

Asset Management Strategy

2011-16

OUR MISSION

To deliver excellent, customer focused
and cost effective housing services
to all our residents



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- You feel this document is not as clear and easy to read as you would expect; or
- You believe that we aren't doing the things that this document says we will do; or
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Whatever the reason, if you want to talk to us about this document you should contact:

Head of Asset Management on Freephone 0800 195 5552

Approved:	April 2011
Effective from:	April 2011
Review date:	October 2011

Introduction

- 1.1** SHP delivers a range of housing services directly to the tenants and leaseholders of Sutton Council. The Property Services teams are responsible for major works, planned maintenance programmes, responsive repairs and voids work. This strategy identifies the medium term approach to delivering these services.
- 1.2** This strategy has been developed in consultation with our customers and based on feedback from the STATUS survey. It has been considered by the Asset Management Group and the Repairs Investment Group both of which include residents. It has also been informed by the responsive repairs service review carried out in Autumn 2008, the major works service review carried out in Summer 2009 and the sheltered housing review carried out in Spring 2009 all of which included consultation with customers.
- 1.3** There are complementary service strategies for Community Cohesion, External Services, Income Management, Environmental Sustainability, Leasehold Services and Older People's Services. Together with the strategies for the support services and strategic drivers, our strategies provide the focus for achieving our Priorities.
- 1.4** The documents that inform and support this strategy are available in the Asset Management Document Register.

Where Are We Now?

- 2.1** The current state of the services is reflected in the following:
- Our approach heavily influenced by the Council's Sutton Strategy, Housing Strategy and HRA Business Plan;
 - The HRA stock comprises 6462 rented properties, 1,357 flats and maisonettes sold on long leases and 14 shared ownership units. In addition there are 81 section 16 freehold houses. The rented portfolio includes just over 600 sheltered units set within 16 schemes;
 - The following table gives a breakdown of the tenanted stock by type and age;

Tenanted stock by type as at April 2010	
Pre 1945 small terraced houses	1,103
Pre 1945 semi detached/large terrace/detached	1,307
1945-64 small terrace houses	9
1945-64 semi detached/large terrace/detached	173
1965-74 houses	69
Post 1974 houses	88
Non traditional houses	97
Low rise flats	1337
Medium rise flats	1911
High rise flats	255
Bungalows	113
Total	6462

- The number of rented units is expected to fall to around 6,200 over the next five years as a result of Right to Buy sales, demolitions, and other disposals;
- Council housing is located in most parts of the borough. There are, however, a number of larger concentrations, the principal ones being; 2,700 inter-war houses and low rise flats at St Helier in the north of the borough; the Benhill estate in central Sutton comprising 429 flats and maisonettes; ‘Shanklin Village’ in Belmont made up of 424 deck-access designed, 70s-built flats, maisonettes and houses; 295 maisonettes at Durand Close, Carshalton (currently being redeveloped on staged programme);
- Our stock condition survey indicates that:
 - ◇ Many properties are fitted with single glazed windows approaching the end of their useful life;
 - ◇ Many front and rear doors are old and in poor condition;
 - ◇ Many pitched and flat roofs are old and in poor condition;
 - ◇ Many kitchens and bathrooms are old and in poor condition;
 - ◇ Most properties have some form of central heating although a substantial number of boilers require renewal due to age and condition;
 - ◇ Many electrical wiring installations are old and in poor condition;
 - ◇ External decorations and environmental improvements such as fencing, estate lighting and signage have not been a priority and now require substantial investment;
- Of the total rented stock none of our homes are classified as unfit, but 66 are designated as difficult to let. These are all sheltered units with shared facilities within two schemes;
- The 2004 Savills Stock Condition Survey concluded that the majority of the stock failed the Decent Homes

Non-decent homes as at April 2010			
No. of properties failing:	(A) Disrepair	(B) Lacking modern services/facilities	(C) Lacking thermal comfort
on only one criteria	1605	157	209
on two criteria (A & B)	420		
on two criteria (B & C)		25	
on two criteria (A & C)*	←----- 166* -----→		
on all three criteria	30		

*96 properties fail on both disrepair and lacking thermal comfort

standard and that the great majority of the remainder would fall into non-decency by 2010 without sufficient investment. This Stock Condition Survey has been updated to reflect additional survey activity undertaken by SHP surveyors and Ridge and Partners as part of the preparatory work before the Decent Homes programme (approx 3800 surveys tbc). Ridge have completed a data cleansing and validation exercise in early 2010. As at 1 April 2010 some 2612 rented units were classified as non-decent, representing just over 40.4% of the total stock of 6,462. A breakdown of these units by reason for failure is set out above;

- The latest calculation, as at March 2010, shows the SAP rating of the stock to have risen to 66 (65 in 2009 using the SAP 2005 measure);
- Surveying consultants Ridge & Partners carried out sustainability modelling of the stock during 2007. Each individual rented property was assessed on the criteria of rental yield over 30 years, investment requirement over 30 years, and an assessment of demand based on local facilities including parking provision, attractiveness of the area/environment, crime and anti-social behaviour levels and security. Based on this assessment each property was accordingly designated as either 'Red' (high risk), 'Amber' (medium risk) or 'Green' (low risk);

- Relating this classification to future investment planning, the following set of rules has been adopted:
 - ◇ Red - no major works expenditure permitted with only essential cyclical and responsive maintenance carried out during the remaining life of the units (may include exceptional extensive works for legal/health & safety reasons);
 - ◇ Amber - properties included in programmes of future major works (unless designated for redevelopment) with normal cyclical & responsive maintenance carried out;
 - ◇ Green - all expenditure permitted;
- On the basis of this modelling 254 properties have been designated as 'red'. These comprise the flats at Durand Close and the remaining associated properties due for demolition/ redevelopment as part of the estate regeneration project;
- A further 482 properties have been designated as 'amber'. These comprise Unity PRC non-traditional properties in Coulsdon, Orlit PRC non-traditional properties in Carshalton (proposal to refurbish - feasibility complete), Corbet Close, Carshalton (proposal to redevelop), Milton House shared-facility sheltered (proposal to remodel – feasibility complete), Elizabeth House shared facility sheltered (redevelopment project due to commence on site during 2011 subject to funding and approvals), Chaucer

House high rise block (proposal to refurbish – feasibility complete) and Andrewes House temporary accommodation. These are all included within the proposed Decent Homes programme for the time being following feasibility studies but may require more detailed option appraisals to determine their longer-term futures;

- We use an integrated asset management software package, Codeman, to store our stock condition data, calculate levels of decency and project future costs. Codeman enables on site data collection using handheld PDA's, collection of photographs, provision of a Housing Health and Safety Rating System (HHSRS) and energy survey for each property;
- A detailed 5-year Decent Homes programme has been prepared on the basis of our stock condition survey and has involved extensive consultation with residents; subsequently the HCA has announced a deferral of funding with £5 million available in 2010-11 and a further £22 million promised for 2011-13. A further £40.2 million for 2013-15 is currently only indicative and is subject to confirmation;
- There has been a successful pilot Decent Homes project for kitchen and bathroom renewals using the CYNTRA framework;
- Our capital programmes have energy efficiency benefits - replacement windows are double glazed and

replacement roofs and external cladding have improved insulation;

- A review of garage stock was carried out in Autumn 2008 and the recommendations from this review have been incorporated in future plans;
- The contract for the servicing and repair of domestic gas heating systems and appliances was re-tendered in 2007 with the intention to develop a partnering agreement;
- Performance by our contractor on gas safety compliance was 99.8% and no property is out of compliance by more than 12 months. We use the services of an independent consultant, the Gas Advisory Service (G.A.S.), to carry out a percentage check on completed gas servicing and boiler installation to ensure compliance with the requirements of the Gas Safety (Installation and Use) Regulations 1998;
- An electronic system for updating our gas safety records has been introduced;
- A new gas safety case has been introduced for our gas networks on estates following approval by the HSE;
- A programme of renewal of gas networks and adoption by gas transporters has recently been completed;
- The contracts for the maintenance and repair of communal boiler plant and the maintenance and repair of lift and other mechanical and electrical installations were re-tendered in 2007. All

communal electrical installations are inspected periodically as part of a planned programme;

- A new energy efficiency programme with our partner, British Gas, started in 2009. Approximately 400 properties have received insulation measure to date. The programme comprises loft and cavity wall insulation together with energy switching for heating systems which will enable us to replace electrical heating systems with more efficient gas systems;
- A programme of cyclical planned preventative maintenance was reintroduced in 2007/8. The programme includes decoration of previously painted external surfaces and communal areas and repairs to external elements. We have recently adopted a 5 year external decorations programme for all properties in the housing stock;
- We have completed a programme of Fire Risk and DDA assessments for each block. We will carry out a programme of re-inspections to each block to ensure compliance with statutory legislation relevant to the building element for each block;
- New asbestos policy and procedures have been adopted including a new process of carrying out asbestos inspections in empty properties and provision of a report to new tenants. The policy is currently being revised to reflect new regulations;
- We keep an asbestos register, which is available to contractors, and have completed a detailed survey of all the communal parts of blocks. Asbestos information is issued on all works orders to repairs contractors;
- We work closely with the Council's Occupational Therapy service and Staying Put (a specialist agency) to provide aids and adaptations funded through the MRA/HRA. There is no waiting list for assessments, with new cases dealt with as they arise. The aids and adaptations service has recently been reviewed and the provision of these works will be improved to provide faster response times and better VFM ;
- Responsive repairs are delivered in partnership with the main contractor KNK Building Services Ltd and a small number of specialist contractors and sub-contractors of KNK. The contract with KNK has recently been extended and the contractor has committed to contract change which will reduce administration costs and improve service to residents;
- Performance in respect of responsive repairs and void re-let times is improving;
- Introduction of energy surveys of void properties with provision of Energy Performance Certificates for all new tenants;

- A protocol for the disposal of voids which are uneconomic to repair has been approved;
- The Repairs and Investment Group (RIG) and the Asset Management Group (AMG) set and monitor the annual planned works programme, monitor the responsive repairs and voids service, assist in the procurement of contracts including CYNTRA frameworks and monitor resident satisfaction;
- Representatives of the Decent Homes steering group, SFTRA and the SLA have been involved in the procurement of contractor and consultant frameworks (CYNTRA) which will be used to deliver the Decent Homes programme;
- A Decent Homes workshop was held at the annual Residents Conference in 2008;
- Leaseholders are represented on the RIG and AMG groups. We also consult them through the Sutton Leaseholders Association meetings and other forums, ensuring that the outcome for the section 20 process is taken into account in our policy and decision making processes.

2.2 It was the view of the Audit Commission that strengths outweigh weaknesses in major works and planned and cyclical maintenance. They commented: “SHP has a fully costed 5-year major works programme, including decent homes works and 30-year projections based on

comprehensive stock condition data and a robust sustainability model. Environmental issues are being actively addressed and residents are involved in programming and procurement decisions. Major works are being tailored to tenants needs and a range of improvements are being delivered. Asbestos and other health and safety risks are well managed. However, the level of decent homes and energy efficiency are comparatively low, and tenant involvement in investment decisions is limited. The five-year cyclical maintenance programme is not published and the asset management strategy has some gaps.”

2.3 Further it was the Audit Commission’s view that strengths outweigh weaknesses in responsive repairs. They commented: “A review of the service at the end of 2008 has delivered improvements and tenants receive a prompt and good quality service. Tenant satisfaction with the service is high. Communal repairs are carried out quickly and a cost effective approach is taken to planned and responsive repairs. However, the level of pre- and post-inspections is too high and it often takes too long to carry out the inspections.”

2.4 In relation to gas servicing, the Audit Commission feel that strengths outweigh weaknesses and commented: “The service is well managed with good performance and clear procedures for gaining access and dealing with unsafe situations, such as tenants sleeping in rooms with gas appliances. Quality checks are conducted

and the service is widely publicised. It is also promoted to leaseholders, but take up is low. The overdue servicing alert is not on all systems and benchmarking is limited.”

2.5 The aids and adaptations service was felt by the Audit Commission to have a balance of strengths and weaknesses. They commented: “The service is widely promoted and partners work well together to deliver the service. Adaptations are completed relatively quickly and satisfaction with the works is high. However, there are no policies or procedures, few service standards and no customer involvement. SHP has not considered the level of service to be offered to all tenants and different levels of service are available. SHP cannot demonstrate that the service is delivering value for money.”

Where Do We Want To Be?

3.1 We want to see a service where we are delivering quality homes that match our customers’ expectations. This will be achieved by ensuring there is:

- A detailed description of our estates across Sutton include a description and history of properties (including construction type), the main features of the locality, parking, lifts, recent major works or refurbishment carried out and residents association details. Maps and photographs will also be included;
- Detailed and meaningful resident consultation and involvement including

effective arrangements for bringing together responsive repairs, asset management and housing management staff and residents to exchange information and ideas;

- Successful completion of the 5 year Decent Homes programme on the basis of up to date, accurate stock condition data, tackling homes in the worst condition first, addressing resident priorities, targeting deprived areas and linking in with existing regeneration and neighbourhood plans together with the Sustainability Study. The intended rate of progress is identified below but subject to the recent announcement on funding deferral;
- Delivery to the Sutton Standard, developed as part of the Stock Options appraisal and including areas over and above those required for decent homes (e.g. works to garages, communal areas, entry phones and lift replacement); (may require review following funding clarification)
- Strong partnerships with contractors delivering high quality works and based on risk and reward sharing, value for money and improved access and service delivery for residents and a consistently high level of CPI2 compliancy;
- Significantly improved energy performance of housing stock, meeting our commitments in respect of carbon emissions and sustainability, and including replacement windows being double glazed, replacement roofs and external cladding having improved

Decent Homes delivery 2010 – 2015*					
	Year End	Forecast Stock level	Non-Decent Homes (No.)	Potential Fails (No.)	Non-Decent Homes (%)
2009-10 [Yr0]	31-Mar-10	6,485	2,696	625	41.6%
2010-11 [Yr1]	31-Mar-11	6,360	2,378	79	37.4%
2011-12 [Yr2]	31-Mar-12	6,222	1,702	12	27.4%
2012-13 [Yr3]	31-Mar-13	6,210	1,111	58	17.9%
2013-14 [Yr4]	31-Mar-14	6,198	470	8	7.6%
2014-15 [Yr5]	31-Mar-15	6,186	0	0	0.0%

*projections based on indicative Round 6 ALMO funding

- Insulation and new gas boilers being more efficient;
- A planned maintenance programme that includes external and communal decorations together with essential repairs and based on the 30 year cost model adopting the principles of end of life replacement of building components enabling compliance with the Decent Homes standard after 2014;
- 100% gas safety compliance;
- A programme to make all communal areas as accessible as practicable in accordance with DDA;
- Effective assessment of the needs of all residents needing aids and adaptations;
- An IT system that enables repairs and customer services staff to view planned maintenance programmes when responding to repair requests;
- An effective process for identifying where high cost repairs and renewals are carried out through the planned maintenance programme rather than through responsive repairs;
- A proportionate reduction in the expenditure on responsive repairs against planned expenditure that matches best practice;
- Right first time delivery of responsive repairs with high levels of customer satisfaction;
- A common specification for voids, responsive repairs and planned works based on the Sutton Standard;
- An effective process for the reporting of repairs by staff, especially caretakers;
- A programme that brings all voids up to Decent Homes standard.

Our Strategic Objectives

4.1 In order to achieve our desired service level we have prioritised a number of strategic objectives and identified the scope of each objective across the service. These strategic objectives are:

- **To bring all stock up to the Decent Homes standard [AM01]**
Covering major works, Sutton standard
- **To deliver a planned maintenance programme that improves the sustainability of housing assets [AM02]**
Covering communal areas, external areas, estate improvements
- **To deliver a repairs and voids service that consistently meets our customers' expectations [AM03]**
Covering responsive repairs, voids
- **To improve the energy efficiency of an increasing proportion of properties [AM04]**
Covering insulation, double glazing, heating

4.2 To measure our progress in meeting these objectives we will use quantitative and qualitative indicators including:

- Percentage of non-decent homes;
- Satisfaction with major works projects & products;
- Average SAP rating of dwellings;
- CPI2 gas certificates outstanding;
- Gas repairs performance
- Repairs completed right first time;

- Satisfaction with the repairs & maintenance service;
- Satisfaction with the voids service.

Our Drivers

5.1 In delivering our services we will seek to embed the organisation's strategic drivers:

- We will fully consult our **customers** on the Decent Homes delivery plan and provide easily accessible information on the plan. We will involve customers in the procurement of contractor and consultant frameworks, the supply chain and supply chain management and in the programming of work with individual constructor partners. We will ensure leaseholder needs are fully accounted for in the delivery of our programmes, including ensuring that the outcome of the section 20 process is taken into account in our policy and decision making processes;
- We will use the available resident **diversity** profiling information to prioritise our resources to make our services accessible to, and appropriate for, all residents. We will assess the needs of all individuals who require adaptations so that they can remain in their own homes. We will ensure that all communal areas are accessible as far as is possible and we will ensure that information provided to customers about our services (e.g. Decent Homes five year programme) is available in forms which make it easily accessible by all;

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- We will identify and address **risks** through the asset management risk register. We will seek to reduce the risk of inadequate delivery of the Decent Homes programme through continuous review and effective cost control. We will minimise the risk of delay to the programme arising from leaseholder consultation by running separate work streams for internal works to occupied homes and external works to blocks of flats. Under the updated Construction Design and Management Regulations, project managers will ensure full compliance by working with designers and constructors on risk reduction and health and safety management on site;
 - We will take account of **sustainability** issues through our planned maintenance and energy efficiency programmes. We will ensure that the recycling of materials is maximised and that sustainable materials and components are used through sustainable procurement processes. In implementing the asset management strategy we will embed the objectives and principles of the environmental sustainability strategy;
 - In pursuing **value for money** we will programme the delivery of works in the most cost effective manner. We will make effective use of the capital procurement policy by adopting partnering arrangements for packages of internal works and box bathroom replacements and using traditional

procurement for other work streams using LAPN (CYNTRA) to minimise tendering costs and to appoint consultants. We will achieve efficiency savings through use of common supply chains and simplified ordering and invoicing processes. We will be active in the HQN Best Practice in Asset Management Group and will use Housemark capital works benchmarking to measure our costs and outputs with other organisations. We will minimise the adverse environmental effects and waste caused by our activities and deliver sustainable investment which contributes to reducing climate change.

Issues To Consider

- 6.1** The issues which may impact on service delivery that we are aware of are:
- Demand for housing in the area is increasing due to both population and household growth and there is a shortfall in the supply of affordable housing. This is coupled with an increasingly unaffordable private sector in both the rented and owner occupier markets (although recently there is evidence that house prices are falling). This is reflected in the levels of homelessness and applications for re-housing via the Council's housing register. We will consider demand in the decision making process for property disposals. We will seek to identify opportunities to increase the supply of housing through initiatives such as 'hidden homes';

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- Demand for social housing across London has reached such levels that the Mayor's London Plan has set a borough housing target of 345 net completions per annum until 2016. There is some concern that this target will be difficult to achieve in the current economic climate; CSR implications to be incorporated – Trevor H may be able to advise.
 - There has been a gradual reduction in the overall use of temporary accommodation over the last three years and the Council met its commitment to a 50% reduction in usage by 2010 two years early. Use continues to be made of council stock which has been identified for demolition or disposal and we will work with the council to help meet its obligations in this area;
 - The borough has a social housing stock of around 11,000 permanent rented units (15.4% of total compared to the London average of 24.4%);
 - The Sutton Housing Strategy has identified an acute need for larger family sized affordable housing in the borough. We will work with the council to identify opportunities to increase the supply of such housing;
 - Responsibility for reviewing or changing the asset portfolio rests with the Council and it is essential that we are involved in any proposed reviews;
 - Decent Homes funding is currently only guaranteed until 2012-13;
 - There is a need to identify sources of additional external funding for capital investment in the housing stock. We have made a successful bid for funding under the governments 'Retrofit for the Future' programme together with our partner BioRegional and the council. Works will be completed to the properties concerned by March 2011;
 - Consideration must be given to a longer term sustainable investment strategy which addresses wider customer aspirations beyond Decent Homes;
 - The current economic situation may adversely affect the supply of contractors but may result in available contractors tendering at more competitive rates.

Expected Impact

7.1 We expect, through the successful implementation of this strategy, to have the following impact:

- **Customers** will be living in homes which meet the Sutton Standard. Those who live in blocks will have good quality communal areas and external areas will be well decorated. They will have access to a responsive, good quality repairs service. New tenants will be able to move into well maintained and clean properties.

- **SHP** will have secured the capacity to deliver the Decent Homes programme and will be held in good regard by its customers. There will be closer liaison between all teams involved in asset management and with the customer services team who support the delivery of the repairs service.

Resources Required

8.1 To successfully deliver this strategy we will require the appropriate level of resources, the implications of which are:

- Our Asset Management team which is responsible for the delivery of the existing MRA major works programme and has a strong record of delivering projects on time and within budget and so is well placed to deliver the Decent Homes programme. However, given the volume of work involved this team will require additional resources which will be provided by consultants when the programme commences in 2011;
- We have used the CYNTRA Consultants framework to commission the services of consultant partners to assist in the delivery of the five year Decent Homes programme;
- We are currently planning our 5 year Decent Homes programme on the basis of indicative funding from the DCLG's Round 6 ALMO programme which amounts to £112.5M (£17K per unit – higher than most comparable ALMOs) now subject to review following clarification on funding;

- A five year plan has been developed on the basis of this ALMO funding together with MRA (Major Repairs Allowance) and SCE (Supported Capital Expenditure likely to be withdrawn following CSR) funding streams. This will be re-profiled when there is more clarity of the revised funding arrangements and following consultation with residents;
- A substantial programme of survey validations has been carried out by Ridge and the cost model has been reviewed in early 2010 together with prices. This process will enable us to constantly check the actual committed costs against those in the original cost model to ensure that we achieve our target of decency for the whole of the housing stock by 2015 within the available resources. The stock condition database and cost model has been validated by an external specialist in early 2010;
- The proposed delivery programmes and funding streams are given below and are based on the following assumptions:
 - ◇ The MRA will continue over the entire period with an allowance for inflation, reducing to reflect loss of stock during the period. The MRA funding for 2010-11 has been amended to reflect the MRA bring forward of £3.4m in 2009-10
 - ◇ The SCE allocation will be made over the period of the Decent Homes programme at the same level as the current allocation

Proposed Decent Homes Programme 2010 – 2015

	2010-11 [Yr1]	2011-12 [Yr2]	2012-13 [Yr3]	2013-14 [Yr4]	2014-15 [Yr5]	Total
Kitchens/bathrooms/w.c's	2,325,000	9,000,000	9,000,000	9,000,000	8,700,000	38,025,000
Boilers/distribution	1,000,000	1,700,000	1,700,000	1,700,000	1,700,000	7,800,000
Electric storage heaters		306,000	306,000	306,000	306,000	1,224,000
Electrics	350,000	1,475,000	1,500,000	1,475,000	1,475,000	6,275,000
Front door		550,000	600,000	600,000	600,000	2,350,000
Smoke detector		30,000	34,000	34,000	35,000	133,000
Box bathrooms - renewals	1,100,000	4,500,000	4,500,000	4,500,000	4,600,000	19,200,000
INTERNAL WORKS Sub total	4,775,000	17,561,000	17,640,000	17,615,000	17,416,000	75,007,000
Boundary walls		75,000	100,000	100,000	100,000	375,000
Garage doors & associated works		239,000	250,000	250,000	250,000	989,000
Roofing/chimneys/rw goods etc		4,725,000	5,525,000	5,125,000	5,125,000	20,500,000
Wall finishes		1,060,000	1,060,000	1,060,000	1,060,000	4,240,000
Windows/French & patio doors	2,200,000	2,350,000	2,350,000	2,350,000	2,346,000	11,596,000
Secondary doors		471,000	500,000	500,000	500,000	1,971,000
Porch/canopy		340,000	340,000	340,000	340,000	1,360,000
Private balcony		290,000	290,000	290,000	290,000	1,160,000
EXTERNAL WORKS Sub total	2,200,000	9,550,000	10,415,000	10,015,000	10,011,000	42,191,000
Bathrooms and kitchens		15,000	15,000	15,000	18,000	63,000
Door renewals - bins/primary/secondary		852,000	900,000	900,000	900,000	3,552,000
Car lift – renewal			13,000	13,500		26,500
Door entry system – renewals		63,000	65,000	65,000	65,000	258,000
Lighting renewal inc. emergency		65,000	70,000	70,000	70,000	275,000
Fire alarm – renewal		5,000	4,000	4,500	5,000	18,500
COMMON PARTS Sub total	0	1,000,000	1,067,000	1,068,000	1,058,000	4,193,000
Central Heating upgrade		110,000	350,000	350,000	350,000	1,160,000
Milton House remodelling			590,000			590,000
Internal/external insulation	100,000		14,000	17,000	99,000	230,000
IMPROVEMENTS Sub total	100,000	110,000	954,000	367,000	449,000	1,980,000
Drainage and structural failures		200,000	500,000	500,000	500,000	1,700,000
Asbestos removal		200,000	300,000	300,000	380,000	1,180,000
CONTINGENT REPAIRS Sub total		400,000	800,000	800,000	880,000	2,880,000
Estate works / improvements		40,000	300,000	2,500,000	3,500,000	6,340,000
ESTATE WORKS Sub total		40,000	300,000	2,500,000	3,500,000	6,340,000
DDA works		100,000	700,000	1,000,000	700,000	2,500,000
Balaam - overclad (high rise blocks)	500,000	335,000				835,000
Chaucer - overclad (high rise blocks)		400,000	780,000			1,180,000
Shanklin gas mains re-pipe	600,000					600,000
Non Trads Carshalton Orlits			723,000	130,000		853,000
EXCEPTIONAL WORKS Sub total	1,100,000	835,000	2,203,000	1,130,000	700,000	5,968,000
Aids and adaptations	325,000	350,000	400,000	405,000	410,000	1,890,000
AIDS AND ADAPTATIONS Sub total	325,000	350,000	400,000	405,000	410,000	1,890,000
Other	931,000					931,000
TOTAL PLANNED EXPENDITURE	9,431,000	29,846,000	33,779,000	33,900,000	34,424,000	141,380,000





Proposed Funding Programme 2010 – 2015				
	Major Repairs Allowance (MRA) [£m]	Supported Capital Expenditure (SCE) [£m]	Indicative ALMO Funding [£m]	Total Funding [£m]
2010-11 [Yr-1]	£1.134	£1.244	£5.000	£7.378
2011-12 [Yr2]	£4.602	£1.244	£23.000	£28.846
2012-13 [Yr3]	£4.635	£1.244	£28.000	£33.879
2013-14 [Yr4]	£4.656	£1.244	£28.000	£33.900
2014-15 [Yr5]	£4.680	£1.244	£28.500	£34.424
Total	£19.707	£6.220	£112.500	£138.427

- ◇ There are no capital receipts although DCLG have indicated an expectation that the Council will make capital allocations to support the Decent Homes programme
- ◇ No revenue contributions will be made due to the existing financial pressures on the HRA;
- We have been successful in entering into an agreement with British Gas to fund a programme of energy efficiency measures to our housing stock. This programme will be carried out during the period 2009-11 with potential inward investment of £250,000;
- The resources assumed in the strategy assume that costs chargeable to leaseholders will be fully recovered. There will unavoidably be delays between incurring costs and recovering leaseholders' contributions and the effect of these delays on cash flow will have to be taken into account in planning expenditure on the works;
- The funding available for responsive repairs and voids will be monitored and managed through the normal budget setting process within the constraints of the level of HRA funding available;
- Additional funding will be required to ensure that we can make the most effective use of IT systems in minimising the costs of administering the repairs service.

















Strategy Delivery

- 9.1** The actions required to implement this strategy in its first year are contained in the appended Asset Management Service Plan 2011-12.

























Service Plan Key

























Reference	Service Improvement Plan reference	Summary of action	Responsible Officer	Start date	End date	Evidence of action having been completed
		Expected impact on customer focus (access, care or involvement)				Expected impact on risk
		Expected impact on equality & diversity				Expected impact on value for money













Improvement Actions

AM.IA.II.01	SIP I.01	Implement full fire safety inspections to the common parts of all blocks	JG	Apr-11	Mar-12	<i>Inspection plan, inspection reports, action plans</i>
		The standard of services provided to customers in relation to health & safety and customer involvement will be driven up through SHP striving to meet the external standards				Reduces the risk that services fail to reach relevant external standards
		Implementation of the Equality Framework will ensure that standards are driven up across all diversity strands				Standards will be driven up within existing budgets ensuring greater value for money
AM.IA.II.02	SIP I.02	Identify and implement efficiency savings resulting from the new interfaces for repairs & voids	DV	Sep-11	Dec-11	<i>Report and proposals for efficiency savings</i>
		Customers will see the benefits of improved value for money and more efficient services				Reduces the risk that individual services and the organisation as a whole will not remain viable in the medium term
		Services will be delivered to provide the best value for money to all diversity strands				Additional sources of income will be identified and existing services will be provided more efficiently
AM.IA.II.03	SIP I.03	Undertake a review of allocations processes to ensure they are best used to manage tenancy issues	ST	Jul-11	Sep-11	<i>Report and action plan</i>
		Service delivery will be better tailored to reflect the range of needs of customers				Reduces the risk that the range and delivery of services do not reflect the profile of our customers
		By taking more account of the customer profile, services will be better tailored to the needs of all customers				Ensuring that service delivery matches the needs of customers makes delivery more efficient and effective
AM.IA.II.04	SIP I.05	Implement an enhanced programme of void cleaning in order to improve new tenant satisfaction	DV	Apr-11	Jun-11	<i>Budget spend/records, customer feedback & PI data</i>
		Levels of customer satisfaction are increased in specific service areas				Reduces the risk that service performance issues are not identified and effectively addressed
		Service delivery is focussed on ensuring the diverse needs of all our customers are met				Improves the value for money of those services where value for money has been identified as requiring improvement













Operational Actions – Major Works & Planned Maintenance













AM.OA.01	Complete annual programme of servicing of domestic gas appliances / installations	JG	Apr-11	Mar-12	100% compliance at year end
	 ✓	Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓):			
		Risk – impacts directly on the safety of residents and staff			
AM.OA.02	Complete annual programme of servicing / maintenance of communal mechanical and electrical installations	JG	Apr-11	Mar-12	100% compliance at year end – register of installations and completion dates for maintenance
	 ✓	Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓):			
		Risk – impacts directly on the safety of residents and staff			
AM.OA.03	Implement new Lift Service and Repair contracts with new contractor (tbc)	JG	Apr-11	Jul-11	Contracts awarded and contractor (s) working to achieve service standards.
 ✓		Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓):			
		Customer – improve service in respect of breakdowns performance			
AM.OA.04	Complete Phase 3 of British Gas HELP insulation programme	JG	Apr-11	Mar-12	Continuation of programme commenced in 2009/10
 ✓		Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓):			
		Customer – improves living conditions and reduces energy bills			
AM.OA.05	Complete reviews of 1 st phase of Fire Risk Assessments (now three years old)	JG	Apr-11	Oct-11	Evidenced through Northgate monitoring suite
	 ✓	Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓):			
		Risk – required to minimise risk arising from fire for residents and staff			
AM.OA.06	Complete electrical test programme to domestic properties together with remedial works required to achieve compliance	JG	Apr-11	Mar-12	Evidenced through monthly performance tracker
	 ✓	Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓):			
		Risk – required to minimise risk of exposure to asbestos for residents and staff			

AM.OA.07	Complete mail out of asbestos information to residents	JG	Apr-11	May-11	Record of letters sent to each household
 ✓		Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓):			
		Customer – to provide clear advice and specific info on asbestos in homes			
AM.OA.08	increase proportion of gas repair jobs completed within target time	SS	Apr-11	Mar-12	Evidenced through monthly performance tracker
 ✓		Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓):			
		Customer – improved level of service			
AM.OA.09	Develop system of project progress reporting which provides analysis by units completed rather than just expenditure as a measure	AC	Apr-11	May-11	Details recorded and updated on Covalent monthly
	 ✓	Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓):			
		Risk - clear indication of which projects are at risk of delay or underspend.			
AM.OA.10	Implement EDMS /Serengeti as the data management system for Major Works projects allowing electronic interface with contractors and consultants	AC	Jun-11	Aug-11	All project 'files' successfully migrated to Serengeti
		Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓):			
	 ✓	VFM – improved project management and reporting at no additional cost to SHP (no need for PM software package)			
AM.OA.11	Successfully take in house the project management aspect of the aids and adaptations service from existing provider Staying Put	AC	Apr-11	Mar-12	Implementation of actions agreed in Aids and Adaptations service review.
		Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓):			
	 ✓	VFM - significant savings in terms of back office and works costs.			
AM.OA.12	Ensure continuing high levels of resident satisfaction with Major Works projects	AC	Apr-11	Mar-12	Covalent to monitor satisfaction levels against target
 ✓		Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓):			
		Customer – continued improvements in delivery processes to deliver improved service to residents			

AM.OA.13	Establish a strategic partnership with LBS in relation to delivery of extension and deconversion project management services by Major Works team	AC	Apr-11	Mar-12	Service level agreements agreed and delivery of project management services commenced
		Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓): VFM – fee income for Major Works team at no additional cost to SHP.			
	 ✓				
AM.OA.14	Complete the major works project on time and within budget in 2011/12	AC	Apr-11	Mar-12	All projects completed as planned with full 100% expenditure of overall budget at year end
		Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓): VFM – delivery of programme with competitive unit rates and year on year cost savings			
	 ✓				
AM.OA.15	Complete planning application / approval process for external works projects scheduled for 2011/12 and 2012/13 financial years.	AC	Apr-11	Mar-12	Approvals for each project received by agreed deadline.
	 ✓	Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓): Risk - Planning applications can take 4 months with risk of delay to programme. Approvals in good time will reduce risk of delays to programme.			
					

Operational Actions – Responsive Repairs & Voids

AM.OA.16	Introduce new Northgate interface with KNK IT system for electronic invoicing and variations (etc) Improve efficiency and reduce costs of ordering and invoicing for repairs and voids	DV	Apr-11	Jun-11	Improve efficiency and reduce costs of back office operation in Repairs and Voids administration team.
		Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓): VFM – substantial savings in back room costs arising from significant efficiencies arising from automation of processes			
	 ✓				
AM.OA.17	Increase number of Resident Inspectors to 35	KBi	Apr-11	Mar-12	To be measured in comparison with the position at 31 March 2011
 ✓		Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓): Customer – greater involvement in service delivery which should result in higher levels of satisfaction			
					
AM.OA.18	Improve level of resident satisfaction with condition of void properties.	DD / KBe	Apr-11	Jun-11	Evidenced through monthly performance tracker
 ✓		Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓): Customer – improved standard of homes should result in higher levels of satisfaction			
					

AM.OA.19	Reduce the proportion of void budgets spent on clearance by 10%.	DD / KBe	Apr-11	Mar-12	To be reported on quarterly with comparison to % of budget spent on void clearances in 2010 /11
		Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓):			
	 ✓	VFM – reduced costs at no additional cost to SHP			
AM.OA.20	Update specification for void properties to incorporate cleaning prior to letting	DD / KBe	Apr-11	May-11	To be incorporated in void works procedure
 ✓		Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓):			
		Customer - Improve customer satisfaction with condition of property.			
AM.OA.21	SHP 's Technical Inspector to carry out post inspections on voids	DD / KBe	Apr-11	May-11	To be incorporated in void works procedure
		Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓):			
	 ✓	VFM - focus of TI to shift to quality and cost control rather than specification of works			
AM.OA.22	KNK to carry out void property inspections and generate works orders.	DD / KBe	Apr-11	May-11	To be incorporated in void works procedure
		Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓):			
	 ✓	VFM – service to be provided by contractor at no additional cost. Faster start up time for works to improve void turnaround times.			
AM.OA.23	Reduce the proportion of void budgets spent on clearance from 9% to 8% (~ £15,000 full year saving)	DD / KBe	Apr-11	May-11	To be evidenced through BI reporting on voids 'actuals' expenditure
		Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓):			
	 ✓	VFM – reduced expenditure as a result of improved communications with outgoing tenants and or next of kin to clarify their responsibilities. Advise how much SHP charge for clearance.			
AM.OA.24	Pre – termination visits to be carried out to higher proportion of void properties	DD / KBe	Apr-11	May-11	To be evidenced through comparison of % for 2011/12 against actual outcome for 2010/11
		Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓):			
	 ✓	VFM – reduced void costs by improving communications to outgoing tenants and or next of kin to clarify their responsibilities. Enforcement of making good works and rubbish removal.			
AM.OA.25	Increase value of each decoration voucher to £40.	DD / KBe	Apr-11	May-11	Revise void procedure and monitor additional costs incurred periodically.
 ✓		Beyond maintaining current performance levels, there will be the following impact on the driver(s) indicated (✓):			
		Customer – increased value of vouchers will increase satisfaction with new homes.			





Putting Customers First
Making Services Accessible To All
Achieving Value For Money
Providing Quality Homes
Creating Safe, Welcoming Neighbourhoods
