and improvements to sustainable stock, including works to decarbonise homes.
- Develop a resourced 30-year investment plan for our long-term sustainable homes.

Building the right resources to deliver our work

We need to continue build and put in place the right resources and arrangements to deliver all our repair and investment work and use them to best effect. These need to include a skilled and knowledgeable staff team, efficient and effective DLO, network of external contractors and suppliers, as well as the financial capacity to deliver a well procured and managed range of repair and investment works. We also need to ensure we have good governance in place to measure and monitor our performance against targets and compare ourselves with others through benchmarking, all with the aim of ensuring continuous improvement and value for money.

Staffing and Culture

It is crucial we recognise the importance, value, and potential of our staff. We will therefore seek to ensure our teams provide a rewarding place to work and that they support the right organisational culture, clearly aligned to the Council's values. We have already made some key leadership appointments who have provided the expertise to set a clear baseline for this strategy and to provide clarity on what we now need to do. We will continue to invest in recruiting and retaining skilled and talented managers who

possess the blend of expertise needed to deliver a modern, forward facing repairs asset management service. Managers will be supported to fulfil their roles and will be provided with the right tools to ensure staff feel valued and empowered to deliver the best possible outcomes for residents.

We will regularly review our structure and the knowledge and skills we need so we can ensure the services we provide are 'fit for purpose'. We will develop a workforce plan to attract, retain and develop our teams to ensure we have the skills and resources needed to deliver all aspects of our Asset Management Strategy.

DLO Management and our Strategic Client Role

Our in-house DLO needs to carry out the bulk of our annual repair, maintenance and, internal planned investment works. Following the DLO Review it is crucial that over the next two years we work to put the right set of newly configured management and operational arrangements in place. Our overall ambition is to use innovative, well-designed management practices to maximise the quality, value, and effectiveness of our work. It is crucial that any sub-contractors also share these priorities and a focus on residents' needs to help deliver excellent services.

To support us in this, we have established a Programme Management Office (PMO) to give strong governance of our capital investment that manages risk and finance as well as ensuring resident focussed delivery and the development of procurement strategies.

Performance and Benchmarking

We will have in place a suite of performance indicators for our repair, maintenance, and investment activities, including the new Tenant Satisfaction Measures (TSMs). These will be used to regularly to measure and monitor how well we are performing, address shortcomings or failings and help drive continuous improvement. We will also benchmark our performance against that of peers through benchmarking groups. Ultimately, we need to better understand how our costs and outcomes for residents compare, acting where costs and outcomes are not consistent.

Intelligence Led solutions

Using data and information to understand the performance of homes is key to achieving well targeted investment proposals. We will review the quality and integrity of data we hold across all aspects of asset compliance and performance. We will implement governance processes to ensure data is well managed and the roles and responsibilities in relation to data are clear and consistent. We will look at how we can integrate different data sets to support worst-first approaches to improving homes that address a range of factors.

ICT and Digital Technology

To deliver effective, efficient modern services requires investment in appropriate, well performing IT and digital systems. Over the next two years we will therefore review our current ICT provision and undertake a cost benefit analysis to identify the appropriate ICT infrastructure required to deliver the modern services we want and need to provide.

Housing Revenue Account & Other Funding

As a Council landlord, our activities are principally funded through the rents we receive into the Housing Revenue Account (HRA). The HRA is ringfenced from the Council's General Fund and is intended to operate in a way that supports long-term business planning. Given the high level of investment needed in homes over the course of the next five years and beyond, we will be maximising the capacity within the HRA for investment. To add further capacity for investment, especially in our decarbonisation activities, it will be crucial to seek and secure as much additional external funding as possible. The Council's General Fund is under pressure and services received by residents delivered by other Council departments may be affected by this.

Oversight and Governance

To ensure we meet the requirements of good practice and regulatory oversight, we have put in place a clear leadership and effective governance structure and mechanisms to oversee our asset management activities. The Homes & Neighbourhoods Improvement Board provides Kirklees Council's Cabinet with oversight of the housing management and maintenance functions delivered to tenants and leaseholders by the H&N Service. The Board role is to ensure that service delivery meets all legal and regulatory requirements, including reference to the Regulator for Social Housing's Consumer Standards and new Tenant Satisfaction Measures (TSMs). The Board makes recommendations to the Cabinet Member for Housing and Highways and to Cabinet and is supported by the Building Safety Assurance Board (Housing), Tenant Advisory and Grants Panel and the Tenant Voice Panel.

To build the right resources to deliver our work we will:

- Review the structures and knowledge and skills we need to ensure the services we provide are 'fit for purpose'.
- Develop a workforce plan to attract, retain and develop our teams to ensure we have the skills and resources needed to deliver all aspects of our Asset Management Strategy.
- Establish a strong governance structure for capital investment decision making and delivery that manages risk and finance as well as ensuring resident focussed delivery enabling us to have a proper procurement strategy.
- Have in place a suite of performance indicators for our repair, maintenance, and investment activities, including the new Tenant Satisfaction Measures (TSMs). Use these regularly to measure and monitor how well we are performing, address shortcomings or failings and help drive continuous improvement.
- Benchmark our performance against that of peers through benchmarking groups.
- Review our current ICT provision through a cost benefit analysis to identify the right ICT infrastructure needed to deliver the modern services we want to provide.
- Maximise the capacity within the HRA for investment and seek and secure as much external funding as possible.
- Ensure full and proper governance through the Homes and Neighbourhoods Improvement Board and tenant.

Delivering our asset management priorities

The success of our Asset Management Strategy will rely on our ability to deliver what we have set out to do. We are therefore developing a Delivery Action Plan that picks up and expands on what we have set out to do in our eight asset management priorities.

The Action Plan will be designed to be a flexible, dynamic, and practical document that can be regularly updated. This will ensure it remains 'current', that it is continually monitored and reviewed and that it drives forward our activities and measures them against timescales and targets. The Action Plan will cover all of the eight asset management strategic priorities and the development and implementation of various initiatives and plans.

While we'd really like to, we cannot deliver everything we want to straightaway as we don't have all the money we need or capacity to do so. This means we are going to have to prioritise our time and resources to make sure we strike the right balance in delivering the works and activities across our eight asset management priorities.

Our progress in carrying out all our asset management work, activities and initiatives will be constantly reviewed by the Executive Team and through the Homes & Neighbourhoods Improvement Board, with regular reporting to elected members.

Your Home, Your Place component workstream investment requirements based on current asset data

Capital Programme - Requirements (Costs do not include inflation)	Catch up	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Your Home, Your Place - Component replacement												
Communications Installation	£56,792	£2,280	£6,610	£41,530	£38,950	£53,640	£45,820	£41,380	£23,660	£12,290	£17,188	£340,140
Electrical Installation	£23,743,002	£1,926,133	£1,056,470	£953,415	£715,690	£1,009,466	£1,273,893	£1,827,150	£1,358,230	£1,138,129	£1,231,324	£36,232,903
External walls	£10,679,089	£330,595	£760,303	£467,184	£717,006	£1,266,588	£974,297	£647,387	£690,897	£368,028	£299,707	£17,201,081
Heat Source	£12,797,068	£2,159,760	£2,009,430	£2,507,134	£2,272,320	£2,860,350	£2,906,556	£4,004,616	£3,257,760	£2,743,962	£3,269,682	£40,788,638
Kitchen Fittings	£16,191,064	£19,575,300	£26,400,868	£19,195,150	£6,911,984	£3,578,260	£1,414,648	£2,322,326	£2,971,588	£2,477,428	£4,495,862	£105,534,478
Roof	£46,336,904	£1,309,629	£4,697,658	£1,926,642	£2,122,061	£553,974	£1,007,186	£3,957,875	£3,274,465	£3,908,445	£4,627,150	£73,721,989
Sanitary Appliances	£5,647,524	£332,008	£709,916	£578,744	£406,380	£373,532	£296,224	£817,568	£456,236	£636,700	£3,015,040	£13,269,872
Space Heating	£1,850,041	£673,006	£574,558	£156,762	£290,046	£577,753	£622,718	£729,029	£678,584	£866,754	£2,081,853	£9,101,104
Ventilating System	£717,002	£18,216	£14,674	£31,372	£29,348	£35,420	£23,782	£9,108	£5,060	£1,518	£506	£886,006
Windows and External Doors	£4,812,445	£1,315,544	£1,522,726	£1,906,543	£1,548,881	£2,762,546	£4,842,625	£3,354,788	£3,622,005	£3,729,565	£9,659,802	£39,077,470
Lifts and Conveyors	£437,160					£48,000	£672,000	£672,000	£336,000		£544,000	£2,709,160
Minor Buildings	£155,000	£1,000		£4,000		£1,000			£2,000	£2,000	£1,000	£166,000
Protective Installation	£882,400	£218,400	£23,200	£392,000	£1,234,000	£481,200	£487,200	£588,800	£523,600	£226,400	£188,400	£5,245,600
Water Installation	£34,400	£2,800	£1,600	£800	£8,000	£3,200	£1,200	£3,200		£5,200	£25,600	£86,000
Internal Doors - communal	£551,000		£6,000			£9,000		£1,000		£1,000	£1,000	£569,000
	£124,890,891	£27,864,671	£37,784,013	£28,161,276	£16,294,666	£13,613,929	£14,568,150	£18,976,227	£17,200,086	£16,117,419	£29,458,114	£344,929,442

Proposed 10 year capital investment programme

Capital Programme - Budget proposals (Costs do not include inflation)	Delivery method	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	
Your Home Your Place - Component replacement												
Communications Installation	External contractors	£35,000	£35,000	£35,000	£35,000	£35,000	£35,000	£35,000	£35,000	£35,000	£35,000	£350,000
Electrical Installation (including voids)	DLO	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£15,000,000
External walls domestic	External contractors	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£15,000,000
Heat Source	DLO	£2,500,000	£2,500,000	£4,500,000	£4,500,000	£4,500,000	£4,500,000	£4,500,000	£4,500,000	£4,500,000	£4,500,000	£41,000,000
Kitchen Fittings	DLO	£3,500,000	£3,500,000	£3,500,000	£3,500,000	£3,500,000	£3,500,000	£3,500,000	£3,500,000	£3,500,000	£3,500,000	£35,000,000
Chimneys	External contractors	£310,000	£310,000	£310,000	£310,000	£310,000	£310,000	£310,000	£310,000	£310,000	£310,000	£3,100,000
Roofs	External contractors	£2,500,000	£2,500,000	£2,500,000	£3,000,000	£3,000,000	£3,000,000	£5,000,000	£5,000,000	£5,000,000	£5,000,000	£36,500,000
Sanitary appliances (bathrooms)	DLO	£1,330,000	£1,330,000	£1,330,000	£1,330,000	£1,330,000	£1,330,000	£1,330,000	£1,330,000	£1,330,000	£1,330,000	£13,300,000
Space Heating	DLO	£500,000	£750,000	£750,000	£750,000	£750,000	£1,100,000	£1,100,000	£1,100,000	£1,100,000	£1,100,000	£9,000,000
Ventilating System	External contractors	£100,000	£100,000	£100,000	£100,000	£100,000	£100,000	£100,000	£100,000	£100,000	£100,000	£1,000,000
Windows	External contractors	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£15,000,000
External doors domestic	External contractors	£110,000	£110,000	£110,000	£110,000	£110,000	£110,000	£110,000	£110,000	£110,000	£110,000	£1,100,000
Structural works	External contractors	£400,000	£400,000	£400,000	£400,000	£400,000	£400,000	£400,000	£400,000	£400,000	£400,000	£4,000,000
Ad-hoc minor schemes	DLO and external	£150,000	£150,000	£150,000	£150,000	£150,000	£150,000	£150,000	£150,000	£150,000	£150,000	£1,500,000
Void capital costs TBC	DLO and external	£1,100,000	£1,100,000	£1,100,000	£1,100,000	£1,100,000	£1,100,000	£1,100,000	£1,100,000	£1,100,000	£1,100,000	£11,000,000
		£17,035,000	£17,285,000	£19,285,000	£19,785,000	£19,785,000	£20,135,000	£22,135,000	£22,135,000	£22,135,000	£22,135,000	£201,850,000
Building Safety												
Lifts and Conveyors - replacement of units	External contractors	£100,000	£120,000	£200,000	£450,000	£350,000	£300,000	£200,000	£170,000	£300,000	£350,000	£2,540,000
Lift upgrades - LED lighting, digi switch etc	External contractors	£44,000	£44,000	£44,000								£132,000
Minor Buildings - Bin stores	External contractors	£60,000	£60,000	£60,000	£60,000	£60,000	£60,000	£60,000	£60,000	£60,000	£60,000	£600,000
Protective Installation	External contractors	£250,000	£200,000	£200,000	£200,000	£200,000	£200,000	£200,000	£200,000	£200,000	£200,000	£2,050,000
Water Installation (tank renewal)	DLO	£10,000	£10,000	£10,000	£10,000	£10,000	£10,000	£10,000	£10,000	£10,000	£10,000	£100,000
Fire door renewals	DLO and external	£450,000	£450,000	£450,000	£450,000	£450,000	£450,000	£450,000	£450,000	£450,000	£450,000	£4,500,000
Compartmentation and fire lining	External contractors	£200,000	£200,000	£200,000	£200,000	£200,000	£200,000	£200,000	£200,000	£200,000	£200,000	£2,000,000
External doors and screens communal	External contractors	£160,000	£160,000	£160,000	£160,000	£160,000	£160,000	£160,000	£160,000	£160,000	£160,000	£1,600,000
		£1,274,000	£1,244,000	£1,324,000	£1,530,000	£1,430,000	£1,380,000	£1,280,000	£1,250,000	£1,380,000	£1,430,000	£13,522,000
Other Asset Capital programmes												
Estate Improvement (Neighbourhood Investment)	DLO and external	£958,000	£990,000	£1,100,000	£1,100,000	£1,100,000	£1,100,000	£1,100,000	£1,100,000	£1,100,000	£1,100,000	£10,748,000
Six Storey Blocks building safety and refurb projections	External contractors	£7,443,152	£3,674,713	£5,996,088	£5,419,365	£6,295,220	£5,405,988	£1,047,449				£35,281,975
Low Rise Blocks building safety and refurb projections	External contractors	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000						£7,500,000
Retirement Living Schemes building safety and refurb projections	External contractors	£1,500,000	£3,750,000	£4,500,000	£4,500,000	£4,500,000	£6,000,000	£250,000				£25,000,000
Decarbonisation and fabric first retrofit requirements	DLO and external	£1,849,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£1,500,000	£15,349,000
		£13,250,152	£11,414,713	£14,596,088	£14,019,365	£14,895,220	£14,005,988	£3,897,449	£2,600,000	£2,600,000	£2,600,000	£93,878,975
Total capital requirements		£31,559,152	£29,943,713	£35,205,088	£35,334,365	£36,110,220	£35,520,988	£27,312,449	£25,985,000	£26,115,000	£26,165,000	£309,250,975

2024/25 Capital programme – details of unit numbers to be delivered	
Item	Number
Communications Installation	2024/25 programme numbers to be confirmed
Electrical Installation (including voids)	192 planned rewires. Rewires in voids will be reactive and based on need.
External walls domestic	Estimate 500 properties based on average unit costs. Costs vary according to property type and extent of work. 2024/25 programme numbers to be confirmed.
Heat Source	865 boiler replacements (265 through planned programme, 600 through economic failures programme) District Heating 3 schemes affecting 125 properties
Kitchen Fittings	450 properties
Roofs and chimneys	Estimate 468 based on average unit costs per dwelling. Costs vary according to property type and extent of work. 2024/25 programme numbers to be confirmed.
Sanitary appliances (bathrooms)	375 properties
Space Heating (full heating system renewal)	30 properties
Ventilating System	Estimate 200 properties based on average unit costs. Costs vary according to type of ventilation required and installation requirements of individual properties (e.g. core drilling). 2024/25 programme numbers to be provided.
Windows	Estimate 441 properties based on average unit costs
External doors domestic	Estimate 115 properties based on average unit costs. 2024/25 programme numbers to be provided.
Structural works	These are reactive schemes identified through surveys and so numbers are not yet known
Ad-hoc minor schemes	These are reactive schemes identified when there are failures in building fabric, which are of a greater scale than component replacement
Void capital costs	These are reactive schemes, based on tenancy turnover. Annual average void numbers are in the region of 1,200.
Building Safety	
Lifts and Conveyors - replacement of units	4 platform lifts.
Lift upgrades - LED lighting, digital switchover etc	2024/25 programme to be confirmed.

Minor Buildings - Bin stores	Estimate 12 new bin stores based on average unit costs. 2024/25 programme numbers to be confirmed
Protective Installation	Estimate 50 properties based on average unit costs. These works are a mixture of reactive and planned works based on Fire Risk Assessment actions and surveys. 2024/25 programme numbers to be confirmed
Water Installation (tank renewal)	2024/25 programme numbers to be confirmed
Fire door renewals	Estimate 346 doors based on average unit costs. 2024/25 programme numbers to be confirmed.
Compartmentation and fire lining	Reactive works, based on surveys and Fire Risk Assessment actions
External doors and screens communal	Estimate 250 based on average unit costs. Costs vary according to property and extent of renewal (glazed screens and curtain walling will attract a higher project cost). 2024/25 programme numbers to be confirmed.
Other Asset Capital programmes	
Estate Improvement (Neighbourhood Investment)	2 major schemes 4 minor schemes
Six Storey Blocks building safety and refurb projections	4 blocks are expected to commence in 2024/25
Low Rise Blocks building safety and refurb projections	940 blocks affected
Retirement Living Schemes building safety and refurb projections	1 block is expected to commence in 2024/25
Decarbonisation and fabric first retrofit requirements	2024/25 programme to be confirmed.