

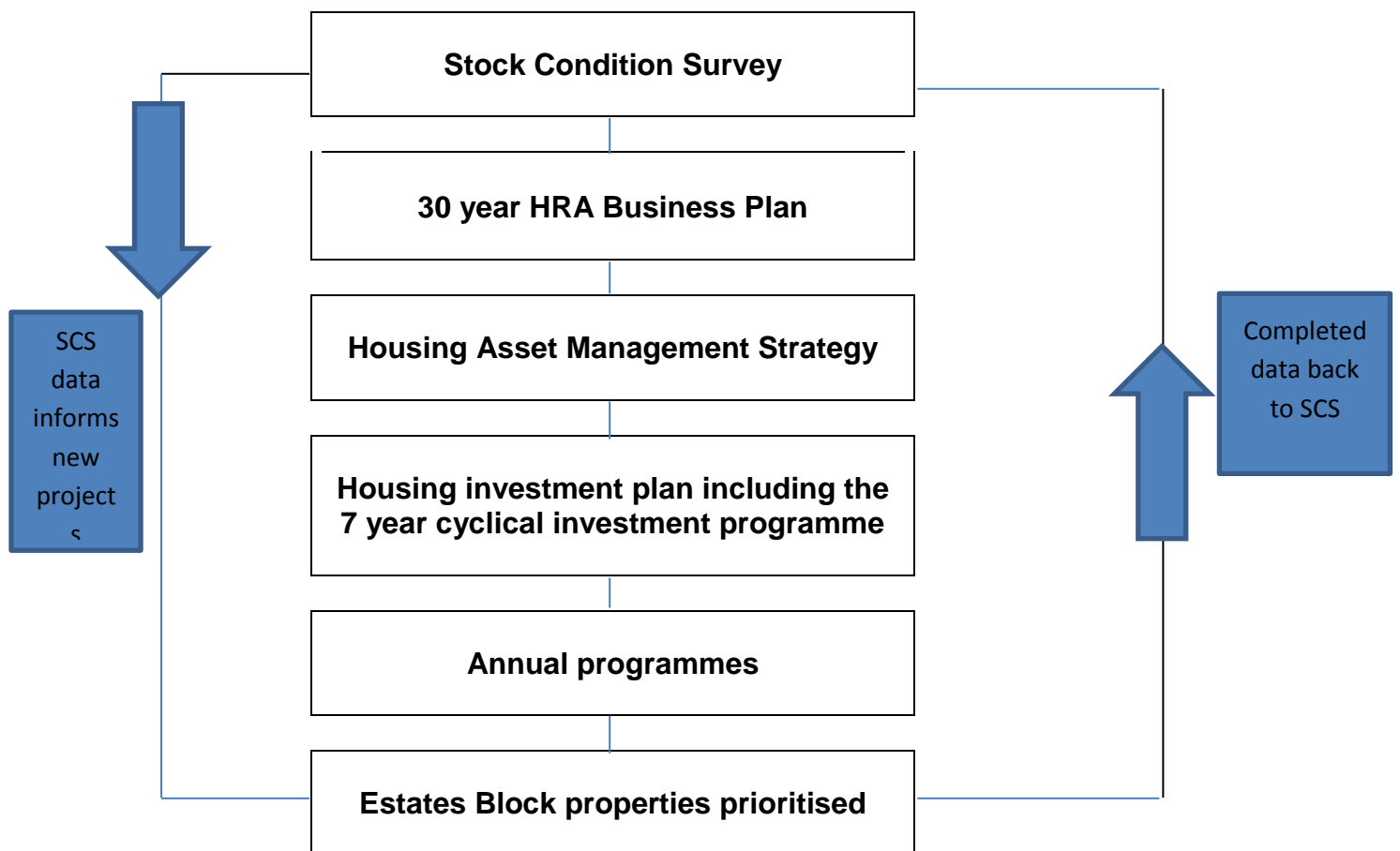
Housing Scrutiny Committee 2015/16

Asset Management, Planning and Prioritisation

CONTENTS:

1) Flow Chart

Introductory flow chart to show how housing assets are managed and how capital works are planned and prioritised



2) Introductory information on several areas set out in the SID:

How the Council's housing assets are managed and how capital works are planned and prioritised.

Stock Condition Survey (SCS)

The Council holds data on its properties which has been collected over time following previous improvement and maintenance programmes and from stock condition surveys. The most recent significant survey undertaken was in 2010 and was carried out by a specialised consultancy firm (Ridge). The survey consisted of 100% external and 10% internal inspections.

The SCS provides an indication of the life expectancy of the assets and components within the housing stock. This data is updated as annual programmes are completed and revised component life expectancy forecasts determined. This is important as we use the age of each of the various components to predict the amount we need to invest in our homes and the estates in the future.

For example:

We install windows with a 20 year life span and we need to make sure we set aside enough money to replace the windows in 20 years time when they come to the end of their life.

However, it is of note that components can fail earlier or last longer than the manufacturer's assessment of component life spans.

30 years HRA Business Plan

This SCS data is fed into the council's 30 year Housing Revenue Account (HRA) Business Plan to help identify what level of resources the council need to deliver investment in the council's housing stock.

The Housing Business Plan 2013-2043 sets out the detail of the income streams available to the HRA that pay for the majority of investment works. It also documents the areas of expenditure on housing services which the council is committed to delivering. As the HRA is now self-financing the council must ensure it receives enough income (e.g. rents and services charges) to cover its expenditure (e.g. repairs, housing services, debt repayments and major works etc.)

Housing Asset Management Strategy

The asset management strategy sets out the approach Islington takes when deciding what types of long term investment are needed in our homes and estates to ensure they remain places where people want to live for years to come.

The aim of effective asset management is to use our limited resources in ways which maintain and improve our housing stock to provide places where people will want to live whilst delivering value for money to our tenants who pay for this investment.

The purpose of the asset management strategy is to set out how the council will prioritise works funded from capital resources, known to tenants and leaseholders as 'major works'.

In practical terms the strategy will help the council:

- decide how best to use the funds it has available to spend on different types of major works.
- prioritise which types of works should be done ahead of other types, for example estate environment works before new kitchens and bathrooms.

The decisions made as a result of the strategy should ensure that the funds spent by the council on improvement works deliver its strategic objectives more effectively; have the most positive impact on residents and help avoid spending money on works which have little long term benefit.

The council considers there to be five main parts to its residential assets which it will need to maintain and improve as part of a strategy and form a medium term plan (7 years). These are:

- The interior of our homes

The council will maintain the inside of its homes to a good standard by ensuring they are safe, capable of meeting the current and future needs of residents and are homes in which people want to live.

Utilities (e.g. water pipes, gas pipes, electrical wiring), Kitchens and Bathrooms.

- Making homes energy efficient

The council will provide efficient heating systems and well insulated homes to ensure they are both comfortable to live in and affordable to heat.

Individual heating systems, Communal heating systems and Insulation.

- Ensuring homes are free of damp and problem condensation

Residents told us preventing and resolving dampness in our properties is one of their top priorities. The council will ensure all our homes are free of damp. The council will also work with residents to help resolve problem condensation in their homes.

- The exterior of our homes

The council will maintain the outside of our council blocks to a good standard by ensuring they are wind and water tight, safe, durable and accessible to current and future residents.

Roofs (including guttering), Walls, Windows, Doors and Lifts.

- Communal areas and our estates

The council will maintain the communal areas within the boundaries of our estates to a good standard by ensuring they are safe, durable, accessible and attractive.

Grounds maintenance and Estate lighting.

7 Year Investment Plan

Housing investment plan including the 7 year cyclical investment programme.

The investment plan draws on the following:

- A) Housing strategy
- B) Business Plan
- C) Property Data

The table below shows the key priorities for our long term investment plan. The main driver is the 7 year inspection cycle where all properties are visited (surveyed) to determine when works are required. An assessment is made as to whether a property requires renewal or whether repair and maintenance will deliver a further 7 years life expectancy. Properties may be brought forward or put back in the cycle depending on condition. It is acknowledged that scaffolding costs are significant element of repairs and maintenance, therefore a cost benefit analysis is undertaken to ensure a value for money approach.

Annual programmes and typical budgets

<u>PROGRAMME</u>	<u>DESCRIPTION</u>	<u>Ave £M's per year</u>
<u>CYCLICAL IMPROVEMENT</u>	Properties inspected every 7 years and only included when works are require (could be 7 / 8 /9+ years). Works include, external repair and communal decoration's and any 'life' expired building components, i.e. roofs / windows.	20.0
<u>STREET PROPERTIES</u>	Ditto.	1.0
KITCHENS	Replace according to Islington standard over 20 years old (Decent Homes standard = 30 years). May need to review.	2.0

BATHROOMS	Replace according to Islington standard over 30 years old (Decent Homes standard = 40 years) May need to review.	2.3
<u>MECHANICAL WORKS</u>		
DOMESTIC GAS	Replace life expired individual boilers with new energy efficient boilers	2.5
COMMUNAL BOILERS	Replace life expired components based on Technical Officers recommendations	2.0
COMMUNAL VENTILLATION	Replace life expired components based on Technical Officers recommendations	0.3
<u>ELECTRICAL WORKS</u>		
DOMESTIC ELECTRICS (RE-WIRES)	Replace life expired components based on Technical Officers recommendations	Inc in K&B's
COMMUNAL LIGHTING	Replace life expired components based on most vulnerable blocks first (high rise). Based on recommendations from Lakanal report recommendations	0.5
ESTATE LIGHTING	Replace life expired components based on Technical Officers	0.4
CCTV MAINTENANCE	Replace life expired components based on Technical Officers recommendations	0.3

DOOR ENTRY MAINTENANCE	Replace life expired components based on Technical Officers recommendations	0.4
LIFT PROGRAMME	Replace life expired components based on Technical Officers recommendations	1.2
<u>WATER</u>		
DRY RISERS	Replace life expired components based on Technical Officers recommendations	0.2
BOOSTED WATER SETS	Replace life expired components based on Technical Officers recommendations	0.1
SPRINKLE	Replace life expired components based on Technical Officers recommendations	0.1
WATER TANKS	Replace life expired components based on Technical Officers recommendations	0.1
<u>OTHER</u>		
SMOKE DETECTORS	Replace life expired components based on Technical Officers recommendations	Inc K&B's
TV AERIALS	Replace life expired components based on Technical Officers recommendations	0.1

TENANT COMPACT / ENVIROMENTALS	Decentralised budget for Housing Panels to decide on environmental work	0.5
FIRE SAFETY WORKS	Upgrade or replace Front Entrance Doors, based on most vulnerable blocks first (high rise & complex layout blocks). Based on recommendations from Local Government Association report following Lakanal House and Shirley Towers fire incidents	1.5

Estates, Block, properties

All properties are included in the Cyclical Improvement programme (CIP) where all properties are inspected within a 7 year cycle as per 7 year investment plan and only included when works are required (could be 7 / 8 /9+ years). Works include, external repair and communal decoration's and any 'life' expired building components, i.e. roofs / windows and where relevant internals works like kitchens / bathrooms and associated boilers and electrics where required. Small amounts of environmental works are often included.

Other (M&E) programmes are prioritised based on repair history and technical officer's recommendations and are generally run as stand alone contracts i.e. Lifts, Door Entry and Lighting.

Information from the stock condition survey, repairs history and local knowledge is collated as part of the briefing process for technical officers.

When works are complete they are fed back to the Stock Condition database to allow for recalculation of components life expectancy and thereby allow the 30 year HRA Business Plan planning to continue.