Housing Asset Management Strategy 2022-2026

March 2022

SOUTHAMPTON CITY COUNCIL

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1. Executive summary

This document summarises Southampton City Council's (the Council) Housing Asset Management Strategy (HAMS).

The Council believes that effective asset management is fundamental to the successful delivery of the organisation's objectives. Therefore, this strategy is a critical business tool to enable alignment of property assets with business needs; it is directly linked to the Council's Corporate Plan 2021-2025, Housing Strategy 2016-2025, Southampton City Strategy 2015-25 and supported by the 30-year HRA Business Plan and forms a strategic golden thread throughout the business.

The Council's Housing Strategy sets out the mission, enablers and strategic objectives for the business and its operating functions and how service development is driven by these. The Council aims to be recognised as a truly customer centric organisation.

Recent years have seen a significant shift within the housing sector generally towards health and safety, compliance and asset management. For the Council, the catalyst for this was the Shirley Towers fire in April 2010 in which two firefighters lost their lives. Following the inquest, the Council has made significant investment in respect of fire and electrical safety.

The Grenfell Tower fire in June 2017 and thereafter the Hackitt Review and Green Paper for Social Housing published in August 2018 have further highlighted safety issues that remain in the affordable housing sector. Whilst other issues such as the lack of affordable housing, welfare reform (Universal Credit), deprivation, homelessness, and demographic changes are all still relevant there is now a clear priority on the safety of residents in their communities and providing them with a forum to raise any concerns.

At the time of writing this strategy the world was dealing with the COVID-19 global pandemic. The virus has required Government enforced measures across the UK which has affected affordable housing providers in a variety of ways including the ceasing of planned investment works, providing only emergency repairs as well as impacting many other services. The required measures across many Council services has resulted in additional resources and different working practices being deployed to manage the crisis. This is likely to impact the future investment resources available for asset management related services which will need to be factored into business plan updates and sensitivity analysis. Certain priority elements such as health, safety and compliance will still be a priority in the event of reduced resources.

The HAMS records the Council's approach to asset management and sets out a number of key actions that aim to further improve service and operational delivery, whilst adapting to issues that affect all registered providers of social housing.

1.1. Strategic Objectives

The key objectives of the HAMS are:

- To ensure the health, safety and security of our residents and the communities in which they live.

- To manage and maintain the homes to a good standard;

- Improving and maintaining homes, and as a by-product, continue to meet the Regulator of Social Housing's 'Home Standard' (including Decent Homes);

- Programming and procuring works so that repairs and maintenance is conducted cost effectively and responsively, in a way that reflects residents' needs, preferences and aspirations;

- Ensuring that necessary reinvestment in the stock is made a key priority within the Council's financial framework;

- To align with the Council's Greener City commitment ensuring that all homes are green, sustainable and energy efficient (with a SAP target of not less than 70 for each dwelling) using environmentally friendly energy sources wherever practical and cost effective. The current average SAP rating is 66, EPC Band D;

- To align with the Council's goal of being Net Zero carbon on Housing by 2040;

- Improving environments on estates and supporting community regeneration;

- Ensuring all homes meet our landlord obligations for health and safety compliance;

- To consider the actions necessary following the enactment of the Fire Safety Act 2021, the publication of the Building Safety Bill 2020 and the potential requirements of the Council as landlord of Higher Risk Buildings; and

- Ensuring the stock is fit for purpose and meets the needs of residents, the business and demonstrate viability as well as value for money.

An action plan has been developed that defines these objectives within a proposed timetable. This is reviewed annually, alongside the HAMS.

In order to deliver its HAMS, the Council must ensure that the requirements of the stock are affordable in the context of its Business Plan. Assessment of performance and acting upon the results of viability modelling is an important factor in maintaining a portfolio that is sustainable in the medium to long term.

1.2. Principles for Delivery

To deliver its asset management objectives, the Council will:

1. Continue to support a professional asset management team, responsible for all 'planning' as opposed to 'delivery' and 'contractor' functions;

2. Listen and respond to the views and aspirations of all stakeholders;

3. Consider the impact of all proposals on leaseholders as well as tenants;

4. Work with residents through tenancy audits, to ensure that homes are being looked after and that the needs of the household are identified;

5. Actively manage, maintain and use its asset data within the Asset Management Database (Keystone);

6. Improve the quality and currency of the asset data held, through undertaking regular stock condition surveys;

7. Obtain updates on condition records through a range of sources, including works completed data and new build records;

8. Actively obtain and then manage data relating to health and safety compliance, acting promptly to tackle any issues or matters for concern;

9. Develop programmes of work from the asset data, based upon agreed area and delivery method objectives (over a programme period of not less than 5 years);

10. Procure works and services for delivery that provide best value for money and good quality;

11. Maintain an Asset Management Group (with all key stakeholder groups represented), this group will review and monitor proposals, objectives and delivery;

12. Use a Viability Model to assess the performance of the existing assets (demand, ROCE, NPV etc.) prior to inclusion of 'core stock' in the delivery (works) programme;

13. Following viability modelling, undertake options appraisals (i.e. retain, refurbish, remodel, dispose etc.), following an agreed process, of stock that fails to meet the requirements of 'core stock' or where appraisal is otherwise desirable;

14. Undertake as much work as possible in a pre-planned way, thus reducing reactive works to a minimum;

15. Assess the condition, performance and opportunities associated with related assets (including garages, parking sites for example), to provide a joined-up neighbourhood approach;

16. Inform and be informed by the aims and objectives of the Development & Regeneration Strategy; and

17. Decrease levels of crime and anti-social behaviour through appropriate specification and joined-up neighbourhood delivery.

Measures

The Council will regularly monitor its asset management performance, including the following measures:

1. Compliance with the 'Home Standard';

2. Proportion of stock meeting the Decent Homes Standard;

3. On target achievement of H&S compliance activities;

4. Average SAP rating;

5. Estimated CO emissions;

6. Demand for homes;

7. Number of long term voids;

8. Yield (NPV) per property/block/garage (ideally with an increasing NPV over time);

9. Customer satisfaction with:
    a. the home
    b. the neighbourhood
    c. works and services provided

10. Local economic investment; and

11. Social value.
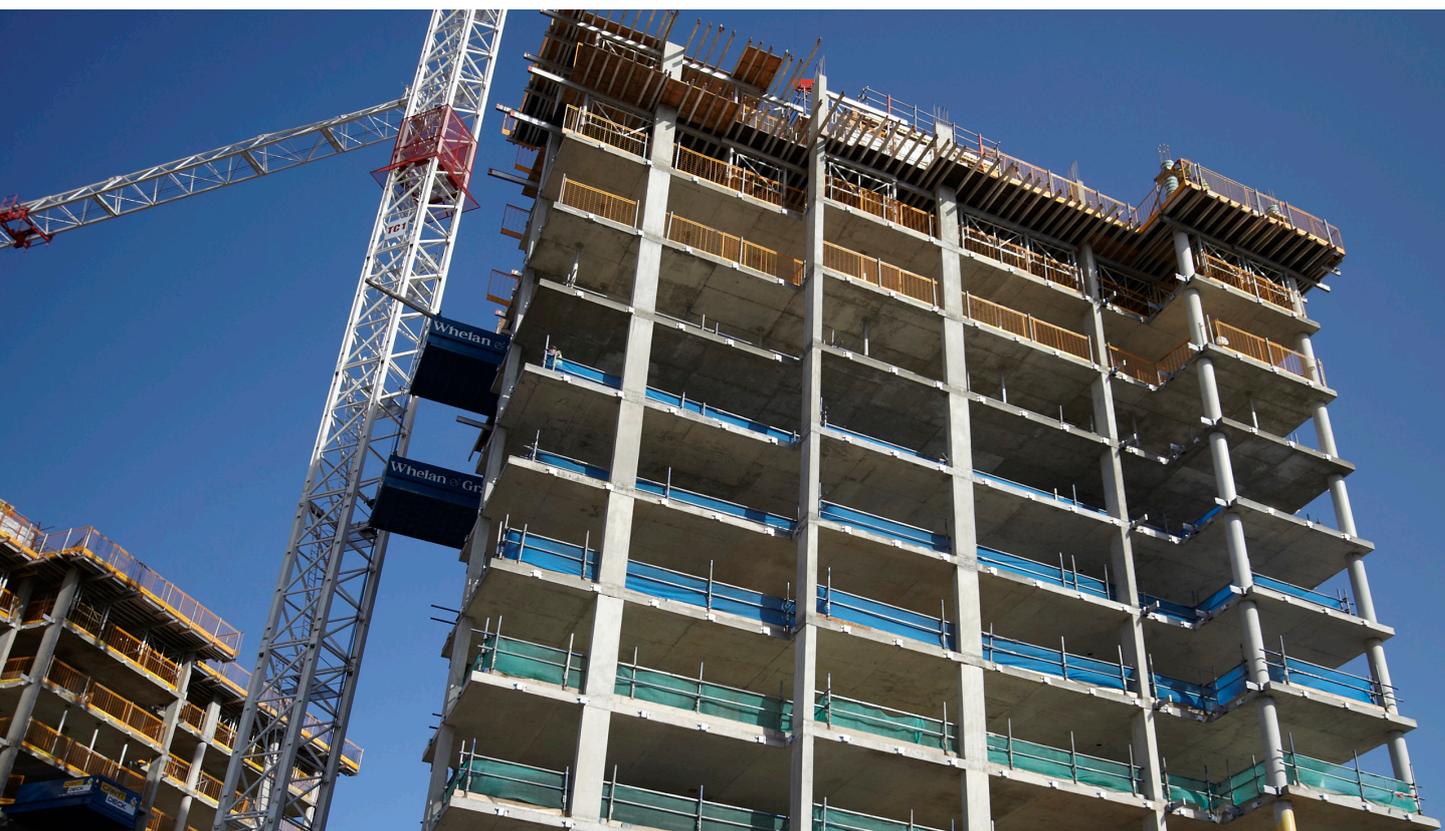
2. Stock summary and area of operations

The Council own and manage approximately 17,000 dwellings and 1,194 garages. 5,965 dwellings are defined as of non- traditional construction (these dwellings may have enhanced maintenance requirements).

The current area of operations is located around the City of Southampton:
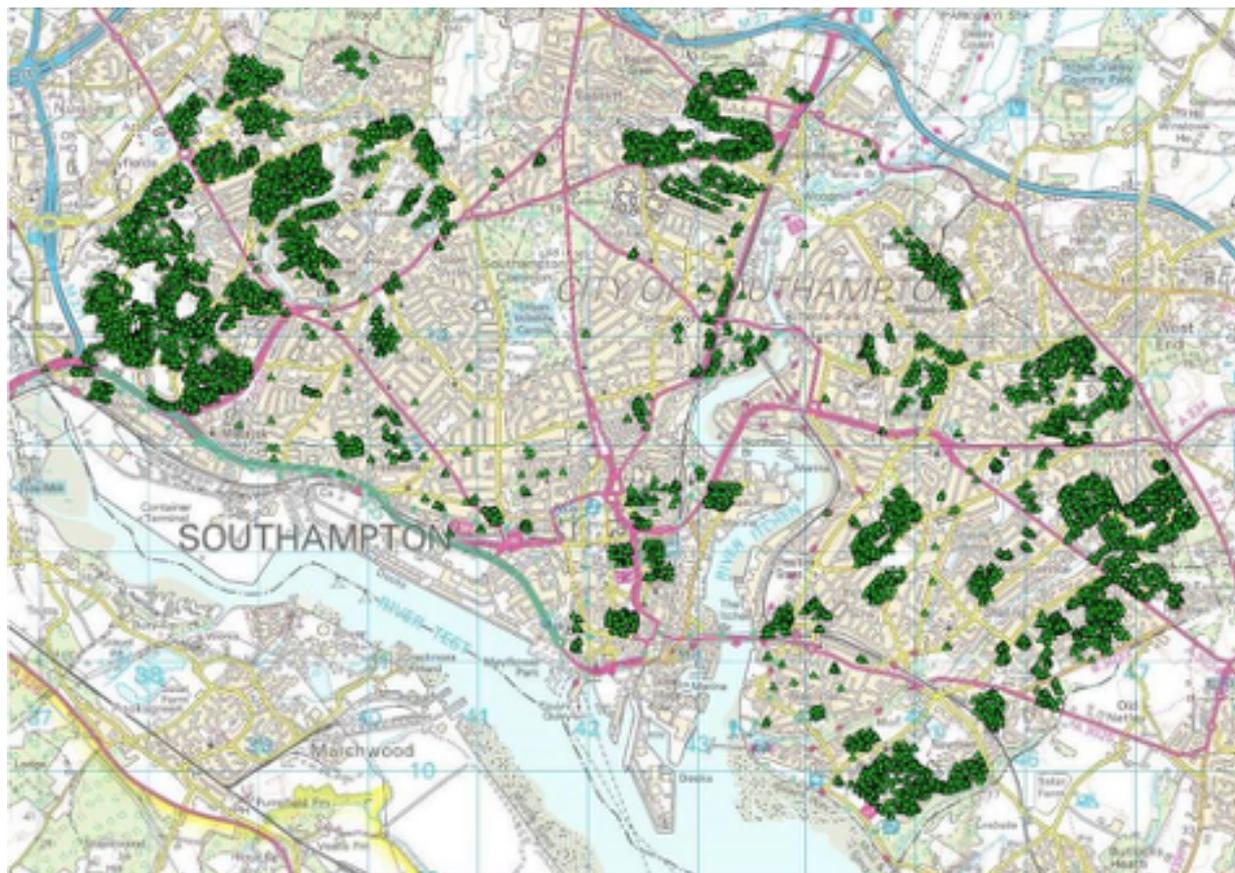
Source: SOMap

Action plan

Item no.	Action	Methodology	Priority (H/M/L)	SCC Owner
1	Approve and adopt the Housing Asset Management Strategy (HAMS). The HAMS should be formally updated annually alongside each revision of the Delivery Plan.	Approval via formal council forums and the Asset Management Group. Provide training and overview to key housing related officers to explain the principles and basis for the HAMS.	H	
2	Assess the impact of COVID-19 on the future investment resources available for asset management related services and update the delivery and programme plan.	Develop a plan for asset management implementation that identifies the required reinvestment to bridge the gap between the current and intended future condition of the stock. Part of the implementation plans will require a 'gap analysis' to determine the approach needed and the work required.	H	
3	Ensure the health, safety and security of our residents and the communities in which they live.	Review and action the recommendations of the independent compliance review (refer separate action plan). Achieve and demonstrate our landlord obligations for health and safety compliance.	H	
4	Create the recommended Asset Management Group (AMG), with all key stakeholder groups represented.	Refer to the terms of reference for the formation and composition of the AMG which will review and monitor proposals, objectives and delivery.	H	
5	Use a Viability Model to assess the performance of the existing assets (demand, ROCE, NPV etc.) prior to inclusion of 'core stock' in the delivery (works) programme.	Asset performance tools are available for Keystone or consider others available in the sector. Undertake modelling based on data held in Keystone and they are aligned to the delivery plan.	H	
6	Keystone is currently underutilised and has functionality which would improve data quality and use.	Undertake recommended action of the recent Keystone review.	H	

Item no.	Action	Methodology	Priority (H/M/L)	SCC Owner
7	Review the intrusive 'type 4' fire risk assessments of all high-risk residential buildings (HRRB).	Review reports to ensure actions have been completed and that any matters requiring clarity have been picked up with the assessor. Allocate the role requirements for 'Building Safety Manager' for HRRB.	H	
8	Review Asbestos Register related processes for asbestos between Property Services and Scientific Services.	Responsibility for the Council's asbestos register currently sits with the Pollution and Safety Team. The Property Services team has read only access to the register which is held on an old database system. Clearer responsibility and ownership required for the housing stock – refer Compliance Review Action Plan for further details.	H	
9	Produce a Southampton City Council Housing Standard including enhancing energy efficiency and sustainability measures. Consider optional 30-year HRA Business Plan delivery profiles (with various standards) and agree a preferred solution.	Review the Council's Preferred Design Specification and create the Housing Standard. Compare needs vs budgets and refine standard to ensure affordability. Standard to be approved by AMG prior to stakeholder communications.	H	
10	Regularly review the component costs and update Keystone to ensure that budgets and Business Plan are aligned with the requirements of the stock.	Update the source data and the associated schedule of rates and lifecycles, in conjunction with the Standard and work costs. Benchmark cost data with the procurement team and externally available data.	M	
11	Continue to meet the Regulator of Social Housing's 'Home Standard' (including Decent Homes).	Monitor via Keystone but ensure investment checked against viability model for suitability.	M	

Item no.	Action	Methodology	Priority (H/M/L)	SCC Owner
12	Achieve an average SAP score of 70 for all stock.	Review delivery plans and reinvestment forecasts to determine works that can improve overall SAP ratings. Current average SAP score of 66 (at March 2020). Collect further SAP (RdSAP) data through the EPC process and regular stock condition surveys.	M	
13	Review and programme work to align with the Council's goal of being Net Zero carbon on Housing by 2040.	Undertake further energy modelling work to determine programmes and costs involved in achieving this goal. Ensure additional budgets included in the business plan for the likely increased costs associated with the existing stock.	M	
14	Undertake Options Appraisals of poor performing assets. Introduce a new Options Appraisal template for property review and commence appraisals.	Following viability modelling, undertake options appraisals (i.e. retain, refurbish, extend, remodel etc.), following an agreed process of stock that fails to meet the requirements of 'core stock' or where appraisal is otherwise desirable.	M	
15	Undertake as much work as possible in a pre-planned way, thus reducing reactive works to a minimum.	Review investment planning processes and available budgets for planned works programmes to reduce the high level of current reactive works.	M	
16	Prepare brief and scope for an external overview contract. The exterior of each dwelling should be assessed on a 6-yearly cycle as part of a term contract.	All minor items of un-actioned repair that could lead to a health and safety issue, or that reflect an impending responsive order. This 6-year overview approach helps to ensure that the stock remains wind and weather-tight and in good overall condition and also aligns with Landlord's lease obligations.	M	

Item no.	Action	Methodology	Priority (H/M/L)	SCC Owner
17	Improve the quality and currency of the asset data held, through undertaking regular stock condition surveys including RdSAP and HHSRS within Keystone.	Continue the current rolling programme of stock condition surveys (63% currently surveyed in the last 5 years, 100% target by 2022) to improve the quality and accuracy of the asset data held. Obtain updates on condition records through a range of sources, including works completed data and new build records.	M	
18	Review current long-term voids processes to unlock non-earning assets.	Review and consider options appraisals with recommendation to be presented to the AMG.	M	
19	Complete and issue the Housing Procurement Strategy. Consider a procurement options paper to identify how investment objectives will be achieved.	Identify the need for term contract arrangements to supplement works carried out by Housing Operations. Contracts should be aligned with the Keystone reinvestment forecasts and packaged into sensible lots depending on the components to be replaced. This will also include the external overview works.	M	
20	Housing Risk Register.	The AMG will develop and maintain an appropriate risk register. This register will prioritise each risk according to the probability and impact and include mitigation proposals; the risk register will be reviewed quarterly.	M	
21	Undertake a review of the sustainability of garages and will assess, when works are required, whether to repair or dispose of or re-develop the asset in accordance with a Garages Policy.	Assess the condition, performance and opportunities associated with related assets (including garages, parking sites), to provide a joined-up neighbourhood approach.	L	

Item no.	Action	Methodology	Priority (H/M/L)	SCC Owner
22	Assess how responsive repairs information can inform Keystones planned programmes of work and vice versa.	Housing Operations to have access to the programmes of work that are derived from Keystone. This will enable them to make rational decisions about the requirement to undertake repairs and give the ability to advise a resident (or prospective resident) that works will be undertaken within a defined time period.	L	
23	Update the engineering appraisal of the blocks and non-traditional property.	Using the Council's structures team to ensure that they are sound and to validate the reinvestment levels over the business planning term.	L	
24	Update the review of complex M&E within blocks.	Using the Council's M&E team to validate the reinvestment levels over the business planning term.	L	
25	Produce a Housing Environmental and Sustainability Strategy to align with the Council's Greener City commitment and Net Zero carbon on Housing by 2040.	Produce as appendix to AMS and include both measures required for the existing portfolio and new developments.	L	
26	Accurately define the housing related assets including garages, roads, footpath, sewers, water mains, shops, open spaces etc.	Collate data on other 'related assets' and consider opportunities (using Geographical Information Systems (GIS) mapping to identify neighbouring opportunities).	L	
27	HAMS alignment with the Development & Regeneration Strategy.	Work collaboratively with other Council teams to ensure the Development & Regeneration Strategy aligns with the HAMS and delivers new development strategically.	L	
28	Continue to consult with residents and stakeholders about their current priorities and aspirations.	Continued feedback from resident forums and STAR surveys.	L	

Item no.	Action	Methodology	Priority (H/M/L)	SCC Owner
29	Reduce the current average void cost of £2,040.	Target spend for all works required to meet the void standard will be monitored with an aim to reduce this to no more than £1,200 (plus VAT and rechargeable works) per dwelling over time.	L	
30	Review and update Key Performance Indicators (KPIs).	Regular reporting of KPIs for Property Services with comparisons through benchmarking locally on policy and procedural matters, as well as utilising the services of the HouseMark benchmarking club.	L	

4. HAMS introduction

This document records the Council's Housing Asset Management Strategy (HAMS) for housing assets. The key aspects of the HAMS are listed within the Executive Summary.

Asset management is about the understanding, long term planning, provision and sustainability of the Council's housing assets. The Council has embraced the principles of effective asset management, recognises the importance associated with maintaining effective stock condition and attribute information, the assessment of stock viability and future options for poorly performing stock, effective procurement, the value of an established relationship between the maintenance and management functions, and the effective delivery of the works programmes required to keep the stock in good condition.

As a Registered Provider of Social Housing, the Council's key objective is to help improve the quality and condition of the stock and to maintain the Regulator's Home Standard. This objective requires a carefully planned programme of reinvestment, with funding provided within the 30-year Business Plan. This Strategy establishes the framework within which asset management operations will be provided. It highlights the component parts of the asset management function and their inter-relationship.

The housing stock represents the Council's highest value asset and its largest repair and maintenance liability, therefore planning for its sustainable future is important.

This strategy and its component parts will be overseen by the Service Manager – Asset Management (Asset Manager). To ensure that the officer in this post has sufficient time to undertake this role and to plan works effectively, the staffing structure will be reviewed to facilitate a clear division of responsibility for 'planning' as opposed to 'delivery'. In this way the Council aims to encourage best use of resources, whilst allowing a continued focus on high standards of delivery.

The Council's Housing Strategy and Asset Management Strategy are informed by several inputs:
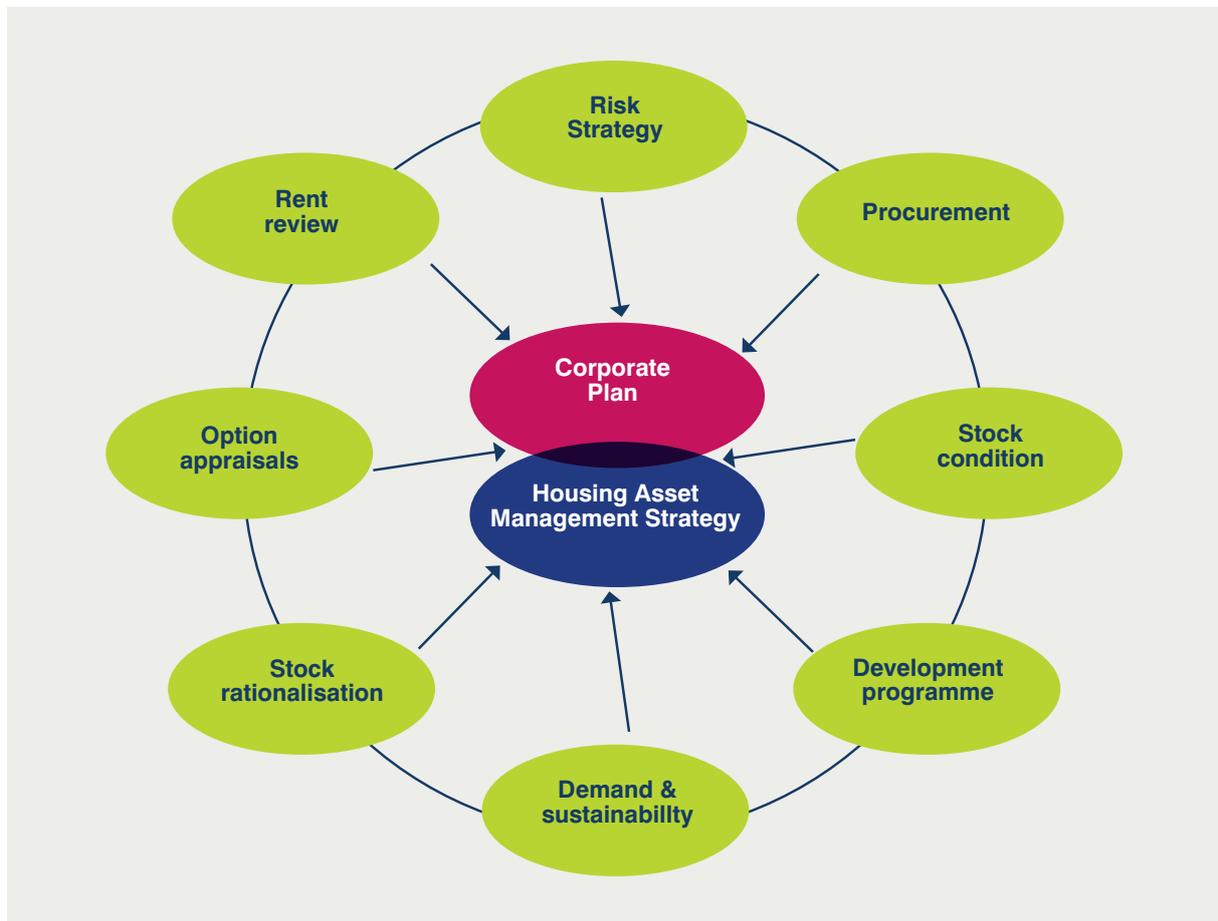
4.1. Purpose

The purpose of the Asset Management Strategy can be summarised as follows:

- To define the Council's position with regard to asset management and how this aligns to core business objectives;

- To define needs, future trends and issues influencing these;

- To define the stock, its condition, use and reinvestment required over the next 30 years;

- To identify the risks and issues relating to the assets and how these may be mitigated;

- To define the methodologies and implementation processes for the Asset Management Strategy; and

- To establish frameworks and templates for monitoring, recording and evaluating performance.

The Asset Management Strategy fundamentally needs to balance assets and needs, as illustrated below:

Asset Management Strategy

Economic value of assets needs

Social and economic needs of residents

In the context of social housing, the Council cannot charge open market rents and must therefore operate with a Business Plan that delivers good quality housing and services in a cost effective way. Care is needed to ensure that a balance of these factors is maintained to ensure viability and sustainability.

The Council has determined the current position of the housing stock and through business planning processes has derived its long-term objectives, core business drivers and a vision for the future of the stock. These directional components have resulted in a number of initiatives and administrative processes, aimed at achieving the vision "New and better homes for all".

Frequently asked questions relating to the Asset Management Strategy are summarised and addressed at Appendix 1. The process adopted in formulating this Asset Management Strategy is illustrated at Appendix 2.

4.2. Vision and Objectives

The Council's 'Southampton: City of Opportunity Corporate Plan 2021-2025' sets out the vision for making Southampton a city of opportunity. The delivery of the plan will be achieved through detailed business plans, delivering on key initiatives and working positively with partners as illustrated below:

Facts and figures

Over 109,000 dwellings in the city

We maintain 53 parks, 147 other green spaces and 75 eco areas for managed wildlife covering 95 hectares

1 in 5 homes are council owned

Over 8,000 businesses

We manage over 416 miles of highways

We recycle, compost or reuse nearly 27,000 tonnes of waste per year

More than 260,000 residents

Around 52,000 children & young people (0-17) live here

Southampton City Art Gallery has over 5,000 works spanning eight centuries

21.14% of the city is green space

Growth

We are incredibly ambitious for our city, our businesses and our people. We will create a vibrant, entrepreneurial city that delivers business growth and new jobs and opportunities by being at the forefront of the journey to Net Zero carbon on Housing by 2040, and our UK City of Culture 2025 bid, and our Freeport Status to create new relationships with other parts of the UK and the world.

We will provide people with choices for home ownership and drive the development of new parts of our city to maximise the benefits of our Freeport and cultural offerings.

Priority	Measures and milestones
1,000 new parking spaces across our city's estates and districts.	Full programme developed and agreed in 2021. Phase 1 implementation started in 2021.
Bringing forward a plan for regeneration in our districts and promote home ownership.	Bitterne District Improvement Plan 2023-24. Lordshill District Improvement Plan 2022-23. Housing Estate Improvement Programme by 2023. Housing Growth Partnership with Developer to deliver more home ownership homes across the city - Partnership launched by April 2023. Submission of a new Local Plan by December 2023.
Bring forward a plan for a world class waterfront at Mayflower Park and support the delivery of the Spitfire National Monument Project.	Start on site for Spitfire National Monument in 2023 with Spitfire Trust. Consult and adopt Phase 2 of the Mayflower Quarter Growth Plan by April 2023
Deliver a transport plan that provides a range of options to travel across the city whilst pursuing a 'Southampton Mass Transit System' solution such as improved rail, Park and Ride or trams.	Finalise the Southampton Mass Transit System Strategy and delivery plan by March 2023. Submit a business case for Northam Bridge replacement by March 2023. Sign Enhanced Bus Partnerships by March 2022.

We want to build on Southampton's unique waterfront location and excellent transport links to continue to grow the local economy. We want to make sure that Southampton is a place that our residents are proud of, bringing to light the depth of our heritage, a city that develops to meet the changing demands of the modern world, and remains a great place to live, work and visit.

Priority	Measures and milestones
Improve the highways for all users.	Agree additional road repair programme by December 2021. Implement road repair programme by March 2023. Introduce repair to roads outside of the conventional intervention standard. School Street programme - converting the experimental trial sites to permanent with design in 2021/22 and delivery in 2022/23. Deliver two additional Active Travel Zones which include new 20mph speed limits. Co-design starting winter 2021 and delivery in 2022/23.
Economy and Growth Strategy Action Plan 2021 - 2030.	Launch the new Action Plan supporting International City, Business growth, Employment, Skills and and place shaping by October 2021.
Support Southampton's Maritime economy, employment, skills and growth as part of the National Freeport Programme UK.	Submit Solent Freeport business case in Autumn 2021.

Wellbeing

We are committed to improving health and learning for our children and adults across the city. Through the journey of our UK City of Culture 2025 bid, we want a city in which people can start well, live well, age well, and live happy and fulfilling lives. We will be a city that prevents and intervenes early, promotes wellbeing, and allows people to live independently for longer, enjoying their lives and all our great city has to offer.

We will create a city that provides excellent education and development opportunities for our young people and adults, that builds strong relationships with our partners and carers to help solve the challenges we face and create a city of opportunity for all. Through embracing our culture, heritage, parks, green spaces, and our unique waterfront opportunities we want a to be a happy, hopeful and ambitious city.

Priority	Measures and milestones
Address the need for all children to have sufficient food during the school year and in holidays.	Review and expand the 'Feed the Future' programme. Ensuring that all those eligible for Free School Meals receive appropriate support.
Reduce the number of children looked after.	Reduce the number of looked after children rate from current levels of 98 per 10,000 (figure at May 2021).
Improve the quality of learning opportunities including a viable post-16 provision in the city that meets the needs of learners.	St Mark's school opening September 2022. Increase the percentage of year 12 and 13 children in education, employment and training with accredited study. Find a solution to the Sixth Form colleges challenges in the city by March 2023.
Improve partnership working across the health and social care system to improve outcomes for our residents.	An agreed Integrated Care System (ICS) set of arrangements with the NHS at a place level in line with the White Paper implemented in April 2022. Reduce the number of permanent admissions to residential placements from 720 people per 100,000 population to 590 per 100,000 population by April 2022. Increase the number of people using care technology from 687 installations in 2020/21 to 756 by April 2022.
Improve carers experience.	Increase the proportion of carers receiving support. Carers' Strategy in place by end of March 2022 and actions from Scrutiny into Carers implemented.
Reduce childhood obesity.	Increase the number of Healthy Early Years Awards achieved. Increase the take up of the Healthy High-5 programme (a city-wide initiative with five achievable elements (stars) designed to have a positive impact on the health and wellbeing of all school pupils). Sign up to the Local Authority Declaration on Healthy Weight.

Our Greener City Commitment

We will make Southampton a leading city for the green economy. We will maximise our great natural assets such as our parks, open spaces and waterfront, improving access for people to enjoy them and for us to embrace their heritage on our UK City of Culture 2025 bid journey.

Priority	Measures and milestones
introduce new EV buses to the city.	First phase of electric charging points installed by April 2022. EV Bus ZEBRA Bid and Partnership by April 2022.
Clean up our city: Improve our parks, open spaces, waterfronts and city district centres. Plant more trees and green walls. Increase enforcement against fly tipping.	Parks and Open Space Plan 2022 including proposals for the improvement of Mayflower Waterfront Park. Increase enforcement activity against those fly-tipping.
Encourage wildflower growth.	Wildflower verges introduced by April 2022. Plant wildflower meadows by 2025.
Develop a Natural Environment policy and Green Grid Action Plan.	Published by May 2022.
Improve waste management and recycling.	Consult on and adopt a new Waste Management Strategy 2032 by March 2023. Increase the percentage of household waste sent for recycling.
Economy and Growth Strategy Action Plan 2021-2030.	Launch the new Action Plan supporting International City, Business growth, Employment, Skills and Placeshaping by October 2021.
New Greener City Action Plan 2022-27.	By March 2022.

4.3. Context

All of the current housing stock is located within the City of Southampton:

Source: SOMap

Noting the exceptional transport links and strong business community, the demand for homes in the region is high. Conversely, the City has a relatively poor ranking in the Indices of Deprivation ranked 55 of 317 (where rank 317 is the least deprived) by Local Authority District code.

Despite increasing property values the Council has seen the number of Right to Buy (RTB) sales remain relatively consistent as indicated in the table below:

Year	Number of RTBs
2017/18	121
2018/19	105
2019/20	123

The highest demand within the portfolio is for one and two bedroom accommodation, although three and four bedroom general needs rented units are also in demand, due to more limited supply. The lowest demand is for sheltered accommodation with shared bathing facilities.

The resources available to manage and maintain the stock are dictated by rental income, grant and outgoings all as defined within the Business Plan. The Council endeavour to continually improve efficiency whilst maintaining a high standard of service.

The Council was obliged to meet the Government's Decent Homes Standard (DHS) and now aspires to maintain that standard in a logical manner. Decent Homes is one of a number of issues that need to be considered in a holistic view of housing asset management. Within the constraints of the finances available, the Council proposes to deliver a plan as a part of an effective and sustainable reinvestment programme, this will be referred to as 'decency plus' and reflect a locally agreed approach.

The aspirations of tenants and leaseholders (collectively referred to as residents) have been considered in this strategy. Residents expect a good service, choice and value for money to be provided in return for their rents or leasehold charges.

The Council has considered the risks in adopting a HAMS. It is important to continue to identify and mitigate risks where appropriate, combined with delivering the aims of the organisation to ensure long-term sustainability.

5. Stock characteristics

5.1. The Housing Stock

The following tables and charts provide details of the housing stock, as at March 2020.

Achetype	Number
Pre-1945 Small (<70m2) Terr House (Trad)	387
Pre-1945 Semi House (Trad)	1060
All other Pre-1945 House (Trad)	338
1945-64 Small (<70m2) Terr House (Trad)	43
Pre-1945 Low Rise <3 Storey (Trad + Non-Trad)	79
1945-64 Large Terr House/Semi (>70m2) (Trad)	618
1965-74 House (Trad)	426
Post -1974 House (Trad)	425
All House (Non-Trad)	1605
Post-1945 Low Rise <3 Storey (Trad + Non-Trad)	3203
Medium Rise 3-5 Storey (Trad + Non-Trad)	7536
High Rise >6 Storey (Trad + Non-Trad)	2157
Bungalow (Trad + Non-Trad)	40
Grand total	**17917**

The housing stock figures include 2,008 leaseholders within the 1,023 blocks owned and managed by the Council. In addition, the Council manages 1,194 garages. The total of all address references is therefore 20,134.

Stock number, by geographical area:

Stock by area
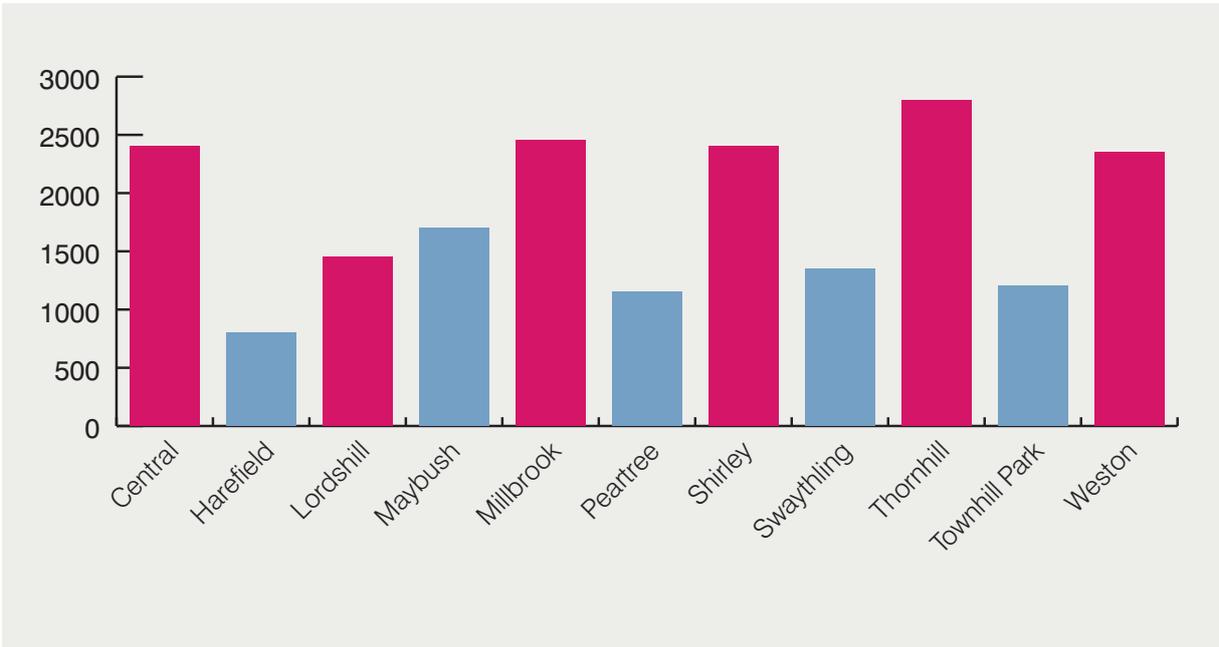
The profile of stock by accommodation type (archetype) is:

- Pre-1945 Small (<70m2) Terr House (Trad)
- Pre-1945 Semi House (Trad)
- All other Pre-1945 House (Trad)
- 1945-64 Small (<70m2) Terrr House (Trad)
- Pre-1945 Low Rise <3 Storey (Trad + Non-Trad)
- Pre-1945 Large Terr House/Semi (<70m2) (Trad)
- 1965-74 House (Trad)
- Post 1974 House (Trad)
- All House (Non-Trad)
- Post-1945 Low Rise <3 Storey (Trad+ Non-Trad)
- Medium Rise 3-5 Storey (Trad + Non-Trad)
- High Rise >6 Storey (Trad + Non-Trad)
- Bungalow (Trad + Non-Trad)

There are high-rise blocks and several non-traditionally constructed units within the stock:

Non Trad type	Number
5 B M	45
A5-B5-C5	1,565
BDA (P4)	961
BISF	108
Chiltern	146
Collins	4
Cornish	163
DOR	666
Easiform	572
Gregory	96
Kendal	2
Miller	405
N F	5
NF	79
Non-trad other	74
Northolt	24
Reema	1,539
Reinforced Concrete	185
Selleck	4
Smith	19
U2	649
Unity	44
Wates	166
Wimpey	2,964
Grand total	**17917**

The structures team within the Council undertake review of the medium rise blocks of flats (3 – 5 stories) and high-rise blocks of flats (5 stories of more) every three years, split into areas across the city. These inspections inform a list of structural concrete repairs that are added to the Concrete Repair Framework, carried out by the framework contractor, Volkerlaser. Any non-structural repairs highlighted by the inspections are sent to Housing Operations (the in-house workforce) to carry out. These regular engineering inspections are used to ensure reinvestment needs are reflected in the business plan.

5.2. Housing Needs

As a consequence of high demand, limited supply and some stock located in areas with choice-based lettings, most stock can be let. There are, however, some pockets of lower demand stock and these units are being reviewed and proactively managed following options appraisal.

Particular care is taken to ensure that new development addresses identified need in appropriate locations. Aspirations, demographics and other social factors can significantly influence the demand for property and the resulting reinvestment required.

As an important contributor, the Council operates with a strong sense of community spirit and with care to the effect that its day to day business has on people's lives. The aspirations and diverse needs of residents and prospective residents are key to this Strategy. Residents have been involved and consulted in the development of the Asset Management Strategy via the Tenants Resources Group.

The Council works closely with other housing providers to help deliver a 'joined up' service that is targeted at meeting the diverse needs of a wide range of people. Evidence such as local housing needs surveys is used for this purpose. In addition to regularly reviewing housing needs strategies the Council also assesses need by analysing applications for accommodation.

Housing needs within the Council are dominated by a requirement for 'general needs' social rented accommodation. Most need equates to studio/1 bed and 2/3 bed family accommodation, there is currently a four to seven year waiting list for 3 bed family units.

The need for desirable, affordable, homes is augmented as a result of the relatively high number of residents (25% and expected to increase) in the city living in private rented accommodation which often has higher costs or lower quality. There is also a requirement for flexible accommodation that can easily be adapted for an expanding family or ageing occupancy, in accordance with the principles of 'lifetime homes'.

The Council's housing strategy supports the focus on preventative measures to help residents avoid homelessness and sustain tenancies. With increasing numbers of homeless people this emphasises the need to develop more affordable housing as well as the need to maintain existing housing assets in good condition.

5.3. Supported Housing

The Council manages 296 supported housing blocks which provide a total of 3,194 homes. In addition, there are also a further 21 supported housing bungalows.

The national picture suggests that supported housing is becoming less popular, as older people are living longer, more active, healthier lives than ever before and want to live in their own home for as long as possible. As a result, many local authorities and housing associations have experienced reducing occupancy rates and so there has been a trend of decommissioning supported housing schemes and redeveloping sites or using the property for other needs groups.

Having agreed a Supported Housing Standard (attributes that a scheme should have), the Council will undertake a strategic review of the supported housing stock. Following this review units will be assessed for suitability and may be subject to future options appraisal.

5.4. Related Assets

In addition to dwellings, the Council is also responsible for the management of a number of assets related to dwellings, for example garage blocks and forecourts, unadopted roads, parades of shops on estates, street lighting and paths. As at March 2020 there were 1,194 garages, which will be subjected to a high-level review, and are pending a stock condition survey.

This Housing Asset Management Strategy does not consider any corporate or commercial stock, such as offices, depots etc.

Related assets, including undeveloped spaces, will continue to be assessed with respect to their sustainability, utility and contribution to their environment. In some instances, redevelopment or change of use will be considered to provide an appropriately balanced environment, which enhances estate appearance and provides appropriate facilities.

Where not essential to the operational delivery of housing or to the provision of future development opportunities, related assets such as roads and paths will continue to be assessed and, where possible, transferred to the appropriate adopting authority.

This awareness of the environment will assist the Council to help deliver 'decent neighbourhoods' as well as 'Decent Homes'.

The Council's housing management pro-actively undertake estate inspections jointly with residents and other stakeholders, to assess and address condition and community welfare issues. This is also supplemented by the work undertaken by the Decent Neighbourhoods Team that directs improvement and other initiatives to improve the environment of communities. Recent examples of related projects include landscaping, car parking, artwork, communal gardens and associated resident clubs.

6. Stock condition

6.1. 30 Year Requirements

Continued reinvestment is required to maintain the stock in good condition. The reinvestment requirements have been identified by the stock condition survey, as represented within the Asset Management Database. Revenue (income), as well as expenditure expectations are illustrated within the Business Plan.

The Council's inhouse Property Inspectors undertake a rolling stock survey to assess the condition of the housing stock. The results of these surveys have been used to formulate the cost reporting tables for planned reinvestment as forecast by Keystone. The Keystone outputs have been combined with other non surveyed planned work programmes to inform the Capital Programme. The Capital Programme reflects an ideal reinvestment profile and are shown excluding fees, management costs and VAT etc.

The Capital Programme indicates a total 30-year reinvestment requirement of £815.4 million, of which £176 million is required within the first 5 years of the plan. This equates to £45,508 per unit over 30 years for capital works only (i.e. excludes reactive revenue works).

Years	Expenditure forecast
Years 1 to 5	£175,982,749.08
Years 6 to 10	£141,235,647.40
Years 11 to 15	£136,343,582.53
Years 16 to 20	£121,575,713.52
Years 21 to 25	£112,119,055.81
Years 26 to 30	£128,113,891.88
Total	£815,370,640.22

30 year cost forecast

Pie chart legend: Years 1 to 5 (21%), Years 6 to 10 (17%), Years 11 to 15 (17%), Years 16 to 20 (15%), Years 21 to 25 (14%), Years 26 to 30 (16%)
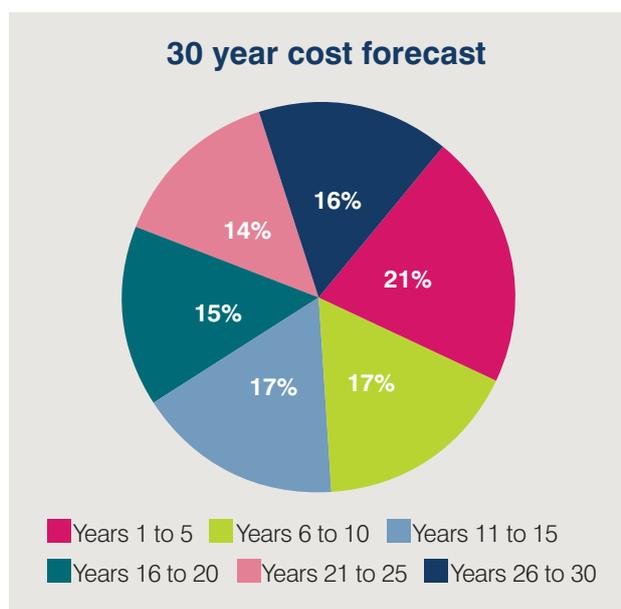
The Asset Management Group is responsible for assessing all reinvestment needs and priorities and for proposing a programme to deliver a logical programme of works that meet stock condition requirements; although it is noted that at present the reinvestment needs exceed the available resources and thus must be balanced carefully alongside the delivery of the locally agreed Southampton City Council Standard.

6.2. Stock Survey and Data Management

The Council has gathered stock condition data on 63% of the stock within the last 5 years (5 years being the industry best practice timescale for refreshing survey data). The remaining dwellings will be surveyed as part of a rolling programme (with a target of 20% per annum).

The Asset Management Database, Keystone, is regularly validated and updated with historic works records and attribute records. This provides a comprehensive single data source for condition information, works programmes, renewals and cyclical maintenance history.

The format for gathering and maintaining survey data has been reviewed along with the functionality of Keystone. A separate report with associated recommendations has been provided to the Council to ensure that there is access to modern and well-maintained data, upon which planning decisions can be made. A copy of the Keystone overview report is included at Appendix 3.

The Council recognises the importance of effective record keeping and works planning and the Asset Manager is responsible for gathering, maintaining and improving the database, free from the requirement to deliver the works as well. This places the emphasis on effective client control and supervision, helping to ensure that reinvestment decisions are based upon data and not just 'local knowledge'.

The Asset Manager has a key role on the Asset Management Group, providing information and proposing programmes based on need and logical groupings. The Asset Manager also undertakes an 'overseeing' role of the delivery teams to make sure that programmes and budgets are being adhered to and that all work undertaken is recorded, including any essential elemental renewal undertaken by the responsive and void team. The role also includes the drafting and management of the Southampton City Council Standard, interfacing with the Council's team responsible for the asbestos register and an awareness of new initiatives and possible funding sources such as grant availability for energy efficiency schemes.

Keystone is used to provide high level information, such as 30-year business plan forecasts, as well as detailed work programmes and proposed contract works. No planned programmes will be committed until the requirement for works has been validated on site, the property attaining 'green' reinvestment status and the approval of the Asset Management Group obtained. In some circumstances the on-site validation checking process results in work being deferred to follow the 'just in time' ethos, or to respond to the defined priorities in the absence of sufficient resources.

Keystone is used to carry out regular assessments of dwellings against the Decent Homes Standard. This data will be utilised by the Asset Management Group as it monitors and reviews the portfolio of projects and progress towards the Council's objectives.

The process adopted in enhancing the Asset Management Database is illustrated on the following diagram:

Stock condition survey database enhancement

```
                          ┌─────────────────┐
                          │    Current      │
                          │    database     │
                          └─────────────────┘
                                   │
  ( Review schedule )              ▼            ( Review schedule )
  (   of rates     )──▶  ( Review survey )  ◀──(  of life cycles )
                         (  form design   )
                                   │
                                   ▼
                          ┌─────────────────┐
                          │   Preferred     │
                          │    survey       │
                          │    format       │
                          └─────────────────┘
                                   │
 Housing Management                ▼                    Energy data
 system/overview ──▶    ( Validate attribute )  ◀── Latest address list
 Block records/codes ──▶(  records/format    )
 Housing Health &                  │           ◀── Other data records
 Safety Rating                     ▼
 System (HHSRS) ──▶     (    Review      )
                       ( reporting rules )
                                   │
                                   ▼
 Current system ──▶                          ◀── Other works records
 Cyclical records ──▶   (  Data import   )  ◀── Asbestos register
 Additional/ongoing     (   (mapping)    )
 surveys ──▶                                  ◀── Latest stock survey
                                   │
                                   ▼
                          ┌─────────────────┐
                          │    Updated      │
                          │    database     │
                          └─────────────────┘
```

7. Funding

7.1. Funding Position/Parameters

The Business Plan and associated Delivery Plans define the resources available to the Council for the management and maintenance of the housing stock. There are defined categories to which reinvestment can be directed and also the manner in which the business will be regulated and monitored.

The requirements for repairs and maintenance are assessed with reference to the forecasts of the Asset Management Database, which is informed by the stock condition survey. Funding streams are aligned to a work programme (based upon agreed priorities) and will be monitored by the Asset Management Group.

The programme of works will be developed in consultation and will be regularly reviewed and monitored through the Asset Management Group.

The Council recognises the importance of updating the source data and the associated schedule of rates and lifecycles, in conjunction with the Southampton City Council Standard and works costs, as these directly inform the Business Plan and Delivery Plans. By regularly reviewing component costs and updating the Asset Management Database, the Council aims to ensure that its budgets and Business Plan are aligned with the requirements of the stock.

There are a number of constraints imposed on the Business Plan, including:

- Funding availability;
- Borrowing limits;
- Sustainability;
- Rent levels (revenue);
- Government policy;
- Legislation;
- Regulator's standards;
- Governance implications;
- Marketplace costs (e.g. salary levels and works costs);
- Grant availability/eligibility; and
- Efficiency targets.

The Council is mindful that increases in technological requirements and the continual requirement for increasing service standards demands a proactive approach to asset management and regular reconsideration of the Delivery Plan allowances, so that residents' priorities can be met.

7.2. Sustainable Reinvestment

The Council recognises that care needs to be taken not to reinvest in poor performing areas at the expense of all others, nor should high risk reinvestment occur without due consideration, option appraisal and piloting (on the basis that reinvestment needs may not be the root cause of the poor performance).

Reinvestment is therefore prioritised and with a bias towards those units that are deemed to be of low risk and high demand, as identified through the Stock Viability Model, an operational tool will be used to assess sustainability.

The Asset Management Group will be established to assess, establish and monitor:

• Standards (the Southampton City Council Standard);

• Materials (specifications and resident choice);

• Work Programmes;

• Reinvestment priorities;

• Business Plan and Delivery Plan integration; and

• Performance.

The Asset Management Group will analyse the performance of the stock, as illustrated below, and compare this with the reinvestment requirements and target reinvestment at core stock whilst review and potential alternative solutions are considered for poorly performing stock through an options appraisal process.

The role of the Asset Management Group is discussed further below.
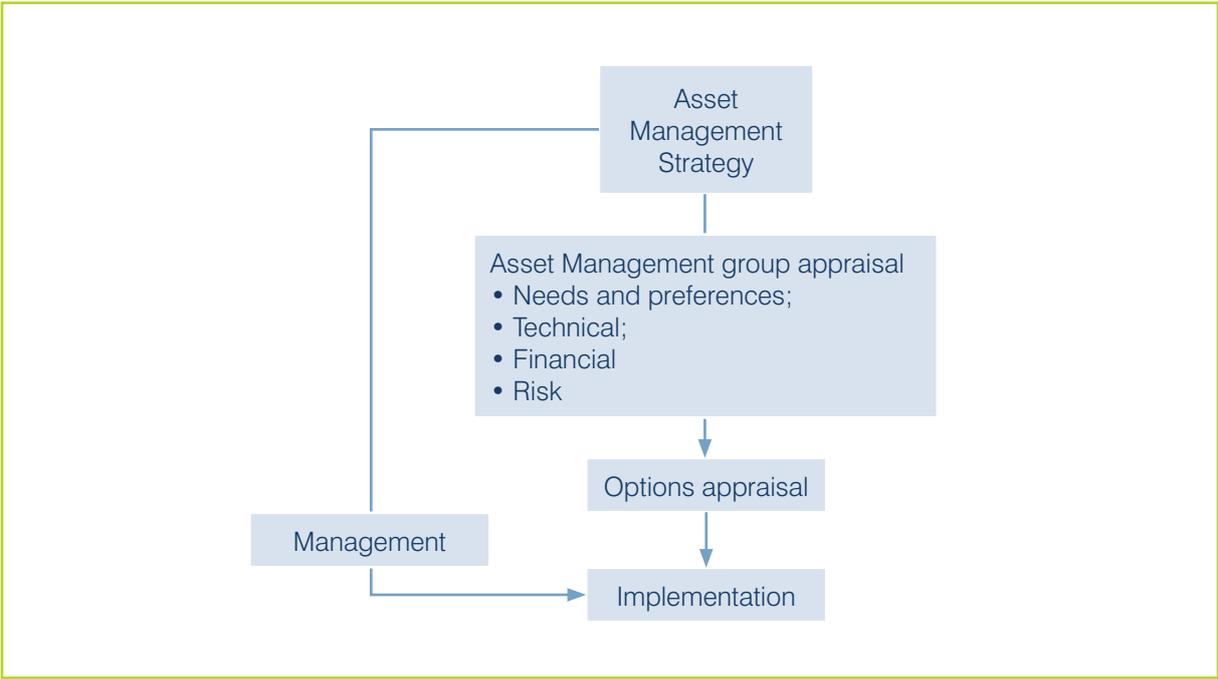
8. Operational considerations

8.1. New Homes

There is currently a shortage of one and three bed accommodation and the Council intends to work with Registered Housing Providers, having identified a number of potential regeneration sites.

To date the growth strategy has delivered:

- 2,600 new affordable homes since 2011
- Estate regeneration including Hinkler Road, Laxton Close, Exford Avenue and Cumbrian Way
- 73 wheelchair accessible properties as affordable homes
- Homes England Investment Partner status
- Good private and public sector relationships

Important principles governing the acceptability of the Council's development and regeneration activity includes:

- Affordable homes should not be easily distinguishable from private homes;
- Affordable homes should not be too concentrated and of large scale;
- Education, health, employment, leisure and public transport should be properly considered in conjunction with providers in good time ahead of major new developments;
- Working closely with community led resident groups to support engagement and inform them of major new developments;
- A 'fabric first' approach should be adopted to meeting environmental standards, as opposed to add-on technologies, where these are difficult for residents to operate and potentially a long-term maintenance liability; and
- Building components must be easily maintainable and replaced over their design life within reinvestment assumptions.

New homes will have to be fitted with low carbon heating systems and meet "world-leading levels of efficiency" from 2025. It is important that our future reinvestment plans reflect a move away from fossil fuels. The Council is also aiming to ensure that any new homes strive to meet the RIBA 2030 challenge in terms of operational energy and embodied carbon. From 2040, new homes will need to be carbon neutral in accordance with the Our Greener City Charter for Southampton.

8.2. The Southampton City Council Standard

The 'Southampton City Council Standard' will be a local standard prepared in consultation with a wide range of stakeholders to record repairs and maintenance aspirations (for example the use of low maintenance products). This standard will be expanded from the Council's Design Guide (Preferred Materials Specification), through which component attributes, material standards and choices will be recorded, these shall then be adopted when undertaking and procuring work.

The Southampton City Council Standard will be the standard to which the Council will improve and maintain residents' homes (see Appendix 4).

In order to promote consistency in the work that is procured, and to clearly define the aspirations of residents, the Council will also record specifications, material selections and local policy standards agreed through consultation with key stakeholders. Specifications are to be used in the procurement of works and services.

The Standard will be developed to reflect the aspirations of residents in the context of affordability and the Business Plan.

The Standard and the costs of work arising are regularly reviewed by the Asset Manager to ensure that database predictions used to inform business planning and works programming are correct.

8.3. Viability Modelling and Options Appraisal

The Council will assess viability and reinvestment priorities through a Stock Viability Model that takes account of a range of factors including demand and projected costs. This appraisal process results in individual properties being allocated a red, amber or green reinvestment status (RAG).

The portfolio is divided into one of three categories:

1 **Red** – Those properties deemed to be of high risk (i.e. requiring higher than average levels of reinvestment (or cost) in order to maintain them in a good lettable condition) and/or that are in low demand (i.e. are difficult to let or which have an unjustifiably high void turnover rate).

2 **Amber** – Those properties that offer peripheral performance and that require further investigation to be reclassified as either red or green.

3 **Green** – Those properties that are in high demand and that require average or below average levels of reinvestment. This category may otherwise be described as 'core stock'.

Reinvestment is influenced by these categories as follows:

1 **Red** (on hold/under review) – No major expenditure permitted. To be maintained on an 'essential only' limited responsive basis, plus essential cyclical (e.g. statutory gas servicing).

2 **Amber** (under review) – No major expenditure permitted unless an options appraisal has been undertaken to assess the impact of any reinvestment on future works requirements and the likely impact on demand. Otherwise to be maintained on a responsive and cyclical regime only.

3. **Green** (go ahead) – All expenditure permitted, subject to agreement of the Asset Management Group.

Property in **Red** or **Amber** status is to be the subject of further investigation, or review through an options appraisal, under the supervision of the Asset Management Group, until they are either re-classified or until such time as an alternative strategy is agreed (disposal or re-development for example). The appraisal process adopted by the Asset Management Group is illustrated upon the process maps at Appendix 5.

A **green** status indicates that the stock is viable with a long-term future, being of low cost and high demand. The majority of stock falls within this classification and can be included within reinvestment plans without concern.

The Red/Amber/Green status will be determined by plotting the reinvestment required (cost) against demand, via the Stock Viability Model. For the portfolio as a whole, the results of this exercise can be plotted to identify the clusters of each status as illustrated below:
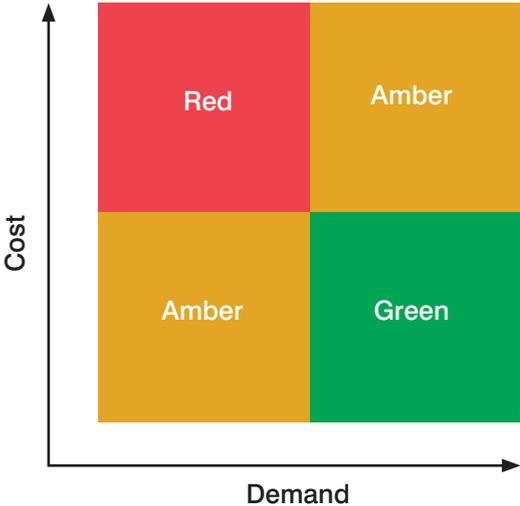
The assessment of cost is made with direct reference to Keystone and associated reports. Demand will be assessed with reference to housing management perception informed by void turnover rates and associated performance indicators.

Detailed options studies take account of a wide range of additional factors including energy performance, market value, location and the net present value (NPV) of assets.

At present there are no plans for mass stock rationalisation or disposal. Adhoc disposals of high cost or low demand properties will occur as and when appropriate.

The sustainable reinvestment process is illustrated on the following page:

Sustainable reinvestament process

Decent homes → Asset management database ← Asset register

Asset management database → Condition/cost (£) assessment

Lettings/housing management and local area assessment → Demand assessment ← Void rates

Condition/cost (£) assessment → Viability model

Demand assessment → Viability model

Income (yield) and valuation → Viability model ← Energy (SAP) and other inputs

Viability model → Reinvestment status

Reinvestment status → (red) (amber) (green)

(red) (amber) (green) → Validate data

Validate data → Detailed options study

Validate data → Reinvest

Local Authority Strategy → Detailed options study
HQI → Detailed options study
Development Strategy → Detailed options study
Neighbourhood Strategy → Detailed options study

Detailed options study → Alternative action / Disposal / Re-development / Re-classify status / Change letting type

Re-classify status / Change letting type } → Works programmes

Reinvest → Works programmes

8.4. Repairs and Maintenance Context

The housing stock is located in an area with relatively high construction costs; although when work is commissioned externally, procurement activity using progressive term contracts is used to seek good value for money solutions. Responsive repairs and works to voids are undertaken by the Council's own in-house workforce.

The Council recognises that care must be taken to ensure that the actual costs incurred in commissioning work to the proposed Council Standard are reflected in Keystone and the Business Plan projections. The rates paid for completed works are regularly reviewed and benchmarked from data from external sources such as HouseMark by the Asset Manager, where action is needed this is referred to the Asset Management Group. Rates will also be reviewed against the Keystone schedule of rates which itself is reviewed by external consultants to ensure alignment with the market.

The results of the stock condition survey indicate the need for continued future reinvestment in order to maintain the Home Standard and in order to maintain the stock in good condition.

8.5. Decent Homes

Decent Homes is a Government led initiative, introduced in 2000. The Council met this standard and now aspire to maintain this standard in a logical and affordable manner.

The Council plans reinvestment works in accordance with the forecasts of the stock condition survey, as part of a wider programme. Decent Homes works will therefore continue to be delivered as a by-product of effective works planning, founded from an ethos of pre-planned and programmed 'just in time renewals' (as promoted by the then MHCLG in their Decent Homes and stock condition survey guidance) and in logical geographical groups.

The Council recognises that Decent Homes is a 'minimum standard' and aspires and plans to deliver 'decency plus'. In other words a better standard that also takes account of the views and aspirations of residents, as defined by the Council Standard.

The Decent Homes Standard, if followed in accordance with the strict definition, allows some failures and yet for the Standard to be met. However, the council will take a holistic view of all the criteria under the Standard and, budget permitting, will adopt a strategy to renew components sustainably, on an individual basis as required and not solely to meet theoretical decency targets.

In the last 12 months, there has been a drop in the number of decent homes from 65.5% to 58.5% of the housing stock, when measured in accordance with the then Ministry of Housing, Communities & Local Government (MHCLG) June 2006 Decent Homes Standard definition. This is mainly attributable to the effect of the pandemic on the delivery of the capital works programme. A recovery programme has been implemented to commence April 2022 and will improve delivery. However, there is still a likelihood of some disruption, though not on the scale previously experienced, due to the effects of post-pandemic recovery in supply chains and the labour market.

The Council will maintain Decent Homes by developing works programmes in 5-year bands. An amount of non-decency may therefore be experienced within any 5-year period, although zero non-decency will be delivered at the end of each programme period. In this way the Council can maintain logical programme of work that afford economies of scale and value for money and avoid the need to 'pepper-pot' works year on year to meet this theoretical standard.

Decent Homes progress will be monitored regularly using Housing Quality Standard (HQS) reports generated from Keystone and with external validation.

8.6. Priority Reinvestment Issues

The stock condition survey indicates that the stock requires a significant programme of work to maintain it in good condition over a 30-year HRA Business Plan term.

According to the stock condition survey the priority issues for reinvestment (% of total 30 year expenditure indicted) include:

- Kitchens and bathrooms (13.4%)

- Roofing works (10.2%)

- Heating system upgrades (6%)

- External windows and doors (6%)

- Disabled adaptations (6%)

- Decent neighbourhoods (5.4%)

The forecast of works required to meet the Decent Homes Standard indicates that the criterion in which most future failures are found is that for disrepair (Criterion B). A failure in this category is realised when components are both old and in poor condition.

The profile is reflective of a stock which has benefited from past reinvestment, but which still requires a further a catch up and improvement programme in order to maintain good condition and the value and usability of the assets.

8.7. Repairs and Maintenance Principles

The need to undertake work arises either through pre-planning, or in reaction to immediate requirements. Whilst budgets for 'reactive' works (not pre-planned) can be set in advance, the precise scope and nature of the works required cannot be defined in terms of scope, location or quantity. The Council's responsive and void works budgets fall under the 'reactive' category, whereas all other work is 'pre-planned'.

The Council propose to undertake more works using pre-planned methods with an aspiration to achieve no less than 70% pre-planned versus 30% reactive, unless the stock is new (less than 10 years old) in which case lower levels of pre-planned work can be anticipated.

The business plan contains forecast for planned investment works derived from Keystone together with budgets for reactive repairs and cyclical servicing based on an assumed reducing cost of these services. The 5-year budget anticipates that 62% of expenditure will be delivered in a pre-planned way with 38% reactive/cyclical. The total planned expenditure is however based on resources available and not the total forecast by Keystone so work will need prioritising accordingly and savings made to allow all needs to be addressed.

Pre-planned work occurs under one of three budgetary headings (cyclical maintenance, improvements and planned maintenance); these are explained in more detail below.

Pre-planned contracts have several advantages including:

- Ability to be reviewed and agreed in the context of agreed reinvestment priorities and via the Asset Management Group;

- Better value through economies of scale by securing better prices for components when many are ordered versus 'one off' purchases;

- Better consistency of component used, which is good for subsequent repairs and material performance assessments; and

- Helps to provide effective communication and consultation through the use of contract resident liaison staff and the issue of informative newsletters.

The requirement for cyclical maintenance, including the servicing of gas appliances, is currently derived from a number of databases including Information Exchange, Keystone and others. The Council intends to consolidate this data into the Keystone KSI module so that attribute and servicing records are all held centrally. The database will be validated against the records held in the Housing Management System, Northgate. The Council is currently reviewing options to synchronise and validate data between Keystone and Northgate. The current compliance review will also provide recommendations for the process to consolidate and provide robust data for the cyclical maintenance regime to ensure compliance.

The requirement for improvements or planned maintenance (component renewals) is also derived from Keystone, which has been informed by the stock condition survey. Surveys are undertaken on the basis of predictions for major repairs or component renewals on a pre-planned and programmed 'just in time basis'. In other words, components should not be renewed well ahead of schedule (lifecycle + assessment of actual condition), nor should they be renewed too late (i.e. when they compromise the property or when they may impose an undue burden on responsive repairs).

'Just in time' is a best practice principle promoted by the Department for Levelling Up, Housing and Communities (DLUHC) in their guidance (Collecting, Managing and Using Housing Stock Information – a good practice guide).

These core principles will be met through the following actions (given by budgetary reporting category):

8.8. Responsive Repairs

Responsive repairs are issues that arise on a day to day basis, typically being small scale and of a low cost. They include work such as fixing a plumbing leak or re-fixing a loose roof tile. All emergency works are covered under this category.

In some circumstances larger repairs are instructed through this budget, although the Council recognises the need to avoid 'double counting' with the projections made under other budgets. The Council will minimise the amount of works undertaken through responsive repairs, in favour of adding such works to large scale planned contracts. Therefore, no major works or component

renewals should be financed by this budget, unless they represent an unforeseen and significant health and safety issue. This will enable Housing Operations (the in-house workforce) to diversify and provide operatives that can undertake planned works as less reactive is undertaken.

Repairs that are not the Council's responsibility or which arise through the unreasonable actions of a third party will be recharged in accordance with a Rechargeable Repairs Policy which is currently being developed.

Through better planning the Council aims to complete more works in a pre-planned way, thus moving works away from a responsive approach. This will encourage better value for money through savings in economies of scale; consistency of product and standards will also be improved through adherence to the Council Standard and the robust monitoring processes that apply to pre-planned contracts.

To ensure that undue expenditure is avoided and that records are appropriately maintained Housing Operations will have access to the programmes of work that are derived from stock condition data. This will enable them to make rational decisions about the requirement to undertake repairs and give the ability to advise a resident (or prospective resident) that works will be undertaken within a defined time period.

8.9. Void Works

Void properties are unoccupied dwellings and typically arise when there is a change of tenancy. Void works include statutory testing of gas and electrical systems, as well as the works required to make the property fit for incoming residents.

The extent of works undertaken is defined within the Moving in Standard (see Appendix 6).

The Council wishes to minimise the amount of time that any dwelling is unoccupied in order to provide homes to those waiting faster and to maximise revenue income. Therefore turn-around (key to key) times should be as short as possible, with a target of no more than 14 days (2 weeks).

In 2019/20 there were 904 void occurrences, excluding homelessness properties (a turn-over rate of 5.79%). When homelessness properties are included the rate increases to 955 (6.08%). Whilst accepting that turnover is inevitable, the Council aims, where possible, to maintain this relatively low rate when compared with other providers.

The Council reviews occupation rates with a view to reducing under-occupation of dwellings through discussion direct with residents and offering alternative accommodation if agreeable.

Low demand units are identified as red or amber via the Stock Viability Model and will be subjected to more detailed options appraisal.

During the void period, essential tests and works will be undertaken to ensure that the dwelling fully complies with the Homes (Fitness for Human Habitation) Act 2018, meets the Housing Health and Safety Rating System (HHSRS), is safe and clean. Any works required to repair damage or clear rubbish will be identified separately and recharged to the former resident.

Typically major works or component renewals shall not be undertaken during a void period and will be added to a pre-planned programme of similar works that benefit the entire neighbourhood

in an even-handed way, rather than 'pepper-potting' works to suit re-letting. However, the void period will be used as an opportunity to catch-up any overdue internal or disruptive works (such as rewires and heating works) that have previously been declined by a resident, especially those works that affect the Decent Homes Standard or health and safety.

The void period will not be used as an opportunity to accelerate works to a dwelling, as costs for one-off works are less efficient than larger pre-planned programmes. Moreover, the Council wishes to avoid disadvantaging existing or neighbouring residents who would not receive required works at the same time.

In 2019/20 the average void cost was £2,040, whilst noting that the Council offers a good void standard, the target spend for all works required to meet the void standard will be monitored with an aim to reduce this to no more than £1,200 (plus VAT and rechargeable works) per dwelling over time. This target cost excludes planned component renewals.

Prospective residents will be given information about forthcoming programmes of work and planned improvements to their homes and some will also be provided with a 'promise note' for work that will be completed after they have moved in.

8.10. Cyclical Maintenance

Cyclical maintenance comprises the regular servicing of mechanical and electrical plant (such as boilers) and painting with any pre-painting repairs.

Cyclical servicing occurs on regular pre-defined intervals, for example boiler servicing annually.

Cyclical servicing works are managed by the Council's centralised Risk and Compliance team that also has responsibility for housing stock. The team issues work orders to Housing Operations for any related repairs which will be resourced either by in-house operatives or external contractors. Any planned replacement of mechanical and electrical plant is informed by the data held in Keystone and issued by the Asset Management team directly to Housing Operations.

The works orders for the testing and servicing of gas appliances and electrical installations provides a valuable source of data to help inform the projected renewal for these components, servicing records are held within Keystone.

In respect of redecoration works, a programme involving three areas is undertaken:

1. External parts (such as windows, doors and render);

2. Internal common parts (such as common stair lobbies); and

3. Discretionary work in elderly persons' homes.

To ensure that items due for renewal are not redecorated just prior to renewal, no order to redecorate will be raised to redecorate if the confirmed renewal date is within 5 years (the five-year rule).

Example:

• Windows to be renewed in 3 years' time = redecoration prohibited.

• Soffits and fascias to be renewed in 8 years' time = redecoration allowed.

The exterior of each dwelling will be assessed on a 6-yearly cycle as part of a term contract. All minor items of unactioned repair that could lead to a health and safety issue, or that reflect an impending responsive order, such as broken roof tiles renewed, damaged or uneven paving repaired are dealt with. This 6-year overview approach helps to ensure that the stock remains wind and weather-tight and in good overall condition and also aligns with Landlord's lease obligations. This pre-emptive planned maintenance will help to reduce the number of responsive repairs requested, to mitigate any potential health and safety problems, to reduce redecoration costs when renewals are imminent and to maximise the lifecycles of external components.

Care will need to be taken not to undertake any unnecessary work (or major component renewals) as part of the 'external overview contract'. The external overview contract also provides an opportunity to update stock condition survey data and to validate Keystone's projections for major planned works (renewals).

To facilitate an even and regular distribution of work the stock will be divided into 6 areas of broadly equivalent stock numbers. Work then rotates until the cycle is complete:

To ensure that geographical areas are not over-loaded with work, other major works contracts will be typically offset by 180°, for example if the external overview contract is operating in area 1, then internal works may be being undertaken in area 4.

8.11. Planned Maintenance

The majority of the Council's expenditure should occur through large-scale planned works contracts.

The Council propose to set a target to undertake more works using pre-planned methods with an aspiration to achieve not less than 70% pre-planned, if this proves to represent a sustainable, best-value proportion.

Specifically, the Council's Housing Procurement Strategy which is being updated may identify the need for term contract arrangements to supplement works carried out by Housing Operations.

Contracts will be aligned with the Keystone reinvestment forecasts and packaged into sensible lots depending on the components to be replaced. This will also include the external overview works as mentioned above. A procurement options paper will be drafted to identify how this may be achieved.

When combined with the cyclical contracts, a comprehensive 'suite' of arrangements will exist to attend to most demands of the stock.

This approach encourages good working arrangements with Housing Operations, suppliers and contractors and also helps to reduce the requirement to regularly produce specifications, thus enabling works to start on site sooner and staff to concentrate upon proper planning and the key aspects of delivery:

• Health and Safety;

• Time;

• Risk;

• Quality, including Service Standards; and

• Cost.

8.12. Improvements

Improvements are defined as the provision of components that do not currently exist.

Some improvements are required to ensure that the Decent Homes Standard is met, including the installation of heating where none exists, or adding insulation to appropriate levels. Others may be termed 'aspirational' and include the installation of beneficial components, such as smoke detectors, or provide for other work such as environmental enhancement or the re-modelling of hard to let dwellings.

Whilst the Council wishes to undertake all improvements that are important to residents, a limitless budget is not available; hence all applications or ideas will be collated and submitted to the Asset Management Group for prioritisation and approval along with other reinvestment priorities.

The programming of any estate improvements and external works that can be afforded will be designed to co-ordinate with the expenditure of partner organisations, such as housing associations, to maximise the benefits of regeneration in an area (joined-up reinvestment).

8.13. Disabled Adaptations

The Council recognises its social responsibility to provide adaptations and facilities for disabled and vulnerable people and to comply with the requirements of the Disability Discrimination Act (DDA). These typically comprise minor works (such as installing hand-rails) and some major adaptations.

Minor and straightforward adaptations (typically with a value of less than £1,000) such as the installation of addition handrails are usually undertaken without reference to an Occupational Therapist. Major adaptations and necessary extensions are typically undertaken following Occupational Therapist advice.

Other work may include improvements in accessibility to common areas of blocks and publicly accessible spaces, following an options appraisal. Appropriate and good practice design that is mindful of vulnerable and disabled people is expected through the Council Standard.

8.14. Compliance

The Council has instructed a review of housing compliance risks by an external consultant. The review will review related policies, management plans, procedures and processes for each of the core compliance risk areas to ensure that all of its Landlord's obligations are fulfilled thus helping to ensure the health and safety of residents, staff, visitors and residents.

All properties that have been recently subjected to a stock condition survey have also been assessed for compliance with the Housing Health and Safety Rating System (HHSRS).

Stock condition survey data is also informed by the results of specialist testing and inspection contracts that cover a range of compliance obligations such as:

- Asbestos containing materials (see section below);
- Fire risk assessments;
- Electrical safety (a 5-year testing programme);
- Water safety (legionella and scalding risks);
- Lifts and other lifting equipment; and
- Gas (annual testing and servicing of boilers etc.).

In addition to a cyclical testing regime safety of these items will be assessed when a property is void (re-let).

8.15. Asbestos

Responsibility for the Council's asbestos register is in the process of being moved to Property Division, who will administer the register moving forward. Property Division will also implement an updated Asbestos Register, but continue to enable read only access to the current register which is held on an old database system. Upon completion of the implementation of the new Change whole paragraph to: Asbestos Register the current register will no longer function. The Council uses a combination of its own in-house team, Scientific Services, and procured consultants to conduct surveys and sampling in order to update the register.

A data sheet in respect of asbestos is sent to new residents at sign up, this contains explanatory notes to help them understand the issues that affect their particular home.

The Council's current register is based on sampling a proportion of the stock, moving forward the Council has plans to undertake 100% sampling of the stock. Further data will be collected through regular management as well as refurbishment and demolition surveys, for all dwellings over time, and to continually manage and maintain the register. The survey programme will be undertaken in advance of works that may be affected by asbestos containing materials.

Where asbestos surveys are undertaken, residents will be informed of the results and given appropriate advice.

No work is permitted to commence without prior reference to the register. Where the register is incomplete or inconclusive, testing will be undertaken, appropriate notification made and the adoption of appropriate precautions by qualified, appropriately licensed contractors.

8.16. Green and Sustainable Homes

The Council sets out within the Greener City Charter for Southampton and the Housing Strategy 2016-2025 a number of related measures to improve environmental sustainability. These include:

- Net Zero carbon on Housing by 2040;

- Make best use of resources, reduce energy consumption, minimise waste and ensure the Council repair, reuse and recycle;

- Use energy from renewable sources;

- Deliver the Fuel Poverty Action plan;

- Utilise Eco investment for energy improvement measures and upgrades to the stock;

- Ensure all new homes meet minimum standards for efficiency and sustainability;

- Promote development of green sustainable homes; and

- Utilise this strategy for sustainability and improvement to the stock.

The Council will provide all residents with affordable warmth and that any adverse environmental impact should be reduced by the utilisation of energy efficient materials.

The Greener City commitment is a response to the increasing global pressure to reduce CO_2 emissions and for government to meet targets by 2050 under the EU's Climate change act 2008, this has a significant impact on the housing sector with approximately 60% of emissions estimated to come from domestic homes. The Government's Department of Energy and Climate Change (DECC) is tasked with meeting these targets and has put in place several initiatives to ensure targets are achieved.

Gas boilers will no longer be fitted in new homes in the UK from 2025, after the government announced a "future homes standard" mandating the end of fossil fuel heating systems in new-build properties in its 2019 Spring Statement. It is understood that this will not apply to gas cooking hobs, however it is likely these will be phased out if new homes are not connected to the national grid. Over the next few years, the Council will be exploring alternative heating solutions.

Work is already underway to help improve the energy efficiency of dwellings (thus helping to reduce carbon emissions), and to assess future works that may be desirable. A housing Environmental & Sustainability Strategy has been developed alongside this Asset Management Strategy and the draft is included at Appendix 11.

Where reasonable to do so, the Council aims to improve the stock to the maximum possible energy rating through the use of efficient heating and effective insulation. The Council issues residents with energy performance certificates (EPC) at change of tenancy (void/re-let, mutually exchanged, or sold).

The Council aims to increase the energy rating, measured through the Standard Assessment Procedure (SAP), of all stock to at least 60 (ex. 100), with an average target score of 70. This compares with a current average SAP score of 66 (at March 2020). Further SAP (RdSAP) data is collected through the EPC process and also through regular stock condition surveys. Energy data is held in Keystone.

The selection of energy efficient materials is defined in the Council Standard. They include for example:

- The installation of efficient fossil fuel free central heating and hot water systems;

- The installation of double glazing;

- The installation of cavity wall insulation;

- The addition of External Wall Insulation (EWI);

- The improvement of loft insulation to at least 300mm thickness; and

- Proper insulation of hot water cylinders and pipework.

In addition, the Council encourages the use of low energy light fittings and provide residents with energy saving ideas in newsletters, on its website and through other information sources.

The Council seeks grants to supplement programmes of work and energy efficiency initiatives whenever possible.

8.17. Staff Resources

The Council has reviewed its organisational structure to ensure its proper alignment in the context of a client orientated housing repairs and maintenance service. This includes the role of Asset Manager, the person responsible for planning of asset management activity.

Whilst all officers must adhere to this strategy, the Asset Manager will oversee its implementation in conjunction with the Asset Management Group.

The staffing structure (Appendix 7) differentiates the requirement for 'planning' versus 'delivery'; it reflects the anticipated resource requirements to enable the implementation of the Asset Management Strategy through a range of projects. The structure that has been put in place has sufficient resources to manage all categories of work, with specialist support provided by external consultants and specialists as and when required.

The Council's repairs and maintenance responsibility includes resident communication, consultation, contract development, tendering and administration, works identification and supervision.

Staff are encouraged to seek professional qualifications and to adopt 'life-long learning' as a personal development goal. Regular briefings and reviews of staff roles and responsibilities by managers helps to ensure that they remain aware, effective and focused on delivery of their key functions.

The Council aims to maximise the benefits available by collective team working through a clear understanding of objectives and individual responsibility. When identified, skills gaps are addressed through targeted and relevant training.

A description of the Asset Manager's key duties is given at Appendix 8.

8.18. Asset Management Group

The Council will form an Asset Management Group (AMG). This inclusive group will assess work programmes, promote options appraisals in the context of viability model findings, consider wider initiatives, monitor and review performance and take ownership of the Council Standard, reassessing it from time to time in the context of the Business Plan.

In summary, the activities to be considered by the Group will include:

• Development, review and frequent re-evaluation of the 'The Southampton City Council Standard';

• Prioritisation of works and improvements;

• Analyse the need profile versus stock with a view to identifying any shortfalls and subsequent options to resolve the issues (e.g. redevelopment recommendations);

• Viability assessment;

• Options appraisal;

• Formulation, evaluation of, and agreement to, proposed reinvestment programmes;

• Project appraisal and evaluation;

• Production of implementation plans; and

• Exploration of 'wider action initiatives', regeneration and environmental improvements.

The Group will have a mandate to agree standards and establish logical programmes of work designed to meet the requirement of the stock, based on the recommendations of the Asset Manager. Requirements should go beyond those that are purely technical and thus should consider other factors that contribute to effective asset management. The Group is kept informed through accurate data sources, including Keystone, and through these make informed business planning decisions, subject to budgetary availability, including:

• What (which components)?

• When (the programme sequence)?

• Where (which dwellings or related assets)?

• Why (should the money be spent at all? – viability analysis)?

• How (procurement strategy)?

The involvement of housing management is important from a lettings and ongoing management perspective. Care needs to be taken not to reinvest in poor performing areas at the expense of all others. Nor should high-risk reinvestment occur without due consideration, option appraisal and piloting. Condition related needs may not be the root cause of the poor performance.

The Group will formally analyse the performance of the stock, compare this with the reinvestment requirements and to target reinvestment at the stock that is a peripheral performer, with a view to making it perform well. This process will be informed through the Stock Viability Model (red/amber/green) analysis process.

The aspirations of stakeholders including residents are a key consideration, questionnaires and consultation groups will be used as a method of identifying their priorities. The Council believes that paying attention to the views of residents assists with improving satisfaction with the service as a whole.

The draft terms of reference for the Asset Management Group may be found at Appendix 9.

8.19. Resident Consultation and Participation

The Council is aware of the diverse needs of the wider community, local regeneration issues and the need to ensure a joined-up approach. The overall objective being to empower and enable innovation and the delivery of continuously improving, customer focused services with a long-term viable stock, in an efficient way. The Council continues to work hard to ensure that all residents have their say in how their homes are managed and to the standard to which they are maintained. The Council has published its objectives within the Tenant and Leaseholder Engagement 2020/21 entitled 'Improving the customer experience'.

The Council is committed to resident involvement from day to day operations through to various groups including:

- Tenants Resources Group;

- People's Panel;

- Tenants Panel;

- Tenant Scrutiny Panel;

- Tenants Inspectors; and

- Tenants Building Safety Group.

There are also a number of other forums and groups to encourage participation in improving council services.

The Council actively complies with its duties under the Local Government Transparency Code, providing local people the information they need to ask questions about how The Council is managing its housing stock to ensure that it is put to best use, including considering whether higher value, vacant properties could be used to fund the building of new affordable homes and so reduce waiting lists.

The Council consults with residents on a wide variety of issues, providing:

- Policies and procedures;

- Regular, informative newsletters;

- An annual report;

- Leaflets;

- Financial statements; and

- Service Standard.

8.20. Asset Management Database

Cost information is provided from the Asset Management Database, Keystone (a Civica product). This system combines all condition data within it to provide a modern and comprehensive system.

The Council also holds data in a system called Information Exchange (IE) which was used during the period that property services were outsourced to Capita. In 2017, services were brought back in-house however some data is still held within Information Exchange and has not yet been migrated to the Council's principal asset and housing management systems, Keystone and Northgate. Information Exchange still holds data for compliance monitoring purposes which is being examined as part of an independent review.

Keystone is maintained with up-to-date stock condition and attribute data. Robust stock condition information forms the cornerstone of an effective strategy and gives rise to programmes of reinvestment designed to maintain the stock appropriately and in good condition. Condition data will be enhanced and validated by an ongoing programme of stock surveys and feedback from other repairs and maintenance activities.

All pre-planned works records should be maintained in a single system. Access to the works programmes emerging from this data is available to all staff involved in the repairs and maintenance of the housing stock.

Keystone will be regularly updated to ensure that the address file is consistent with the Housing Management System, Northgate, until such time as an automated function preforms this task.

The Asset Manager is responsible for ensuring that Keystone is maintained up to date, including:

- The management and improvement of survey records;

- The replacement of 'cloned' (extrapolated) records with 'actual' surveys; and

- Updating of 'works undertaken' records from all procurement routes.

Keystone forms the cornerstone of the Asset Management Strategy and provides data and information for individual programmes as well as the Business Plan. The Council has recently undertaken a review of Keystone and its use and a number of recommendations are being actioned to improve management and use of data as well as other functionality to improve asset management processes.

A copy of the Keystone review report is included at Appendix 3.

8.21. Procurement

The Council has long understood the importance of effective procurement and the requirement for good working relationships with partner providers, whilst delivering high standards and good value for money. Longer term partnering relationships with contractors who view the Council as an important local customer will continue to be developed and actively managed.

The Council will encourage improvement and efficiencies in terms of cash savings and non-cash benefits, striving for continued value for money and by considering collective procurement with similar organisations. The Council will aim to undertake a greater proportion of work in a pre-planned way, aiming to benefit from the potential for lower costs and improved consultation and communication.

The Asset Manager is tasked with developing, reviewing and challenging comprehensive reinvestment plans to ensure that those properties needing works receive them in a timely fashion. These plans are dynamic and allow for quick reaction to change as and when necessary. They are also constructed in the context of the availability of resources and agreed reinvestment priorities.

The Housing Procurement Strategy is currently being updated and may identify the need for term contract arrangements to supplement works carried out by Housing Operations. Contracts will be aligned with the Keystone reinvestment forecasts and packaged into sensible lots depending on the components to be replaced. A procurement options paper will be prepared to set out how these objectives may be achieved.

All contract arrangements will undergo Council scrutiny via the Procurement Board to ensure that best value is being achieved and will be closely monitored at all levels to ensure that they are delivering to the appropriate quality and service standards.

The Council is obliged (as a consequence of the Public Contracts Regulations) to seek interested partners by utilising the UK-wide service for public procurement, 'Find a Tender', the procurement publication for major services and projects above designated thresholds.

The Council will also explore opportunities for integrated framework procurement to assist in improving value for money through economies of scale, through regular review and benchmarking.

8.22. Project Appraisal and Evaluation

The Council must ensure that the reinvestment in the housing stock provides maximum benefit and best value for residents, within sustainable parameters. Having identified the priority issues and core objectives, each of the intended investment projects must be appraised and ratified against the strategy to ensure adherence with the Council's objectives.

An appraisal and evaluation process will be developed, through which each project will be assessed. Where reinvestment is determined not to be in alignment with the objectives of the Delivery Plan or this strategy, then alternative solutions such as redevelopment, demolition, disposal or other available route may need to be considered.

The process will be implemented by the Asset Management Group, and will include consideration of issues such as:

Technical Appraisal:

1) Define strategic position;

2) Data;

3) Whole life costing (obtained from external sources);

4) Standards;

5) Consultation.

Financial appraisal:

6) Funding source;

7) Impact of reinvestment on finances;

8) Cash flow requirements.

Risk Appraisal:

9) Identify risks (internal and external);

10) Quantify risk (scale);

11) Viability Model status;

12) Manage risk.

8.23. ReInvestment Priorities - Proposed Schemes

Subject to the viability of the properties involved and the availability of sufficient resources the following schemes are proposed:

• **Fire safety:** Following the Draft Building Safety Bill 2020, the Council will need to assess the actions required to address Responsible Person and Building Safety Manager duties in connection with Higher Risk Buildings (generally those over 18m)

• **Warm Homes:** Aligned to the Greener City Commitment and Housing Environmental & Sustainability Strategy, this scheme aims to provide all residents with a home that is affordable to heat. The Council will fit energy efficient heating and hot water systems, supply and lay additional insulation to lofts, hot water cylinders and cavity walls to reduce residents' heating bills. Particular focus will be given to non-traditional constructed properties such as the P4's and Wimpey dwellings that have inherently poor thermal efficiency performance. The Council will also be helping residents maximise the benefits and grants available for energy efficiency measures and publicise energy advice to eradicate fuel poverty.

• **Efficient heating:** There are a number of district heating systems, heat interface units (HIU) and other older electrical storage heaters that are expensive for residents to use compared to more modern systems. The Council needs to appraise such systems and plan the renewal with more

environmentally friendly systems that will also lower resident's energy bills and contribute to the alleviation of fuel poverty.

- **Damp Reduction Initiative (DRI):** This programme aims to reduce condensation and damp within homes particularly those where cold bridging occurs due to concrete frame construction. Some of the stock affected by condensation has had external wall insulation (EWI) installed which has successfully eliminated the problem. Other parts of the stock particularly those of a non-traditional construction type require similar work.

- **Footpaths and walkways:** Work is required to deal with footpaths and other walkways which have risks of trips and falls particularly around estate blocks. There are also a number of block walkways currently with temporary props that require more permanent supports.

- **Parking:** There is a known issue particularly around the estate-based properties where there is insufficient parking which results in areas such as footpaths, verges and other green space being used. There is a plan in place to establish 1000 parking spaces on estates across the city, and currently potential sites are being considered for this purpose.

- **Supported Schemes:** Following completion of a supported schemes options appraisal, the Council will be modernising and maintaining sheltered schemes for older people.

- **External Overview:** The Council will be repairing roofs, rainwater goods, soffits and fascias. The proposed external overview contract will further maintain the external envelope and external areas in good condition, on a cyclical basis.

- **Window Renewal:** Data held within Keystone indicates a significant reinvestment requirement to renew windows that were originally manufacture by the in-house Council manufacturing team and installed during the 1980's.

- **Internal Works:** The Council will continue the renewal of life expired internal components such as kitchens and bathrooms on an area-based delivery plan.

- **Safety:** The Council will install and maintain smoke detectors to every home and upgrade wiring to modern standards. This scheme will ensure that the electrical systems in homes are up to date and safe. Homes should also have sufficient plug sockets to suit a modern lifestyle, following rewire. Implications arising through the Housing Health and Safety Rating System (HHSRS) will also be addressed. Fire Doors, alarm systems and Emergency Lighting will also be upgraded where appropriate.

- **Responsive Repairs:** The Council will deliver a cost-effective responsive repairs service to the published standards.

- **Cyclical Maintenance:** The Council will carry out a cyclical programme of works including a 6-year rolling external repair and painting programme, annual servicing of gas appliances, servicing of mechanical and electrical (M&E) plant and equipment (including lifts and fire detection systems), and a 5 yearly programme of testing and upgrading electrical installations. There is currently a backlog of redecoration to some communal areas which residents have cited as an area that needs to be addressed.

- **Disabled Facilities Adaptations:** The Council will continue to provide adaptations, such as the provision of handrails, on a demand led basis.

- **Garages:** The Council will undertake a review of the sustainability of garages and will assess, when works are required, whether to repair or dispose of or re-develop the asset in accordance with the Garages Policy.

8.24. Implementation Plans and Methodologies

Information on reinvestment requirements arises from Keystone. The Asset Manager reviews and maintains stock condition data and produces proposed programmes for work designed to meet the reinvestment requirements of the stock, including delivery of key initiatives such as the Council Standard and Decent Homes, within logically grouped projects.

Individual requirements and proposed programmes are then reviewed by the Asset Management Group through project appraisal and evaluation. Once agreed they form an implementation plan.

Implementation plans will shape the future of the stock and may be seen as an important sub-set of the Asset Management Strategy, providing a portfolio of projects designed to meet the requirements of the organisation's strategy and key objectives.

The Council will develop a plan for asset management implementation that identifies the required reinvestment to bridge the gap between the current and intended future condition of the stock. Part of the implementation plans will require a 'gap analysis' to determine the approach needed and the work required. This will be informed by data contained within Keystone and will be aligned to the overall Asset Management Strategy and Corporate Plan as well as Delivery Plans; judged against key performance criteria and the agreement of the Asset Management Group.

Issues to be considered include:

- Previous investment and other historic information relating to the particular project area;

- The aims and objectives of projects and alignment to the overall objectives of the Asset Management Strategy;

- Risk analysis in connection with each specific project;

- Details of the programme for delivery including key milestones and resources required to facilitate completion on time;

- Budgetary impact and comparison with agreed schedule of rates and the Business Plan;

- Consultation requirements and intended processes and the agreement of key performance indicators (KPIs) at the outset of the programme;

- Compliance with the Council Standard;

- On completion of the project a summary project evaluation and lessons learnt for future projects; and

- The Housing Procurement Strategy.

8.25. Role of Members and Service Delivery

The Council has adopted a number of policies and protocols to ensure the effective running, these include:

- Code of Governance;

- Code of Conduct;

- Protocols for the selection and election of Members;

- Register of interest;

- Financial Procedures;

- Contract Standing Orders; and

- Scheme of Delegation.

The Executive Member responsible for housing monitors and reviews the performance of the Council through regular reports. Performance is reported to residents through Tenants' Link.

The Council is committed to a process of continuous improvement that includes regularly reviewing governance arrangements, training requirements and assessment of performance.

In summary, through good governance, the Executive Member responsible for housing wishes to ensure that services in the Council are well run, remains financially solvent and sustainable, is a top performing organisation, and delivers excellent services to the community that it serves.

The Council embraces the six core principles of good governance, contained in the Good Governance Standard for Public Services. Good governance means:

1. Focussing on the organisation's purpose and on outcomes for citizens and users;

2. Performing effectively in clearly defined functions and roles;

3. Prompting values that underpin good governance and upholding these through behaviour;

4. Taking informed, transparent decisions within a framework of controls;

5. Developing the capacity of the governance team to be effective; and

6. Engaging stakeholders and making accountability real.

8.26. Working in Partnership

The Council is committed to working collaboratively with all stakeholders. The Council will apply the principles of partnering with both in-house and external contractors.

The Council recognises that the principles of partnering (collaborative working), if correctly implemented and nurtured over time, will pay dividends by way of improving service standards, reduced requirement for administration and the reduction of direct costs through long-term relationships and economies of scale across the supply chain.

The Council will therefore apply the ethos and principles of partnering to future procurements, whilst ensuring low levels of risk, probity and value for money.

8.27. Monitoring and Review Processes

The Council has identified the need to ensure that, as a programme of projects is undertaken, there are suitable monitoring and review processes in place so that the outcome of a particular initiative is closely monitored, and the achievement of business objectives realised.

The process will review the actual deliverables and outcomes of a project and compare these against the objectives as set out in the implementation plan. These processes will be instigated both during and at the completion of the project through regular progress reports, meetings, feedback to key stakeholders and the Asset Management Group, and through the pre-defined project process established by the Council.

As part of the monitoring and implementation plans, there will also be risk mitigation and contingency plans in place so that when problems occur their impact on the overall delivery of an initiative is minimised. The lessons learnt from such instances will be fed back into the Asset Management Strategy to reduce the likelihood of their occurrence in future projects.

It is essential to the long-term success of the Asset Management Strategy that such lessons learnt, and other information is regularly communicated between all the key stakeholder groups and that feedback from users, including residents, is considered and incorporated into future plans.
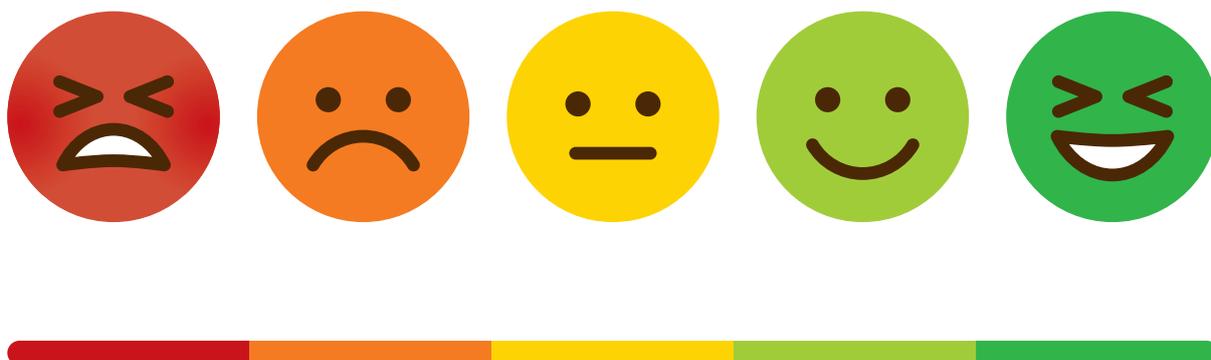
8.28. Performance Monitoring and Value for Money

The Council is committed to continuing to improve its services to residents. The Council also uses STAR to compare resident satisfaction in relation to its services and compares its performance with other Registered Providers. These form part of an annual report to residents.

The results of the 2021 STAR survey are summarised in the table below:

Core STAR question	Base 2021	% Satisfied 2021	Difference in % satisfied compared with 2017	% Dissatisfied 2021
Overall satisfaction with Housing Service provided by Southampton City Council	1,005	72%	-4.7%	16%
Satisfaction with quality of home	1,005	71%	-6.6%	20%
Satisfaction with neighbourhood as a place to live	1,005	74%	-1.7%	17%
Satisfaction with rent providing value for money	970	86%	-0.6%	7%
Satisfaction with service charge providing value for money	714	70%	-3.4%	20%
Satisfaction with repairs and maintenance	995	65%	-5.4%	28%
Satisfaction with Housing Service at Southampton City Council listening to views and acting upon them	859	56%	-4.2%	32%

In addition to these surveys, there is a well-established resident involvement framework including special interest groups and the forums such as the Tenant panel and Tenant Resources Group. All policy formulation and reviews involve residents.

8.29. Benchmarking Performance

The Council strives to promote excellence in Housing Services provided through reviews and benchmarking with other comparable organisations.

Regular reporting against key performance indicators (KPIs) is an integral part of the Council's working and further comparisons are sought through benchmarking locally on policy and procedural matters, as well as utilising the services of the HouseMark benchmarking club. Evidence of benchmarking is provided to the Executive Member at regular intervals.

8.30. Risk Management

The Asset Management Group will develop and maintain an appropriate risk register. This register will prioritise each risk according to the probability and impact and include mitigation proposals; the risk register will be reviewed quarterly.

The major risks that are included within the overall register include:

- Changes in legislation or other guidance affecting stock investment e.g. Fire Safety Act 2021, Building Regulations etc;

- Failure to obtain sufficient financial resources to meet the reinvestment requirements of the stock e.g. post COVID-19 budget reductions;

- Failure to procure and administer contracts that deliver good value for money;

- Inappropriate design, specification or installation of materials;

- Reinvestment in stock that is not viable;

- Failure to provide sufficient staff resources to manage asset management and the delivery programme;

- Failure to collect, manage and maintain relevant stock condition data (including records of works completed);

- Corruption of the stock condition data held within Keystone;

- Reinvestment costs in excess of the budgetary allowances;

- Expenditure upon items that are not included within the Business Plan;

- Identification of materials (such as combustible cladding) that are no longer deemed safe or acceptable;

- Expenditure upon cyclical maintenance just prior to the component being renewed (i.e. within the 5-year rule period);

- Expenditure on components (on average) in excess of the schedule of rates (and therefore the Business Plan allowances); and

- Specification of components that do not meet their anticipated lifecycle.

8.31. Performance Intervention

The Council undertakes regular risk reviews. The Risk Management Strategy will be put together with the involvement of the Executive Management Board (EMB), as well as operational managers. Part of the strategy will be the Business Continuity Plan which clearly sets out what would be the course of action in the event that the main Council office was to become inoperative. In addition, there are well documented risk implication considerations in each report that is considered by the Senior Management Team.

The Council has a programme of audit reviews both internal and external. As well as focussing on financial aspects, specialised audits need to be undertaken in areas that the Council identifies as having any potential weaknesses. This will represent a proactive approach of prevention rather than cure that mitigates the need for intervention management.

Key issues that are carefully monitored include:

1. Performance against agreed key performance indicators including compliance;

2. Effectiveness in dealing with performance shortfalls;

3. Resident satisfaction levels;

4. Levels of rent arrears;

5. Void turnaround times;

6. Compliance with the Homes Standard;

7. Maintenance of effective standards of governance; and

8. Complaints handling.

There is a comprehensive set of procedures setting out how the Council is controlled and run. Included within these are a number of measures whereby intervention can be speedy and appropriate to deal with specific issues.

8.32. Monitoring

An action plan has been developed to clearly set out how the strategy will be delivered. This plan is:

Specific
Measurable
Agreed
Realistic
Time Bound

Whilst the Asset Manager has the key responsibility for the delivery of the Asset Management Strategy, the action plan also identifies the individual responsible for leading on each area of the strategy.

Progress against the targets in this strategy will be monitored, as follows:

1. Through quarterly monitoring reports;

2. By the Asset Management Group on a quarterly cycle;

3. By the Housing Programme Board;

4. Through specific service plans;

5. Through monthly financial monitoring; and

6. Through performance and development reviews with relevant staff.

8.33. Future of the Asset Management Strategy

The Council recognises that the Asset Management Strategy is a dynamic document that will develop over time and not remain static. Implementation of programmes of work, changing needs, and the realisation of business objectives will require the Asset Management Strategy to be 'live'. It will therefore continuously evolve over time.

The strategy will adapt to a number of influences, including:

• Changing need;

• Changes in legislation and regulation;

• Changes in aspirations;

• Changes in corporate objectives; and

• Changes in funding regimes.

The Asset Management Strategy will be formally updated annually alongside each revision of the Delivery Plan.

There are a number of future improvements to the Asset Management Strategy that the Council will seek to implement, these are summarised in the action plan.

Appendix 1

Frequently Asked Questions summary

What is Asset Management?

Asset Management is about the long-term planning, provision and sustainability of assets, such as houses, flats and garages.

What assets?

The Council manages 17,917 general needs dwellings including 2,008 leaseholders, 1,023 blocks, 1,194 garages and various areas of associated land; these represent the Council's highest value asset. The repair and maintenance of these properties is the Council's single largest liability. The property owned is worth many millions of pounds and planning for its sustainable future is important.

How do we manage these assets?

By following the principles of our Asset Management Strategy, which balances the economic value of assets with the social and economic needs of residents. The Council is also required to comply with all relevant legislation and regulations.

Why is having an Asset Management Strategy so important?

Effective asset management is fundamental to the successful delivery of the Council's objectives, within the context and allowances of its Financial Plan, to deliver good quality housing and services in a cost effective way.

What is the purpose of The Asset Management Strategy?

The strategy records the Council's current position and sets out a number of key actions that will further improve service and operational delivery, in order to provide an excellent service.

What is in The Asset Management Strategy?

- It defines the Council's position with regard to asset management and how this aligns to core business objectives;
- It defines needs, future trends and the issues influencing these;
- It defines the stock, its condition, use and the re-investment required over the next 30 years;
- It identifies the risks and issues relating to the assets and how these may be reduced;
- It defines the methodologies and implementation processes for the Strategy; and
- It establishes frameworks and templates for monitoring, recording and evaluating performance.

What tools do we use to achieve effective asset management?

- Regular stock condition surveys, to determine requirements;
- A comprehensive Asset Management Database, Keystone, to store and maintain data;
- The Asset Management Group, a stakeholder working group;

- The Council's Standard, our desired specification;

- A viability model – to identify high cost and/or low demand properties;

- A skilled and motivated workforce;

- Resident and community involvement;

- Performance monitoring and benchmarking;

- A robust Financial Plan;

- Effective procurement of works and services;

- An effective Works Delivery Programme;

- Close working in partnership with all stakeholders; and

- Recorded Policies and Procedures.

What are the key concepts of the Asset Management Strategy?

- To gather and maintain reliable data about the stock and its condition;

- To make effective use of asset data;

- To employ an Asset Manager to manage these issues;

- To maintain the Decent Homes Standard and to deliver an agreed local 'The Council's Standard';

- To undertake as much work as possible in a pre-planned way;

- To undertake the least possible amount of work reactively;

- To undertake limited work on void properties, unless catching-up where works have previously been refused;

- To assess the viability of the housing stock;

- To procure cost effective works and services;

- To deliver works and services efficiently with disruption to residents minimised;

- To tackle agreed priorities on a 'worst first basis' with the health and safety of residents a priority; and

- To continue to explore the options for regeneration and the development of new stock to meet the housing needs of local people.

Appendix 2

Stages in the Asset Management Process

Stages in the Asset Management Process

Inputs
- Social and political aims
- Stock Condition Data
- Performance Information
- Best Value
- Rent Restructuring
- Legal and statutory demands
- Performance requirements
- Stakeholders views
- Internal and external factors
- Asset Management Group
- Environmental issues
- Business Plan
  - Financial
  - Resources
  - Performance (KPIs)
  - Regulatory
- Best Practice Guidance
- Benchmarking

Formulation Process
Establish Aims and Values → Establish 'As is' Position → Define Aims and Objectives → Influences Internal/External → Timescale and methodologies → Monitor and Review → ASSET MANAGEMENT STRATEGY → Implementation

Outputs
- Purpose Statement
- Benchmarks
- Agreed SMART objectives
- Set standards
- Investment options
- Strategic Plans
- Procurement options
- Community initiatives
- Implementation plans
- SCC objectives
- SCC Standard and methodologies
- Communication strategy
- Project evaluation process
- KPIs

Appendix 3

Keystone Overview Report

ASSET MANAGEMENT STRAETGY – KEYSTONE OVERVIEW SOUTHAMPTON CITY COUNCIL

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The purpose of the Keystone review carried out at Southampton City Council's (SCC) office was to assess the structure, usage, completeness and identification of any data legacy issues.

Over-arching Comments

Key issues arising are:

- Keystone is not currently being used to its full potential;

- SK and a new member of staff (joined Jan '20) are the only SCC staff who actively use Keystone daily;

- The lack of training poses a risk as there were a number of functions that SK doesn't use or is unaware of, such as the Sustainability module (RAG status);

- Extrapolation is used to generate whole stock forecasts, but a lack of knowledge regarding use of include/exclude from extrapolation as asset and component level means that cost forecasts are not as accurate as they should be (although a large sample size does lower scale of the issue);

- Data validation – all incoming SCS data is immediately placed into the 'Live' environment and then sense checked by SK for completeness. Typical process is for all new data to be put in 'Test' environment, validation routines via 'Exception Reports' run in Keystone, anomalies corrected prior to promotion to Live environment. SK was unaware of the validation routines available in Keystone;

- Likelihood of erroneous data is high due to non-use of inbuilt validation routines, presence of legacy SCS data that may or may not have been properly validated – volume of erroneous data unknown at this time;

- As a result, confidence in absolute accuracy of data is not possible. This is not necessarily a reflection on the quality of SCC surveyors however, more a case of data management; and

- It would appear that finance/neighbourhoods/Housing Ops are driving the emphasis of future planned programmes rather than Asset Management. Fundamental to change this situation is for AM team to be fully trained in Keystone use, complete a comprehensive data validation exercise and establish as fact that Keystone is the primary tool for generation of initial reinvestment programmes for further review by a suitable group such as an Asset Management Group. The process should be proactive not reactive.

Other items of note are as follows:

- SK is the Keystone Administrator and is the only person able to make data amendments, permit access and define user rights to other users;

- Version 17.2 in use. This is not the latest version and SCC will be discussing upgrade options with Keystone/Civica;

- A total of 16,915 housing assets are held in Keystone. This includes block and dwelling assets but excludes other assets held on the system including non-housing related assets (primarily garages), RTB's and Leaseholders;

- 13,741 assets are labelled as 'Surveyed' – however, this is not all 'new' SCS data as some transferred from Codeman (see below);

- 3,133 assets labelled as 'Unsurveyed';

- 14 assets labelled as 'Copied' (or cloned) – all in one new block of flats where SK has recently cloned one survey to the remaining flats;

- Appears to be 27 assets with no such label, presume unsurveyed;

- Of the 13,741 'Surveyed' assets, date breakdown below:

  o Surveyed since 1/1/2015 – 10,678 (63% of stock surveyed in last 5 years)

  o Surveyed since 1/1/2016 – 8,649 (51% of stock) o Surveyed since 1/1/2017 – 6,733 (40% of stock)

  o Surveyed since 1/1/2018 – 4,210 (25% of stock)

- From the above, we ascertained that 3,063 surveys (representing 18% of the stock) were completed more than 5 years ago. Best practice is to survey on a 5 year, 20% per annum basis;

- Keystone was introduced to SCC in 2013, but it appears that older survey data from previous Codeman system was imported at that time, so in reality some of this older data is likely to be pre2013;

- There is no cloning within the database (apart from the 14 assets mentioned above) – all forecasts (costed investment profiles) produced are based on extrapolation methodology within Keystone;

- All new stock condition surveys are carried out by a team of SCC property inspectors using handheld devices;

- Property inspectors have mentioned being asked to extend some lifecycles for components such as windows due to limited budgets. This would compromise the accuracy and investment needs in the stock and should not be changed in the database;

- Approximately 2,000 to 2,500 surveys appear to have been carried annually over recent years, although SK believes this number is reducing due to non-access, other work/time pressures etc; and

- Surveys are targeted in geographic regions annually, not necessarily focussed on replacing older data as a priority.

Modules and Data Coverage

- KGI (Keystone Generic Interface) – SK is familiar with KGIs and uses them regularly to undertake mass/minor data changes. We reviewed a number of KGIs set up and they appear to be well constructed and accurate;

- KSI (Keystone Servicing Interface) – this has very limited use. Whilst there are a large number of servicing certificates for gas, electrics etc. they are only held as asset attachments. No programmes of cyclical servicing are managed by Keystone, but SCC Housing Ops team use other systems to generate and manage such programmes, including annual gas servicing and 5-yearly electrical tests;

- HQS – Used by SCC to generate Decent Homes outputs on a quarterly basis. On review of the HQS 'rulesets' they appear to be comprehensive and produce accurate results. No modification of 'standard' HQS rules appear to have been made, or alternative versions produced (sometimes seen to remove excessive boiler failures);

- Energy – an external consultant provides EPC's for void properties; SCC have EPC's for circa 20% of stock. No energy data (e.g. RdSAP) captured as part of stock condition surveys, but EPC Rating and Band data retrieved electronically via online EPC Register. The energy module does not currently hold underlying detailed SAP data. SK produces annual energy profile across the stock based on the available EPC ratings;

- Scenario Manager – used to generate 'what-if' scenarios. Not used by SCC;

- Sustainability (Stock Viability and RAG status) – not used by SCC currently, but appears that previous work dating back to 2016 was carried out as there are 7 templates set up to generate viability scenarios. All required data relating to cost/income does appear to be present;

- Satisfaction surveys – holds limited information relating only to cold water tank audits and long-term vacant properties (typically non-housing such as shop units). Module does not hold what we would typically expect i.e. qualitative questions to the resident about satisfaction with home, estate, repairs etc;

- Attachments – SCC have extensive photographic records of completed surveys, including external and internal photos. Numerous other attachments are floor plans, certificates etc. This is an area which appears to be well used by SCC;

- Foundation – the module used to manage the SCS process, allocation of addresses to devices, upload of data etc. SK uses this regularly and is proficient in its use;

- Asbestos – there is no asbestos module present in Keystone, so no information is held. All asbestos records (c. 400 surveys p.a. apparently) are held and managed by the 'Asbestos Team' who apparently are going through a restructure. When we asked SK to provide a comprehensive Asbestos Register, the answer was 'No'. This is of significant concern and represents a high risk of contravention of the CAR2012 Regulations which should be investigated in further detail to ensure compliance. It is relatively easy to use Keystone to manage all aspects relating to asbestos, and it could be used as the central repository of all such information;

- KPM (Keystone Planned Maintenance) – not used by SCC as asset management team does not 'manage' project delivery;

- Planned and Completed Works - used by SK to reflect planned works (where known) for current and next year's main component programmes (typically kitchens, bathrooms) and to update existing SCS data to reflect completed programmes of work. Alongside ongoing in-house stock condition surveys, this is the key data management mechanism. 'Completed Works Ruleset' contains rules for 10 key components and appears to be well set up;

- HHSRS – data is collected in the 'simple' HHSRS style (None, Typical etc) as part of the SCS process but is contained only in the SCS area of Keystone. There is a specific HHSRS module that relates to the detailed risk of occurrence/calculated hazard rating system but that is not populated with any data;

- Adaptations – long list of internal/external adaptions in the SFD but everything is collected as an attribute only and does not therefore produce any costs for replacement or introduction of equipment;

- 'One off' costs – the survey design includes large cost items within the SoR such as lifts, communal heating systems etc. but it is also apparent that 'System' entries have been made which reflects accurate costs for major works (typically M&E) arising from quotations received. Whilst this is fine, there is a potential problem in that the 'Exclude from Extrapolation' box for such components is never ticked – this means that any report will extrapolate a degree of these major 'one off' costs across the remainder of unsurveyed stock, which is generally going to

overstate investment requirements. Recommended that all such major cost items (most notably will relate to Block surveys) are reviewed and excluded from extrapolation accordingly;

- Links to external systems – Keystone is linked to Northgate and housing management system for Tenant information and Status (RTB, Void etc) which is synced daily;

- General estate works – whilst block surveys contain data for in-curtilage works to boundaries, footpaths etc. there are no assets set up (and therefore data held) for 'out of curtilage' or estate assets. It appears that such works are categorised as 'special projects' and inserted into Planned Programmes and Business Plan without any link to Keystone; and

- Many of the repair items that you have been discussing with SCC such as cold bridging, condition of footpaths, window condition, communal decorations are reflected in Keystone to a greater or lesser degree. However, other issues such as car parking, fire safety, estate condition are not.

Schedule of Rates and Life Cycles

- We have not undertaken a comprehensive detailed review of SoRs or LCs at this stage however this can be completed if required;

  From an initial review our comments are as follows:

  o SFD set up in terms of specifying House, Flat, Block surveys is done correctly (i.e. a surveyor will only see those components in the SFD relating to the type of asset being surveyed);

  o Survey design is comprehensive and collects all information required when compared to Ridge 'standard', excluding the complex M&E form as SCC have a simpler set of components for such items;

  o Component config often appears to be over-complicated in certain instances, notably in attribute descriptions. Repairs options are generally well set up and don't reflect the complicated set of attributes. For example, communal doors have about 15 options depending on glazing, door type etc as an attribute but only a couple of repair/renew options which actually generate the costs;

  o There may be a good reason why SCC want such detailed attribute descriptions, but appears to be unnecessary;

Schedule of rates – see table below:

COMPONENT	SCC LIFECYCLE	RIDGE LIFECYCLE	SCC SOR	RIDGE SOR
Kitchen	22	20	£4,811	£4,350
Bathroom	30	30	£2,640	£2,470
Gas Boiler	15	12-15	£2,475	£2,300
Wet Central Heating System	40	30	£3,802	£2,400
Electrical Wiring	30	30	£3,168	£2,850
Windows (PVCu)	35	30	£2,785	£3,120
Front Door (PVCu)	25	30	£710	£780
Pitched Roof (Concrete Tile)	50	60	£8,500	£8,000
Timber Fencing	40	20	£65/lm	£80/lm

- Whilst most of the components reviewed are relatively similar to Ridge expectations, there are notable variances, highlighted in red in the table above; and

- General view from this limited exercise is that life cycles may be optimistic and rates generally higher than expectations

30-Year Forecasts vs. Business Plan allowances

- 30-year Forecast provided by SK below, by main element heading. Based on stock of 16,000 properties this equates to £62,888 per dwelling over 30 years or £2,096 per dwelling per annum;

- Obvious immediate concern is why are costs £0 between years 16 and 25, and very low in 26-30.

Element	1	2	3	4	5	6-10	11-15	16-20	21-25	26-30	Total
ADAPTATIONS	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
ALARMS AND SECURITY	£21,121	£875	£875	£43,115	£32,555	£411,456	£343,723	£0	£0	£23,745	£877,464
BALCONY	£706,829	£298,519	£106,799	£99,115	£807,561	£7,228,865	£11,098,964	£0	£0	£1,373,396	£21,720,048
BATHROOM	£2,319,505	£465,357	£981,141	£612,595	£414,350	£29,778,831	£26,071,978	£0	£0	£1,509,694	£62,153,453
BOUNDARY	£256,780	£48,659	£65,191	£69,348	£118,606	£1,906,303	£1,813,070	£0	£0	£253,145	£4,531,102
BUILDING SERVICES	£578,784	£0	£0	£0	£0	£331,680	£607,803	£0	£0	£0	£1,518,267
CANOPY	£29,980	£36,873	£27,691	£22,202	£3,383	£1,033,796	£278,129	£0	£0	£73,719	£1,505,774
COMMUNAL AREAS	£378,393	£146,986	£21,672	£54,946	£276,953	£5,621,634	£6,953,247	£0	£0	£1,390,418	£14,844,249
DECORATION	£3,619	£619	£723	£840	£861	£24,252	£17,805	£0	£0	£2,445	£51,165
DOORS	£1,283,832	£534,355	£835,240	£770,190	£1,073,218	£28,109,155	£24,192,498	£0	£0	£2,684,156	£59,482,644
ELECTRICS	£1,582,068	£818,101	£1,099,273	£834,888	£5,239,361	£46,580,154	£51,662,143	£0	£0	£4,628,863	£112,444,851
GARAGE	£389,340	£382,404	£163,999	£74,827	£13,482	£2,961,853	£2,718,279	£0	£0	£66,858	£6,771,042
HEATING - COMMUNAL	£35,507	£31,680	£0	£0	£0	£470,386	£723,358	£0	£0	£10,419	£1,271,351
HEATING - DOMESTIC	£3,983,396	£9,486,258	£7,240,623	£2,215,490	£3,021,169	£65,627,604	£51,174,114	£0	£0	£10,216,245	£152,964,901
HHSRS	£1,089	£1,071	£0	£0	£0	£0	£0	£0	£0	£0	£2,160
INSULATION	£19,340,950	£111,147	£75,144	£2,081,217	£133,882	£1,953,541	£2,959,290	£0	£0	£0	£26,655,171
KITCHEN	£2,815,445	£442,805	£2,147,021	£2,580,989	£798,863	£75,525,781	£66,474,087	£0	£0	£4,785,867	£155,570,857
LIFTS	£3,587,956	£1,025,130	£0	£0	£0	£25,338,701	£25,338,701	£0	£0	£0	£55,290,489
PORCH	£725,677	£284,793	£248,565	£183,271	£88,189	£2,887,014	£2,982,873	£0	£0	£190,854	£7,591,235
ROOF	£8,176,491	£1,162,866	£2,700,965	£2,483,074	£8,905,811	£58,781,672	£58,893,406	£0	£0	£2,560,909	£143,665,194
ROOFLINE	£1,041,842	£181,251	£286,940	£178,222	£362,779	£5,364,761	£3,460,388	£0	£0	£781,692	£11,657,873
SOLAR ENERGY	£0	£0	£0	£0	£0	£696,241	£78,332	£0	£0	£657,986	£1,432,559
STAIRCASE - ENCLOSED	£2,465	£630	£0	£1,652	£4,170	£70,609	£87,390	£0	£0	£109	£167,025
STAIRCASE - EXPOSED	£0	£758	£109	£0	£0	£13,753	£17,052	£0	£0	£0	£31,672
STORE/SHED	£370,398	£196,110	£150,029	£104,502	£112,803	£3,778,053	£4,653,486	£0	£0	£427,045	£9,792,426
STRUCTURAL WORKS	£6,302,500	£0	£0	£0	£0	£0	£422,400	£0	£0	£0	£6,724,900
WALKWAYS	£2,130,531	£57,437	£14,751	£0	£3,860	£270,931	£543,602	£0	£0	£0	£3,021,113
WALLS	£2,933,168	£213,312	£586,753	£999,240	£1,459,926	£20,277,962	£41,519,573	£0	£0	£672,079	£68,662,011
WINDOWS	£2,075,729	£1,446,781	£2,131,887	£3,046,573	£2,714,193	£32,124,079	£22,132,890	£0	£0	£7,973,279	£73,645,411
Unrepresented Costs	£21,012	£36,282	£6,054	£19,376	£44,821	£930,992	£986,539	£0	£0	£90,235	£2,135,311
Grand Total	£61,094,408	£17,411,058	£18,891,446	£16,475,671	£25,630,797	£418,100,059	£408,205,122	£0	£0	£40,373,157	£1,006,181,716

- Comparison between Keystone outputs and 'Draft Capital programme 2021 V4 40 YR 18.12.19' in the first 5 years (assuming Year 1 in Keystone report above is 2020/21). Not really comparing apples with apples here as Capital Programme contains many 'special projects' that are not reflected in Keystone:

	2020/21	2021/22	2022/23	2023/24	2024/25	Total
Keystone	£61,094,408	£17,411,058	£18,891,446	£16,475,671	£25,630,797	£139,503,379
Draft Capital Programme	£41,191,837	£40,367,698	£35,352,417	£27,588,017	£23,387,490	£167,887,459

- The following tables illustrate where it is possible to compare individual workstreams more closely however there are some obvious variances that should be investigated including the basis of smoothing reinvestment profiles.

Roofs	2020/21	2021/22	2022/23	2023/24	2024/25	Total
Keystone	£8,176,491	£1,162,866	£2,700,965	£2,483,074	£8,905,811	£23,429,207
Draft Capital Programme	£3,331,554	£3,330,054	£3,330,054	£0	£0	£9,991,663

Kitchens and Bathrooms	2020/21	2021/22	2022/23	2023/24	2024/25	Total
Keystone	£5,134,950	£908,162	£3,128,163	£3,193,584	£1,213,213	£13,578,072
Draft Capital Programme	£1,166,000	£1,166,000	£1,166,000	£1,166,000	£1,166,000	£5,830,000

Windows and Doors	2020/21	2021/22	2022/23	2023/24	2024/25	Total
Keystone	£3,359,561	£1,981,136	£2,967,127	£3,816,762	£3,787,411	£15,911,997
Draft Capital Programme	£1,650,000	£2,200,000	£3,300,000	£3,300,000	£3,300,000	£13,750,000

Heating	2020/21	2021/22	2022/23	2023/24	2024/25	Total
Keystone	£3,983,396	£9,486,258	£7,240,623	£2,215,490	£3,021,169	£25,946,937
Draft Capital Programme	£100,000	£2,700,141	£2,000,000	£2,000,000	£2,000,000	£8,800,141

Appendix 4

Southampton City Council Standard – Summary Version

The Council undertakes a significant programme of repairs and maintenance to its properties each year.

In accordance with the Regulator of Social Housing 'Homes Standard', one key objective is to maintain the Government's Decent Homes Standard (DHS). According to the Standard, a 'Decent Home' must meet the following four criteria:

A. Meets to the current statutory minimum standard for housing (HHSRS);

B. Is in a reasonable state of repair;

C. Has reasonably modern facilities and services; and

D. Provides a reasonable degree of thermal comfort.

Government stresses that the Standard is a minimum that is to be attained and also that a landlord's delivery plans should be sustainable.

The Council believe that residents deserve a higher standard than 'Decent Homes' and aim to deliver the Southampton CC Standard (over and above the Decent Homes Standard), albeit in a sustainable way that delivers value for money.

Council's approach to asset management, including the important functions of effective 'planning' and 'delivery', is defined within its Asset Management Strategy.

The preferred material types that the Council will use to deliver the programme of works will be defined within its Preferred Materials Specification.

The Council are aware that not all residents will want work undertaken in their homes and where health and safety, or structural condition is not jeopardised will respect this wish; further details may be found within the Refusals Policy.

In summary, the Council Standard includes:

1. Listening to the requirements and wishes of residents;

2. Consultation with residents about the works to be undertaken in their homes, including items of choice;

3. Keeping rents affordable and within the Government's target range;

4. The provision of an effective responsive repairs service;

5. The delivery of an agreed lettable (void) standard;

6. Undertaking regular cyclical servicing and testing, to help maintain condition;

7. The use of good quality, durable and low maintenance products;

8. An 'external overview' (like an 'MoT') of all dwellings on a 7 year cycle to undertake all the external redecoration and repairs required;

9. Maintenance of the Government's Decent Homes Standard in accordance with a sustainable programme;

10. All dwellings to be free of any 'Category 1' (Severe) HHSRS hazards as soon as possible after identification;

11. Any kitchen, bathroom or heating distribution system that is old and in poor condition will be renewed or repaired alongside other internal components;

12. When visited by the internal works programme all internal works that are required (within a 5 year forecast) will be undertaken at the same time, helping to avoid repetitive visits and keeping costs down;

13. Both internal and external works programmes will deal with any minor un-reported repairs whilst the contractor is on site;

14. Where renewed, a bathroom will be installed complete with sanitaryware, wall tiles, floor coverings and redecoration (with resident wall and floor colour choice);

15. Where renewed, a kitchen will be installed complete with units, worktop, wall tiles, electrics, floor coverings and redecoration. Residents will have a choice of kitchen units, worktops, floor covering, paint colour and tiles, as well as having a hand in the layout design process;

16. New kitchens and bathrooms will be fitted with extract ventilation where required;

17. Where renewed, windows will be double glazed, to 'Secured by Design Standards';

18. Where renewed, doors will be double glazed composite or PVCu units, to 'Secured by Design Standards';

19. Where a boiler is changed a new energy efficient unit will be fitted along with thermostatic radiator valves (where these are not already fitted);

20. A hard wired mains smoke detector will be installed to every dwelling's hallway and landing when electrical systems are renewed or upgraded;

21. CO detectors will be installed where required;

22. Where needed, additional electrical sockets will be provided when a property is rewired, or within a kitchen when it is renewed, to meet modern living requirements;

23. Common parts of flats and estate areas will be improved, with residents taking the lead on identification of suitable projects to be delivered that will be managed by the Asset Management Group;

24. Loft insulation will be provided to a depth of at least 300mm, where required to be improved;

25. Cavity walls will be filled with a suitable insulating material, where the property is not in an exposed location;

26. External walls without a cavity will be insulated where practicable; and

27. Whilst planning work, the requirements of the resident in terms of aids and/or adaptations required will be assessed and, wherever possible, incorporated into the works.

Appendix 5

Options Appraisal Process

Summary Property Details	
Site Name:	
UPRN/BUPRN:	
Postal Address:	
Post Code:	
Property Type:	House/Bungalow/Flat Block
Block:	*Does dwelling/asset form part of larger block?* Yes/No/Not Applicable
Estate:	*Does the asset fall within a wider estate regeneration area (give details)?* Yes/No/Not Applicable
Current Lettings Type:	General Needs/Sheltered/Leasehold/Mixed/Shared Ownership
Year of Construction:	
Region:	
Local Authority:	Southampton City Council
Number of Dwellings:	Tenanted = Leasehold = Leased-in = 0 Shared Ownership = 0
Related Assets:	Garages =
Number of Residents:	
Number of Bedrooms/ Bed-spaces:	
Construction Type:	Traditional/Non-Traditional
Rental Type:	Social/Affordable/Intermediate/Market
Market Value:	£ (with Vacant Possession)
Date of Valuation:	
Current Yield:	
Current SAP:	
Possible SAP:	

Review Details	
Reviewer:	Asset Management Group
Date of Review:	

Summary Recommendation	
Proposed Action:	
Proposal Date:	
Outcome:	

Photo:

Add Photo(s)

Site Plan (OS):

Add Site Plan

General Matters	
Reasons for Review:	*Why is the property subject to a detailed options study?*
Other Notes:	*Provide any other relevant details/background:*

Viability Model Outputs	
Current Viability Model Status:	Red/Amber/Green
Demand Status:	Red/Amber/Green
Area Factors:	Estate Car Parking: Attractiveness of Area: Security: Crime and ASB: Local Facilities:
Cost Status (1 to 30):	Red/Amber/Green
Cost Profile (£):	Years 1 to 5: £ Years 1 to 10: £ Years 1 to 20: £ Years 1 to 30: £

Housing Issues	
Fit for Purpose?	*Is the current property/layout fit for purpose, if not, why not?*
Observations on	*Provide additional details to justify Model output scores:*
Demand/ Area Factors:	
Observations on Location:	
Merits of the Property:	
Limitations of the Property:	
Housing Needs:	*Does the existing/potential site use meet LA strategy requirements?*
Alternative Use Potential:	*Should the site use/lettings type be altered?*

Financial Issues	
Financial Issues	*Is the development subject to residual grant?* Yes/No
Financial Issues	Yes/No
Financial Issues	*Is the property subject to claw back upon disposal (if yes what % and/or value)?*

Technical Issues	
Observations on	
Maintenance Costs:	
Costs v Rebuild:	*Do the 30 year maintenance costs exceed the cost of re-placement/ redevelopment?*
Observations on Energy:	
Observations on	
Accessibility (DDA):	
Observations on Fire Risk:	
Observations on Asbestos, HHSRS and H&S Matters:	

Size (Area) of the Site:	
Works Prior to Action:	*Would expenditure enhance the recommendation (if yes how)? Yes/No*
Site Redevelopment Potential:	*Could the site be redeveloped, if so why and with what?*
Neighbouring Site Potential:	*Consider the opportunities associated with neighbouring sites and state if currently owned/not owned:*

Legal Issues	
Easements/ Wayleaves/ Covenants/Site Restrictions:	*List any site restrictions, including access:*

Recommended Action	
Recommendation:	*Retain/ Assess in the future (x Years)/ Disposal (Sale)/Remodelling/ Stock-swap/ Alternative use/ Re-development.*
Impact of Recommendation on Business Plan:	
Impact of Recommendation on Asset Value and Yield:	
Service Charge Impact:	
Impact on current tenancy:	
Impact on Related Assets:	*Detail any impact on related assets such as unadopted roads/ sewers/garages blocks etc.*
Equality Impact Assessment:	
Consultation Requirements:	*Will consultation be required (with whom)?*
PR Requirements:	*Is any public relations work required?*
HR Implications:	*Are staff affected directly or indirectly by the recommendation?*
Description of Proposal:	*Summary of the proposal for this property with justification:*

NPV Profile:

Add Profile Graph

Appendix 6

MOVING IN STANDARD

Information from Southampton City Council

This Moving in Standard has been agreed with customers and staff. Please read it carefully, as it contains important information relating to the standard of accommodation that you as a Southampton City Council (SCC) tenant can expect and the responsibilities of SCC as a landlord, and of you as the tenant, for the duration of your tenancy.

You are expected to look after your home during your tenancy, keep it clean, well decorated, report any repair issues and allow access for safety inspections.

Our Aim

We aim to ensure that all empty properties are returned to a safe and fully lettable condition as soon as possible.

We aim to complete any repairs required before you move into your new home, but where repairs are not urgent, we may carry them out after you have moved in. In those instances, a repair promise will be given to you and a target time for completing the work will be given to you.

We aim to colour match any items we have to replace, however, if this is not possible the closest match will be used (i.e tiles, kitchen units, worktops, door handles etc). We will not replace items which are fully functional but discoloured due to age.

In every property we will carry out the following:

- An electrical test to ensure all electrics are safe, all light fittings and sockets are securely fixed and in working order.

- An annual gas service will take place to all council owned gas appliances fitted within the property. (You will need to get an annual gas service completed for any gas appliances that you own)

- A test will be carried out on smoke alarms and carbon monoxide detectors (If fitted).

We will ensure:

- That adequate space heating and hot water facilities are supplied. Not all properties will have gas central heating, but some means of heating will be supplied. i.e. underfloor heating or storage heaters.

- That the property is structurally safe and free from major disrepair.

- The water supply is functioning correctly.

- You are provided with a copy of the Electrical Safety Certificate and Gas Safety Certificate

- You are provided with the most recent Asbestos Property Data Sheet.

- You are provided with the most recent Energy Performance Certificate (EPC) for the property.

- Any door entry and pull cord system will have been checked and left in full working order.

- All mechanical and manual vents will be clean and operational

Floors and Stairs

- These will be safe and in good condition so that floor coverings can be laid by you.

- Kitchens and bathrooms will be supplied with a safe suitable floor covering. Flooring which has discoloured due to age will not be replaced if still in a safe condition.

Doors and Windows

- All external doors will be secure and weather tight and two keys will be supplied with every external door to the property.

- All windows and glazing will be secure, free from cracks and will open and close easily. They will either have a locking facility fitted as standard or Safety stays will be fitted where required. One window key will be supplied for each room.

- All internal doors will open and close correctly.

- The bathroom and WC doors will be fitted with a suitable lock.

Plumbing

- All plumbing will be watertight.

- All wastes will be free flowing

- Where practical there will be suitable plumbing supplied for a washing machine, however, in some smaller kitchens this will not be possible.

Bathrooms

- Sanitary equipment will be clean, in good working order, free from excessive stains, chips and cracks.

- Baths and basins will have plugs and chains fitted.

- There will be a minimum of two courses of glazed tiles or an acrylic splashback around the bath and the basin.

- If there is a shower fitted, shower heads will be descaled or renewed. Where required, a new shower curtain will be supplied. Adequate tiling or an acrylic splashback will be provided to the shower area.

- A new WC seat will be fitted.

Kitchens

- There will be a gas or electric cooker point, not necessarily both and a space of between 500-650mm suitable for a cooker to be installed.

- There will be a minimum of two double sockets.

- There will be adequate provision for food storage and food preparation.

- The kitchen sink will have a plug and chain fitted.

- There will be a glazed tile or acrylic splashback to the worktops and sink

- There will be a cooker point within the property for either electric or gas.

Decoration

- SCC does not carry out redecoration.

The decorative condition of the property will be as left by the outgoing tenant. As the new tenant you will be supplied with a starter decoration pack containing some basic decorating tools and some white paint to help towards redecorating the property.

- We will treat any area which is affected by graffiti, water stains & nicotine, by sealing the area, ready for you to decorate.

- Wall and ceiling plaster will be free from major defects. Any visible loose or crumbling plaster or damaged plasterboard will be repaired. If this is found by you after occupation when decorating, SCC will repair as necessary according to normal repair timescales.

Other

- The property, including lofts and sheds will be clear of rubbish

- The property will have been cleaned to our cleaning standard sufficient to allow you to move in

- Any external works to the property or to the garden will be carried out after you have moved in.

- On some occasions, items listed in this standard will be completed after you have moved in, by means of a "Repair Promise"

- Kitchen / Bathroom – A serviceable kitchen / bathroom will be provided, if these are due for replacement then they will be referred to our Capital Assets Team and you will be advised of an approximate date the works will be completed, by means of a "Repair Promise"

The following works are your responsibility as the incoming tenant:

- Cooker Installation.   This must be carried out by a competent/registered person

- Gardens

- Fencing and gates

- Internal decoration

General Information

This standard is the minimum standard of repair that you can expect to find when you rent one of our properties. You are expected to undertake everyday minor repairs, decorate, keep your property clean and your garden tidy.

- If you cause any damage to the property, we will charge you for the repair.

- The loft space is not to be used for storage.

- Laminate flooring is not permitted in flats, except for flats on the ground floor.

Non-Standard Fixtures/Fittings/Installations

Alterations/installations by former tenants may be left if they are safe and in good order. Non-standard but essential fittings (i.e. kitchen units) will be maintained by Southampton City Council until they are no longer viable to repair and renewal is required. At this point they will be replaced with standard Council fittings

Non essential fittings (i.e. carpets, wardrobes, sheds etc) will not be maintained or replaced. You will be advised of any non standard items at point of sign up.

If you wish to carry out any alteration to the property other than basic decoration you must request permission (basic decoration includes: wallpaper/paint/carpets)

SCC will charge you where we have to reinstate or remove fixtures in the property after alterations have been carried out and permission has not been granted. To request permission please contact

Permission.Requests@southampton.gov.uk

Appendix 7

Property Service Staff Structure

Head of Property
Tina Dyer-Slade

Service Manager (Asset Management)
Ola Onabajo

Service Manager (Project Delivery)
Nigel Mullan MRICS

Service Manager (Regeneration)
Sue Jones

Service Manager (Design Services)
Phil Orde RIBA ANZIA

Service Manager (Development and Growth)
Steven Slocombe

Enabling New Homes Manager
David O'Neill
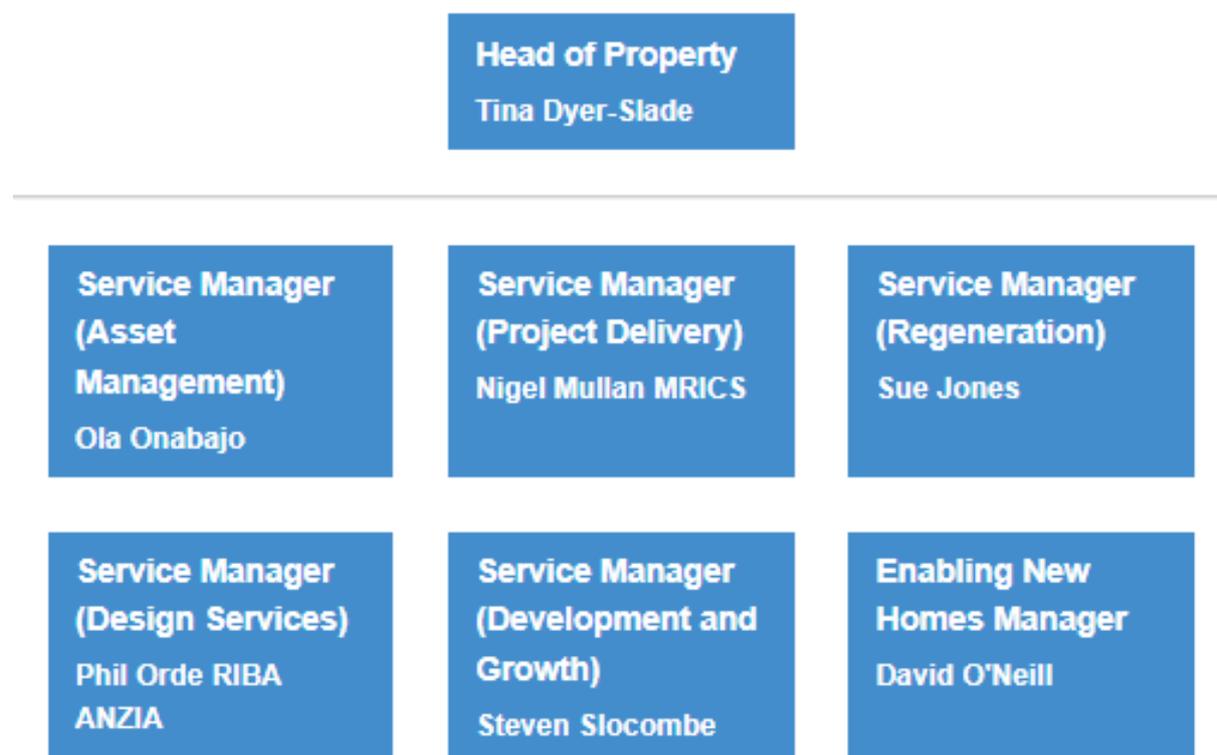
Appendix 8

Asset Manager Key Tasks

Suggested Key Tasks for the Asset Manager include:

Stock Condition Surveys

- Setting a detailed programme for future stock condition surveys
- Dividing the stock into appropriate sub divisions (strata) so as to ensure statistical accuracy and ensuring that sub divisions are inserted into the database to allow local reporting (e.g. by patch, estate, etc.)
- Managing the day to day collection and input of survey data
- Undertaking regular spot checks in respect of the quality and accuracy of the data being collected
- Undertaking data validation routines in respect of the data being input including line by line reviews and range checks (e.g. is there more than one kitchen in a property? Is any spot price more than £1,000? etc.)
- Coach, mentor and retrain stock surveyors as required, to maintain a high level of accuracy
- Record and maintain the essential 'quality assurance' methods in written form as part of a quality system development (Surveyors' Guidance Notes)
- Monitor progress of surveys against programme
- Review the survey form design from time to time against best practice
- Maintain and monitor agreed lifecycles and schedules of rates (Asset Management Database) to ensure that these are reflective of out-turn rates.

Database Management (Keystone)

- Select and action appropriate and local cloning system only where appropriate (e.g. those internals of a block that could not be accessed from a unit in the same block that was inspected), with an aim to replace this data with 'real' survey results in time (use voids as an opportunity to gather data on hard to access units, but only once any repairs have been completed)
- Ensure that photographs are correctly labelled and appended to the asset management database
- Obtain and add any drawn information to the asset management database (e.g. CAD drawings/plans, etc.)
- Ensure that the address list is accurate, correctly structured and up to date (regularly cross reference with the housing management system)
- Ensure the 'parent/child' relationship for blocks (BUPRNs) to dwellings (UPRNs) is accurate and complete
- Locate and populate the actual year of construction field for every property
- Locate and populate the number of flats in a block field for each block
- Review all accurate/reliable information relating to planned works completed in the last 10 years, interpret these to answers in the survey form design and populate the database accordingly
- Review all relevant cyclical data and populate the database accordingly (e.g. date of last cyclical redecoration, etc.)

- Review the void records for the last 10 years and 'unearth' any planned works that can populate database fields. Take care not to include partial works, only account for significant 'whole' elements (e.g. complete kitchen renewal, complete bathroom renewal, complete rewire, etc.)
- Review the responsive records for the past 10 years and 'unearth' any 'planned' type works that can populate database fields. Take care not to include partial works, only account for significant 'whole' elements (e.g. boiler renewals, door replacements, etc.)
- Gather and populate the database with reliable energy rating results
- Record and maintain the essential 'quality assurance' methods in written form as part of a quality system development (Database Maintenance Guidance Notes)
- Develop methods and protocols for communicating any future responsive, void, cyclical or planned works that will impact on the stock condition survey data, these should be converted to managed processes (added to the quality system) and implemented
- Regularly update the database according to details of work undertaken (no less frequent than monthly)
- Review and audit the inter-team communication processes and produce reports on their efficacy
- Monitor the work of other teams (e.g. are planned works being undertaken though the responsive/void contract - if so why?) and produce regular performance reports
- Establish, maintain and update compliance records

Development and Production of Planned Maintenance Programmes

- Develop logical procurement groups for elements (e.g. undertake 'high level' works to the roof coverings, chimney, soffits and rainwater goods all at the same time) and apply these principles to the database according to the '5 year rule' (that is group works that need to be done within 5 years of each other) and a 'just in time' ethos
- Modify the database contents to produce logically timed programmes (and scenarios), within the '5 year rule', within dwellings (e.g. boiler and heating distribution at the same time if required) and within areas (e.g. by street for contract management efficiencies)
- Derive draft plans of work according to the database
- Attend the Asset Management Group and discuss the draft programmes of work, amending as necessary
- Maintain and provide outputs for review from the Viability Model

Programme Delivery and Monitoring

- Develop, in conjunction with the delivery teams, key performance targets and develop efficient and effective monitoring arrangements
- Assess, mitigate and help to manage risk
- Analyse repairs trends by area to monitor for premature failures (e.g. boilers on an estate being renewed ahead of lifecycle), or works that could be deferred to deliver 'just in time' and adapt works programme recommendations accordingly
- Monitor the programmes and produce regular reports in respect of the same
- Continually maintain the database in an up to date state, taking account of accelerated and deferred programmes as well as work completed (to say practical completion)

- Obtain a list of all current related assets and liabilities (e.g. unadopted roads, sewage treatment plants, etc.) and give these a unique reference number (URN) and add them to the database. Arrange for them to be surveyed and results input into the database
- Assess grant funding availability and obtain appropriate grants (e.g. cavity wall and loft insulation)
- Consider 'wider action initiatives', such as local regeneration projects and plan works programmes to have the greatest impact
- Produce outputs and reports as required
- Develop and monitor the Council Standard and preferred materials specification; review on a regular basis with the delivery teams and Asset Management Group
- Contribute to the development of procurement arrangements with the supply chain, in conjunction with the delivery teams
- Contribute to the development and implementation of monitoring arrangements in relation to the efficiency and effectiveness of the supply chain, taking into account costs and service standards
- Update the Procurement Strategy as required and seek approval for any changes from the Council and the Asset Management Group
- Develop a programme for and then ensure that the cyclical programme of compliance activities are undertaken and records provided

Appendix 9

Terms of Reference for The Asset Management Group

Mission Statement

"To facilitate and oversee the effective asset management of the housing stock owned and managed by the Council, implementing programme delivery, with input from all relevant stakeholders, also ensuring Health and Safety compliance at all times where required"

Objectives of the Asset Management Group

The core objectives of the Asset Management Group (AMG) are:

- To provide a forum where key stakeholders can meet and openly discuss asset management issues;

- To provide a focal point for both inputs and outputs of the repairs and maintenance decision making process;

- To act in the best interests of the assets in an holistic, local, context;

- To identify and manage risk;

- To develop, review and monitor asset management key performance indicators (KPI);

- To review the Asset Management Strategy (AMS) not less than once a year;

- To prompt and review inputs into the Group (such as condition data reports for example);

- To consider the priorities for work programmes in the context of obligations, policies, stock condition and viability;

- To formulate and monitor re-investment programmes;

- To consider the impact of re-investment decisions;

- To develop, review and regularly re-evaluate the Southampton City Council Standard and Preferred Materials Specification;

- To ensure that all proposals are sustainable and affordable within the context of the Business Plan and represent good value at an appropriate cost;

- To set the parameters for and to assess the outputs of the Viability Model;

- To undertake options appraisals in respect of red and amber category stock, as identified by the Viability Model and defined with the Viability Assessment Process;

- To make recommendations to the exec group for action, following options appraisal, for stock that is considered not to be viable in its current form;

- To explore wider action initiatives and their associated funding options (such as grant funding for example);

- To provide reports to the exec group and other stakeholders on the most effective and best value expenditure strategy for future work and the progress of current programmes;

- To devise and agree tools for measuring and benchmarking the performance of the delivery of programmes of work;

- To facilitate wide resident consultation and to ensure effective and timely communication;

- To consider and provide recommendations in terms of any 'challenge fund projects' such as environmental improvements;

- To listen to the views and proposals of all stakeholders;

- To work closely with those responsible for new build development and regeneration activity and to identify opportunities for new build with reference to the performance of the existing stock; and

- To review where smart home technology can be incorporated into the Council's assets, with a view to driving down future maintenance costs;

- To Act in accordance at all times in conjunction with the Council Greener city Agenda.

Summary of Asset Management Group Objectives and Function

The Asset Management Group exists in order to provide a forum to discuss and make recommendations in respect of housing asset management issues in an inclusive and even-handed way. The Group should not be influenced by political aspirations and should act only in the best interests of the assets and their users.

The Group should assess all inputs and in particular should use up-to-date stock condition survey data, as this forms the cornerstone of any successful asset management system. Inputs should be used to make informed decisions about re-investing in the stock (noting that 'investment' relates to the initial provision of a new asset).

The recommendations of the Group (outputs) should then be approved by the executive group for implementation (delivery) by staff.

Principles of the Asset Management Group
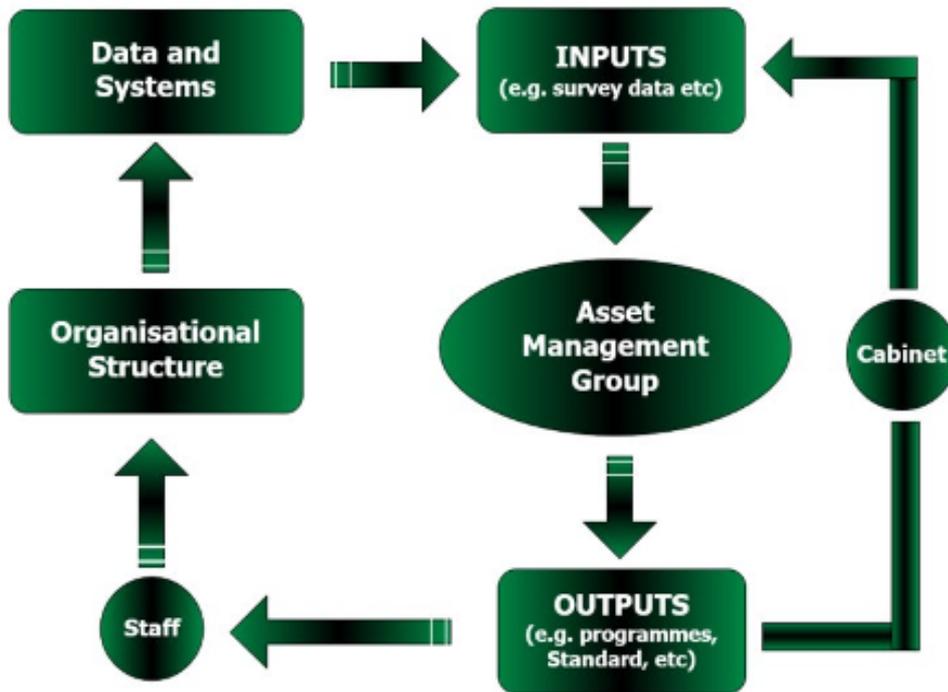
Members of the Asset Management Group

Suggested members of the Group are:

Including:

- Head of Property;
- Service Managers for Asset Management, Regeneration and Development;
- Housing Operations representative;
- Head of Finance;
- Housing management / lettings staff member;
- Resident Representatives (up to 2), for selected meetings;
- Specialist Advisors as required; and
- Representative for Greener City

Key Milestones

The Group should establish key milestones as it develops its scope and agenda. These should include Business Plan aspirations, timetables for re-investment, and to provide a 'base line' against which progress and value for money can be monitored.

The Group members should also agree regular meeting dates, which should be communicated across the team together with any deadlines for data or submissions that may be needed for consideration at meetings.

Scope of the Asset Management Group

The Group will be instrumental in the effective implementation of all planned programmes of work and will make informed business decisions including:

- What – which elements will be included within programmes of work?

- When – development of a logical and integrated programme and sequence of work?

- Where – precise location of dwellings or related assets affected by intended programmes of work?

- Why – robust business case for expenditure on particular programmes of work? and

- How – suitable and best value procurement strategy?

All members of the Asset Management Group shall act as a 'conduit' for information both into the Group and also back to their teams, forums or consultative groups.

It is the responsibility of the Asset Management Group Chair to represent the Group at, and present its reports to exec group.

The Group is also responsible for effectively communicating with those stakeholders responsible for enabling new homes and regeneration activity, to ensure that the Asset Management Strategy and the Development Strategy deliver new homes effectively, in the right places and with reference to the performance of the existing stock. Identification of opportunities through evaluation of the Viability Model is a key aspect of this joined-up thinking.

Asset Management Group Processes

The Group will require a number of inputs in order to be able to make informed business planning decisions. The inputs are illustrated on the diagram, included at Appendix I, and include a number of data and policy documents from a variety of sources within the organisation.

Accurate and up to date data is fundamental to the Group's ability to take informed business planning decisions and therefore measures should be taken to ensure that processes are adopted to gather and maintain this information. This will include technical reports on the condition of properties and recommendations for repair, renewal or disposal, together with recommendations for the development or purchase of new accommodation.

The resultant outputs from the Group will provide the organisation with clear and robust processes and documents that inform team members of the strategy and policies surrounding planned programmes of work. The diagram at Appendix II illustrates the typical outputs expected from the Group.

Dependencies

The decision-making process will require up to date and robust information regarding the stock. It is therefore essential that this information is collated and maintained by the organisation and can be interrogated and presented in a format which informs the decision-making process. There is a clear dependency on the Asset Manager and their role in providing this information.

The Asset Management Strategy is a key reference document and provides additional detail.

The Group will require other information from a variety of sources, which will need to be provided in a timely manner and in the correct (agreed) format.

The mandate for the Group will need to be effectively communicated and adopted by the team with 'buy-in' from all stakeholders.

Next Steps

There are a number of key steps that will need to be undertaken to promote and assist the commencement of the Group's role, such as data collation and agreeing the format of its presentation. There are also other standards and policies that need to be finalised for consideration in the decision-making process.

Some of the outline steps required for the planning and implementation stages of the setup of the Group are illustrated in the diagram at Appendix III.

Exclusions

The mandate and role of the Group should clearly set out any areas that are not within the scope of the Asset Management Group. These should be clearly articulated to team members within the organisation and other stakeholders as appropriate.

APPENDIX I – ASSET MANAGEMENT GROUP - INPUTS
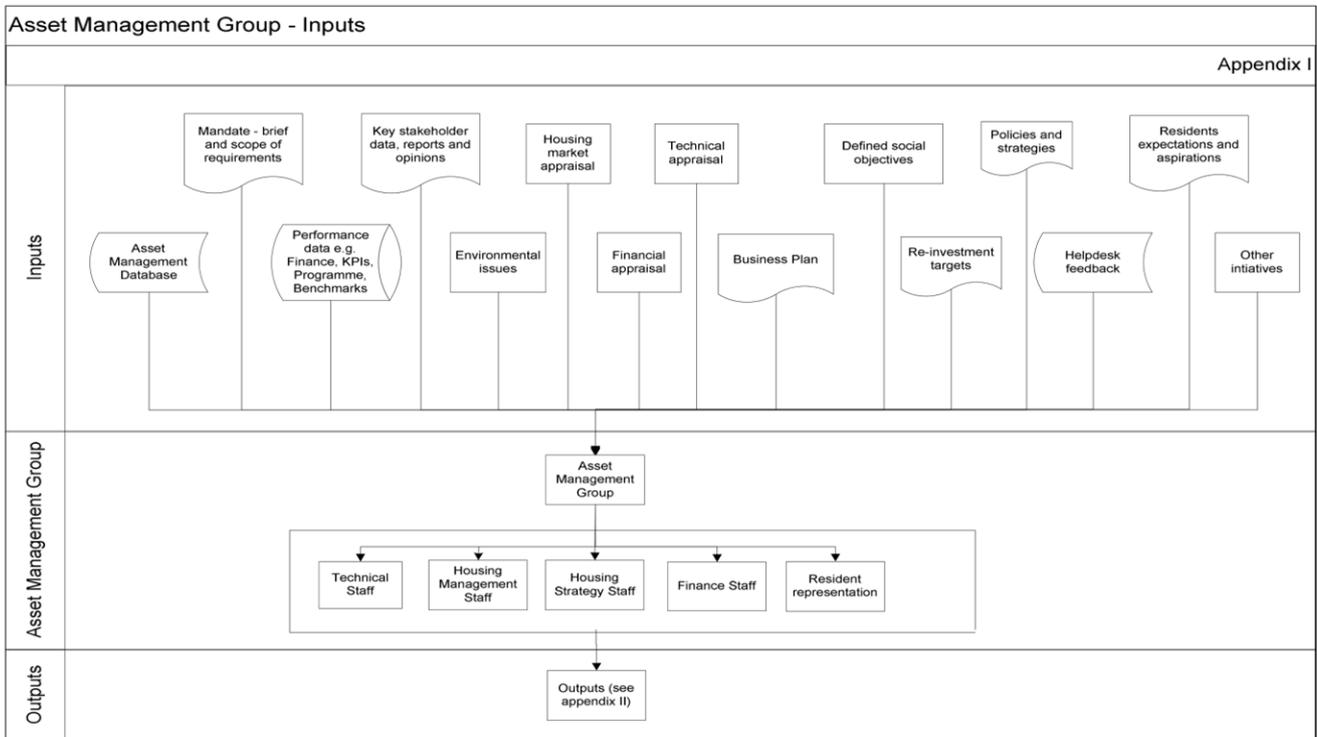

APPENDIX II – ASSET MANAGEMENT GROUP OUTPUTS
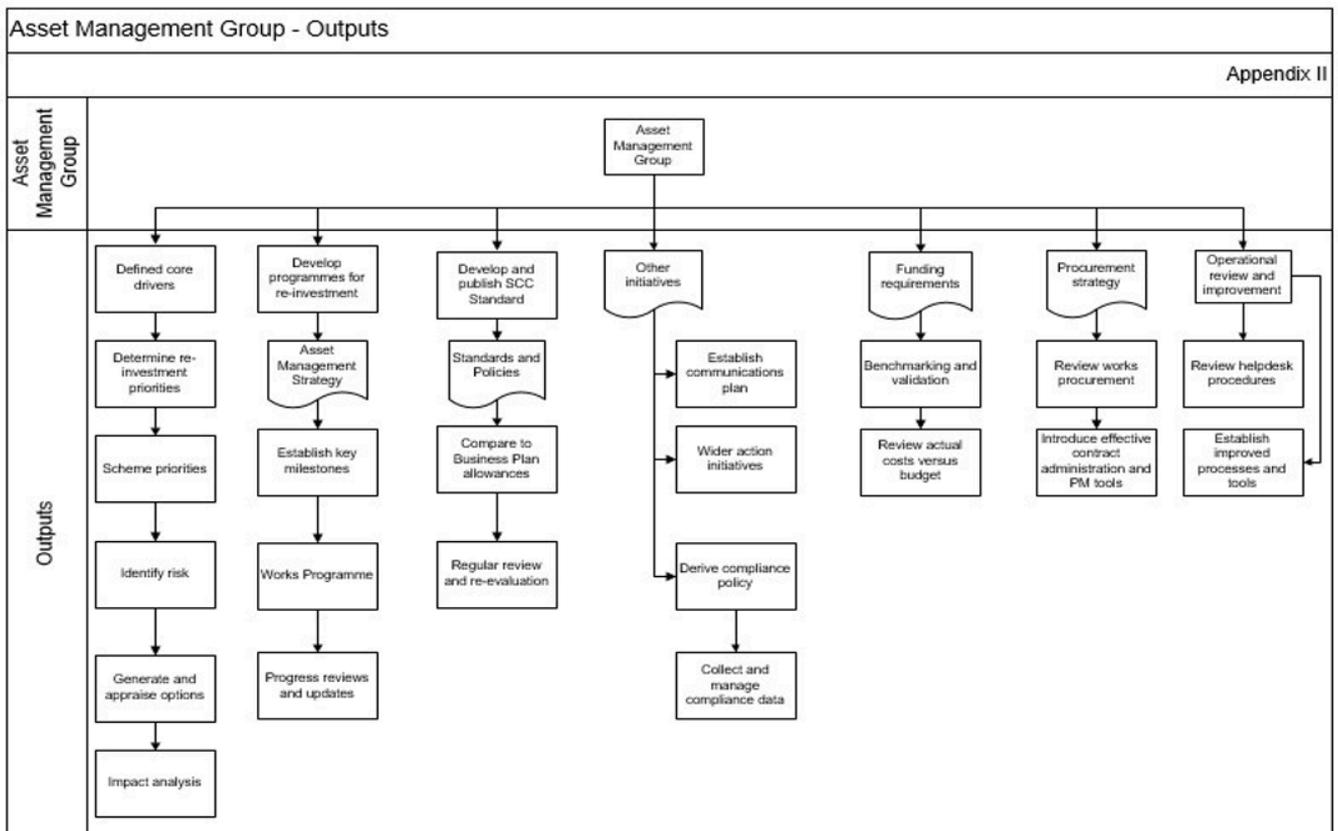
APPENDIX III – PLANNING AND IMPLEMENTATION OF THE ASSET MANAGEMENT GROUP

Planning and Implementation of the Asset Management Group

Appendix III

Establishment

Organisation mandate → Identify Key Group members → Engage Group members → Define Group brief, role and deliverables → Articulate and circulate to key stakeholders and interested parties → Commence planning phase → Establish consultation forum

Planning

Review current and proposed re-investment strategies and initiatives → Obtain other key data and information → Undertake housing market appraisal → Undertake technical appraisal → Undertake financial appraisal → Viability Model and options appraisal → Develop comprehensive Reinvestment strategy → Develop programme for re-investment

Consult residents in respect of re-investment priorities

Define Standard and policies ← Define Procurement Strategy

Implementation

Implement re-investment programme → Undertake regular reviews and improvement appraisals → Hold regular Asset Management Group progress and strategy review meetings → Obtain stakeholder, interested parties and resident feedback → Other communications and feedback → Appraise performance and benchmark → Update forward planning re-investment and strategy documents

Appendix 10

Abbreviations used in the strategy

Southampton City Council	The Council
Service Manager – Asset Management	Asset Manager
HAMS	Housing Asset Management Strategy
RSH	Regulator of Social Housing
HCA	Homes and Community Agency (now RSH)
HHSRS	Housing Health and Safety Rating System
NPV	Net Present Value
ROCE	Return on Capital Employed
AIM	Asset Investment Model
SAP	Standard Assessment Procedure
RdSAP	Reduced Standard Assessment Procedure
DHS	Decent Homes Standard
RTB	Right to Buy
MHCLG	Ministry of Housing, Communities and Local Government (previously CLG)
DLUHC	Department for Levelling Up Housing & Communities (previously MHCLG)
HOP	Housing for Older Persons
COVID-19	Corona virus
LGSR	Landlords Gas Safety Record

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