

HOUSING ASSET MANAGEMENT STRATEGY



2014 – 2019

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EXECUTIVE SUMMARY

This Housing Asset Management Strategy sets out the strategic framework for the next five years within which the Council will manage, maintain and invest in its housing assets. These are the assets owned by the Housing Revenue Account (HRA) and include dwellings, shops and garages, totalling 6,896 units.

Over the next five years, the Council plans to deliver a programme of £42.375m of capital investment to its 5,784 rented dwellings and estates. This includes £25.379m to ensure that all rented dwellings meet the enhanced Charnwood Standard (Appendix 1) providing high quality accommodation far in excess of the decent homes standard (Appendix 2). There will be no non-decent homes by 2016/17.

Having delivered its significant objective of improving council homes, the Council will also be in a position to invest in improving estates and neighbourhoods, using the flexibilities and borrowing capacity provided by the self-financing rules, and outlined in the Housing Revenue Account Business Plan. Investment of £1.1m has been identified over the next five years for communal areas, estate improvements and environmental works, including paths, parking, and fences. Priorities will be agreed with the tenants and leaseholders at the Repairs Scrutiny Group and signed off by the Housing Management Advisory Board so that budgets can be finalised for decisions by Cabinet.

Supporting vulnerable tenants is a top priority for the Council. The disabled adaptations budget has been under pressure from an increasing number of applications and the budget has been increased from £0.35m in 2014/14 to £0.66m per year from 2015/16. A total of £3.1m has been identified for delivering adaptations over the next five years in order to ensure that tenants do not experience delays. This level of demand reflects the fact 37% of tenants in general needs housing (not including sheltered) are aged over 60. In addition, 9% of tenants are aged 55 to 60.

Funding of £569k has been identified for new and improved door entry systems to flats with communal entrances to ensure tenants feel safe in their homes by preventing anti-social behaviour.

This strategy continues the programme of sheltered housing improvements by prioritising £7.151m for sheltered schemes over the next five years. This includes 8 new build sheltered dwellings at the re-modelled Riversdale scheme in Birstall.

Resources are also identified to allow the Council to build council housing by taking part in the government scheme to retain additional right to buy receipts to part fund new units. In addition to the 8 new sheltered units above, and the new bungalow in Longcliffe Road, Shepshed, it is estimated that 10 additional dwellings will be provided over the next five years.

This strategy is complementary to the Housing Revenue Account Business Plan for 2014 to 2044 which identifies the sources of funding to deliver the identified priorities. These investment plans will be used to inform and set budgets and estimates for approval by Cabinet as part of the budget setting process.

All financial figures quoted are based on current prices. The HRA Business Plan will add annual inflation.

1. INTRODUCTION

The Council's previous Housing Asset Management Strategy was approved by Cabinet at its meeting on 29th October 2009 (min 97).

This Housing Asset Management Strategy covers the period from 2014 to 2019. It will ensure that the Council's 5,784 rented dwellings provide a high standard of accommodation, that investment is provided for estates and neighbourhoods and that vulnerable tenants continue to be supported in their own homes.

Stock condition information has been analysed, together with tenant profiling information in order to identify investment needs.

The Housing Revenue Account Business Plan 2014 to 2044 demonstrates that the Council can deliver the priorities in this strategy and delivery high quality homes and estates.

1.1 Delivering the Council's values and Corporate Plan

The Council's Corporate Plan for 2012 to 2016 is underpinned by the values of:

- Putting the customer at the heart of everything we do
- Working together as one council and in partnership
- Taking pride in Charnwood and always striving for improvement

The HRA Business Plan 2014 to 2044 supports the delivery of these values by investing resources into our housing stock and neighbourhoods over the next five years. Now that the backlog of non-decency is coming to an end, investment in communal and estate improvements is now possible under the HRA self-financing regime.

Tenants have told us that their top priorities are improvements to kitchens, bathrooms and heating. The priorities proposed for investment to deliver the Council's values for the next five years, therefore, are:

- £15.759m investment in kitchens, bathrooms and heating in accordance with priorities identified by tenants;
- Increased additional resources of £0.7m for external and internal painting to enhance the appearance of the estates and communal areas.
- £0.57m for the installation or upgrading of door entry systems to reduce anti-social behaviour in communal areas and ensure residents feel safe in their homes.
- £1.1m for improvements to communal areas and estates, including fencing, paths, additional parking and storage to improve neighbourhoods.
- £0.25m delegated to tenants for them to spend on priorities identified by tenants groups.
- £3.1m for adaptations for disabled vulnerable tenants

- £4m in 2017/18 to continue the programme of improvements to sheltered housing

(current prices – Business Plan model will add inflation)

1.2 Strategy Objectives

The objectives of the strategy are to:

- Continue to provide quality homes by delivering the Charnwood Standard – an enhanced standard in excess of decent homes.
- Invest to meet current and future needs.
- Continue the programme of improving the quality of sheltered housing.
- Deliver additional investment for a programme of external and internal painting over the next seven years.
- Continue to reduce carbon emissions.
- Support additional tenant priorities for estate improvement works.
- Continue to invest so that tenants feel safe in their homes.
- Have homes and neighbourhoods that are popular places to live.
- Support vulnerable tenants.
- Use assets in an efficient and affordable manner and,

In accordance with the Corporate Plan priorities for 2012-2016;

- “support partners in the provision of Extra Care Housing for an ageing population”

1.3 Homes and Communities Agency Regulatory Framework

As a local housing authority, the Council is bound by the Consumer Standards of the HCA regulatory framework. These cover the “Home” standard which requires the Council to meet the requirements below.

- Ensure that tenants’ homes meet the decent homes standard and that properties will continue to be maintained at least to this standard.

This will be delivered by investing £25.379m to deliver the enhanced Charnwood Standard

- Provide a cost-effective repairs and maintenance service to homes and communal areas.

A benchmarking exercise is underway through Housemark to analyse and compare value for money and performance. This will result in an action plan to address issues identified

- Meet all applicable statutory requirements that provide for the health and safety of tenants in their homes.

This will be delivered by investing £2.6m in fire safety, asbestos and legionella management led by a dedicated Compliance Team Manager to ensure priorities are addressed

- Provide an adaptations service that meets tenants' needs

This will be delivered by investing £3.1m in adaptations

2. ACHIEVEMENTS AND CHANGES SINCE THE 2009 STRATEGY

Over the last few years, there have been significant changes that have impacted upon the decisions the Council has made, and will need to make in the future, in relation to the management of and investment in the housing stock. These include:

2.1 Charnwood Neighbourhood Housing

In 2012, the Council appointed the Chartered Institute of Housing to carry out a housing options review and, following consultation with tenants, brought the management of its housing service back in house. This resulted in savings of £0.5m which have been reinvested in improvements to the service and stock. In addition, an extra £0.45m revenue contribution to capital will be made from 2014/15 onwards.

2.2 HRA reform

In April 2012, the government reformed arrangements for council housing finance and ended the Housing Revenue Account (HRA) subsidy system. As a result, councils can now keep their rental income and use it to fund housing stock improvements. This is known as 'self-financing' and was introduced in the Localism Act 2011.

The Council took on a debt of £79.19m under these self-financing rules, financed by fixed interest and fixed repayment date loans.

The objectives of the HRA reforms were:

- To give councils the resources, incentives and flexibility they needed to manage their own housing stock for the long term and to improve quality and efficiency.
- To give tenants the information they needed to hold their landlord to account, by creating a clear relationship between the rent a landlord collects and the services they provide.

As part of the self-financing settlement the government imposed a cap on the overall level of borrowing councils can undertake against their HRA. This was considered necessary to ensure overall levels of public sector spending could be managed and to help reduce the national deficit. The debt cap for Charnwood is £88.77m.

2.3 Housing Management Advisory Board

In 2013, the Council established the Housing Management Advisory Board to promote tenant and leaseholder engagement in decisions relating to the Council's housing stock.

Membership consists of four tenants/leaseholders, three Members of the Council, and 1 independent person.

2.4 Repairs Scrutiny Group

In 2013 a Repairs Scrutiny Group of tenants was set up to engage tenants with repairs issues. The group identified priorities for spend for the capital programme for 2014/15. Its current project is to review the void re-let standard and members of the group have been inspecting void properties with a view to reporting and making recommendations on changes later in 2014/15.

2.5 Changes to the rent setting formula

Government has changed its proposal for local authority and housing association (registered providers) rents to converge. It has changed the recommended rent increase formula to the consumer price index (CPI) plus 1% rather than the previous model of the retail price index (RPI) plus 1%, plus up to another £2 until the target rent is reached. CPI does not include mortgage interest rates and is usually lower than the RPI. Under this new regime, only void properties will have their rent moved to the higher target rent. It is estimated that although stock turnover is 10%, only 3% of these properties will not already have rent at this level. As a result, rent increases will be lower for some tenants and the Council's rental income will reduce by approximately £0.5m per year.

Furthermore the new rent rules which come into effect in April 2015 will allow the Council to charge a rent above the current rent formula for households that earn over £60,000 a year which would have the potential to increase income if adopted.

Currently however the onus is on tenants to self-declare their income and it is estimated that any policy would impact on less than one percent of the current tenant base. It is considered it would also carry the risks of increased right to buy applications or affected tenants choosing to move away thereby potentially destabilising previously balanced communities. This will be kept under review.

2.6 Changes to right to buy discounts

In July 2014 right to buy discounts changed to a maximum of £77,000 increasing each year with inflation. The Council is expecting, as a result, to sell an estimated 45 properties in 2014/15 compared to 39 the previous year – an increase of 15 per cent.

The statutory right to buy one's home applies to the majority of Council tenants and as this is wholly reactive and the council is unable to exercise discretionary controls, this has implications for managing our housing assets effectively, planning future investment and meeting demand.

The impact of increased right to buy is shown in the HRA Business Plan 2014 to 2044.

2.7 Reduced level of non-decency and improved quality of accommodation

At April 2011, 37.13% of the Council's housing stock was non decent. This had reduced to 3.5% by the end of 2013/2014. There will be no general needs non-decency by 2016/17.

The improvement scheme for non-traditional (PRC) housing has been completed with properties in the programme receiving external wall insulation to improve energy ratings. A total of £8.8m has been spent during the period 2010/11 to 2013/14. (This amount is included in the total decent homes spend of £36.2m referred to in section 4.)

2.8 Sheltered housing

At total of £707,639 was invested in sheltered housing improvements from 2011/12 to 2013/14.

Improvement work was carried out to Dudley Court, providing significantly improved quality of accommodation, including the following;

- Installing a lift adjacent to the scheme entrance.
- Remodelling 15 bedsits turning them into 1 bedroom flats with walk in showers knocking through into adjacent storerooms and communal bathrooms, fitting new kitchens, carpets, decoration throughout.
- Creating an internal mobility scooter store
- Creating a new ground floor guest room and a first floor warden office.
- Creating cleaner's cupboards on both ground and first floors and a resident store on the ground floor.

Work also took place at Aingarth sheltered scheme and this included remodelling bedsits into 1 bedroom flats with walk in showers utilising the existing floor space and new heating systems, kitchens, carpets and decoration throughout.

In addition to the above, £3.151m has been made available over 2014/15 to 2015/16 for the remodelling of Riversdale sheltered scheme in Birstall to replace bedsits with 1 bedroom self-contained flats and to provide an additional 8 new build units.

Leicestershire County Council has consulted (July 2014) on a revised prevention model which is likely to see the traditional accommodation based warden model replaced with a much more flexible cross tenure approach to support. A review of the Council's Tenancy Support Policy has therefore been included in the Action Plan.

2.9 Phased introduction of welfare reform

Welfare reform changes implemented to date include the introduction of reduced housing benefit if a tenant has unused bedrooms, and the imposition of the benefit cap. Future changes include the introduction of Universal Credit and the payment of benefit for rent direct to tenants rather than to the Council. The Council has budgeted for increased bad debt provision as a result of the latter, but has kept this to a minimum by ear-marking resources for an additional financial inclusion officer to assist and advise tenants. Details are shown in the HRA Business Plan.

2.10 Appointment of new Capital Programme Contractor

The Council's contract with Keepmoat for decent homes works came to an end in March 2014. The Council's newly appointed contractor, Wates Living Space, has been responsible for all capital works and disabled adaptations since that date.

3. HRA ASSET AND TENANT PROFILING

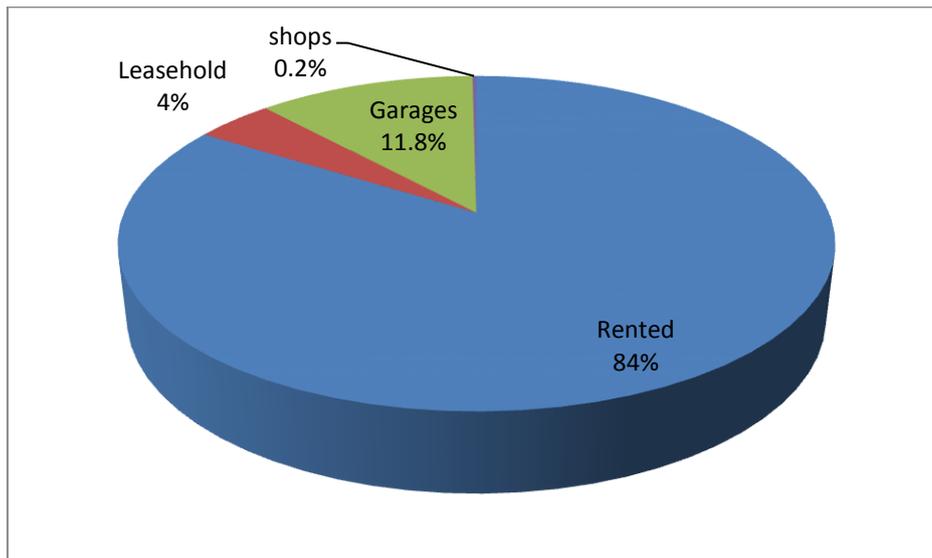
3.1 Total HRA stock

At 31st March 2014 the Council has a total of 5,784 rented dwellings out of a total HRA stock of 6,075. The breakdown is shown below. The majority of stock is rented, with 4.0% of dwellings being leasehold.

Unit type	Number
Rented dwellings	5784
Leasehold flats	291
Total dwellings	6075
Shops	14
Garages	807
Total HRA properties	6896

The pie chart below shows the proportions more clearly.

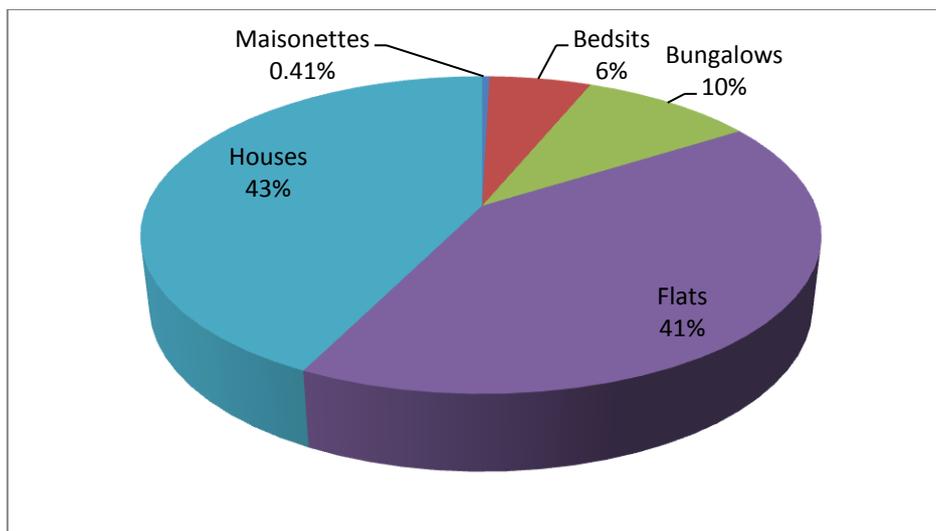
Total HRA stock profile



3.2 Property type

The majority of the rented properties are houses and these account for 43% of the total rented housing stock with 2,470 units. This is closely followed by flats which account for 41% of the total rented stock with 2,390 units.

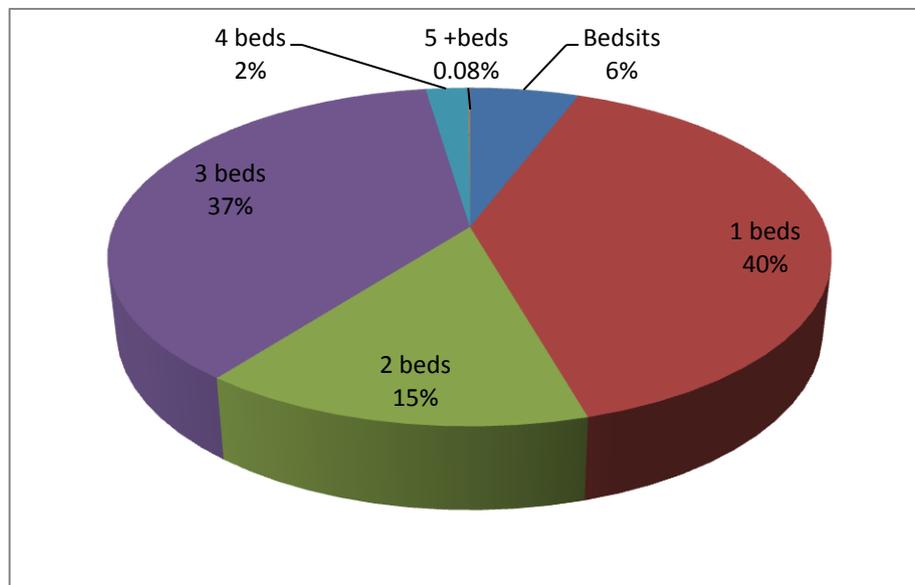
HRA properties by type



3.3 Property Size

The majority of council dwellings are one bedroom properties and these account for 40% of the total rented stock with 2,305 units. This is followed closely by three bedrooms which account for 37% of the stock with 2,152 units. There are 130 four bedroom properties, three five bedroom and two six bedroom. The breakdown is shown in the chart below.

Rented dwellings by property size



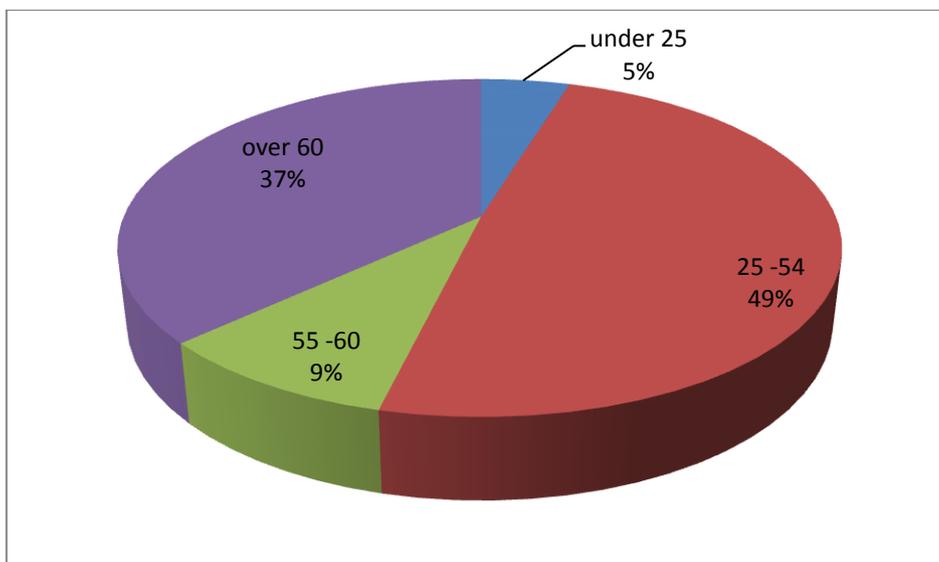
- 77% of one bedroom properties are flats
- 23% of one bedroom properties are bungalows
- 70% of two bedroom properties are flats
- 24% of two bedroom properties are bungalows
- 4% of two bedroom properties are bungalows
- 99% of three bedroom properties are houses

3.4 Tenant profiling information

Figures in the pie chart below are for the general needs rented stock, excluding sheltered housing. Sheltered housing has been excluded to assist with assessing demand for disabled adaptations, which has seen an increase over the past year.

The majority of tenants are aged 55 and below (54%). However, 46% of tenants are aged 56 and over. The percentage of older tenants explains why demand for disabled adaptations has increased. To reflect this demand, the budget has been increased to £0.66m per year from 2015/16.

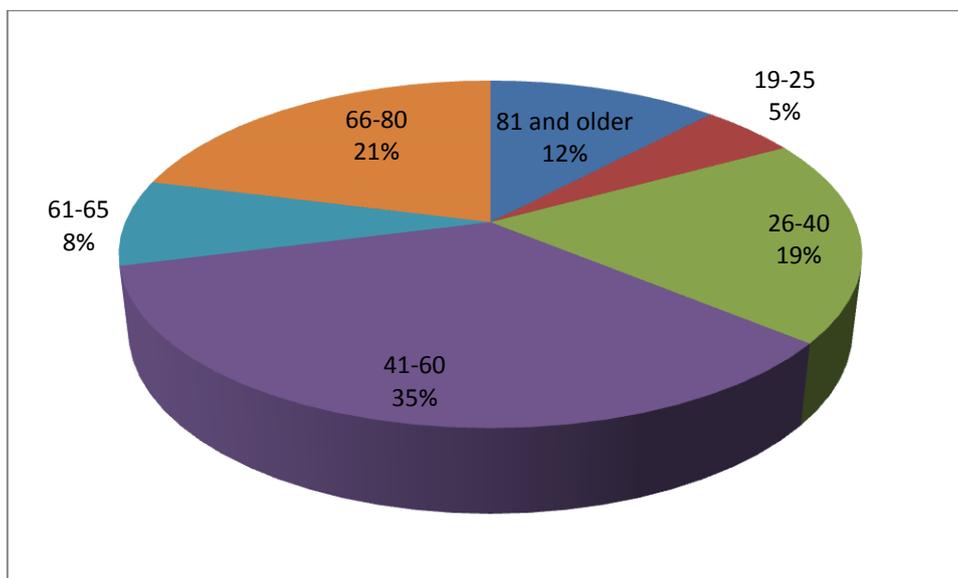
Age profile general needs rented housing stock



Profiling including sheltered housing tenants has also been carried out. This again shows that the majority of tenants fall into the older age bands with only 36% of tenants aged under 40. Taking all the profiling information into account, the disabled adaptations budget increase has been maintained for the five years of this strategy because there is no information to support a reduction in costs in this area.

Details are shown in the HRA Business Plan.

Tenant age profile – total rented stock



Some accommodation is designated as housing for older persons. In order to ensure that the most suitable accommodation is provided to applicants and tenants wanting to transfer, designation will be reviewed in the light of the profiling information to identify whether any changes need to be made to the Council's Allocations Policy.

3.5 Leasehold Dwellings

There are currently 291 leasehold flats within the housing stock. Leaseholders are responsible for repairs and improvements within their properties, such as kitchens, bathrooms and electrical works. Leaseholders are responsible for contributing (through

the service charges) to their proportion of the costs for communal works carried out on their blocks and consequently they have an interest in decisions relating to stock investment.

Where major works to communal areas are planned in areas with leasehold properties consideration must be given to leaseholders' interests and consultation needs to be carried out in accordance with statutory requirements. The requirement for leaseholders to pay is contained within the lease signed by the leaseholder on purchase.

To ensure that leaseholders have a sufficient voice to input into decisions that affect them there is a quarterly forum chaired by a leaseholder that shapes the service leaseholders receive.

There is also an annual leaseholder survey, the results of which are published in the "Your Homes Matters" newsletter. The newsletter keeps leaseholders up to date with issues that may affect them.

3.6 Garages

The HRA includes 807 garages which are available for rent across 18 settlements in the borough although nearly 25% of these are currently vacant.

The annual garage debit in 2013/14 was £262k although the void loss was £63k. This is an annual loss of income due to empty garages of 24%. The average weekly rent for a garage (48 weeks) is £6.56 and arrears are insignificant at £98.

Factors influencing falling demand are the remoteness of some of the sites from the prospective tenant's property and the increasing trend in "dropped kerb" applications providing parking on house drives. Increasingly it is apparent that the garages are being utilised for the storage of goods. Garages tend to be sited in blocks, away from dwellings and tenants have told us they would prefer to have parking closer to their properties and where they can see their vehicle from their home. However, a comprehensive consultation survey has not yet been carried out.

There are also around 70 garage bases, some of which are part of traditional garage sites, whilst some are standalone. These are subject to an annual invoice but the Council is only responsible for providing a concrete base, the tenants being responsible for providing and maintaining the garage. Many of these garages are in poor external repair.

The 9 new council dwellings that were part funded by the HCA in 2009 were developed on under- utilised garage sites and a review is currently underway to identify additional development capacity on the remaining sites.

Tenants' views and aspirations will be sought and a garage management plan will be developed to identify issues and opportunities to be addressed.

4. STOCK INVESTMENT

Since the last Asset Management Strategy there has been significant financial investment in the dwelling stock amounting to £36.2m, increasing the percentage meeting the decent homes standard and addressing the structural and thermal efficiency and inadequacies of the non-traditional (PRC) housing stock.

At 1st April 2014 just 200 (3.5%) of Charnwood's dwellings did not meet the decent homes standard. Ensuring compliance with the standard now forms part of the HCA's regulatory

requirements. It is forecast that 100% decency can be achieved by the 2016/17 in the general needs stock.

4.1 **The Charnwood Standard**

Having made such solid progress against the decent homes standard, Cabinet agreed in March 2013 (minute 119) to adopt the Charnwood Standard and this is attached in Appendix 1. This provides a much higher standard than the decent homes standard which is attached in Appendix 2.

For example, a property with a kitchen more than 30 years old can be decent, and can remain decent for some years to come. The Charnwood Standard will ensure that bathrooms are replaced every 30 years as a minimum.

The current average SAP (energy performance level measure) rating is 69, a programme of energy performance certificates will be carried out to capture the impact of thermal efficiency programmes on the stock.

4.2 **Charnwood Standard stock investment requirements**

Costs of delivering the Charnwood Standard to all homes have been analysed using the asset management stock condition data base. Investment needs total £25.379m over the period of this strategy. This is affordable and has been costed into HRA Business Plan.

The investment will provide high quality accommodation for tenants.

Charnwood Standard Delivery Plan 2014 to 2019

Description	Total investment	Total components
Electrical upgrades	£4,079,700	1360
Kitchens	£8,386,700	2396
Bathrooms	£4,469,500	2125
Heating	£2,902,700	724
Windows	£90,000	27
Doors	£1,574,700	1578
Roofs	£1,503,100	300
Structural	£1,270,000	210
Asbestos containment	£425,000	477
Carbon monoxide & smoke alarms	£328,000	1925
Insulation	£350,000	1166
Total	£25,379,400	

4.3 **Estate investment needs**

Having addressed the non-decency backlog and the investment needs of the non-traditional stock, the Council is now in a position to increase investment in estates and communal areas, including fencing, paths, off street car parking, painting, improving communal areas and external painting. The Council will work closely with tenants to prioritise investment needs and schemes. A total of £1.1m capital and £0.7m revenue is proposed to be invested. Area based estate improvement plans will be produced to ensure all tenants are consulted and involved in prioritising work.

4.4 Tenant Bids

A total of £0.25m will be available for the Tenant Bid scheme, whereby tenants bid for estate improvements. Subsequently an independent panel of tenants meet with officers to assess projects and make recommendations on which schemes will receive funding. This will ensure that tenants continue to have a real say in improving their estates.

4.5 Opportunities for New Build

The Council has signed up to the government's right to buy retention scheme which will allow the retention of additional capital receipts to fund 30% of the costs of new build. This funding must be spent by the 31st March 2018. A total of £1.51m is included in the HRA Business Plan and this will deliver approximately 10 units. The scheme is due to end in March 2015 and no detail is available from government on what any new scheme might be. Financial provision for further units has not, therefore, been made at this stage.

In the 2013 autumn statement the government also announced additional borrowing headroom for Councils that wished to use the capacity to build new homes although take up nationally so far has been slow. If a significant new-build programme was identified this would be an opportunity for additional funding.

4.6 Disabled Adaptations

Within the Council's housing stock there are currently over 1,000 households containing a person who has impaired mobility and, as identified in the Leicester and Leicestershire Strategic Housing Market Assessment 2014, the number of individuals with mobility problems is forecast to increase significantly in the future. To reflect this, and current demand, investment in adaptations has been increased from £0.35m in 2013/14 to £0.66m per year from 2015/16.

4.7 Sheltered housing stock

Bedsits have been remodelled at Aingarth sheltered scheme in Loughborough and at Dudley Court in Sileby. Contractors have been appointed to remodel bedsits at Riversdale Court in Birstall and to provide 8 new build units at the scheme.

Additional investment of £4m will be available for sheltered housing improvements and the Council will explore options of working with partners to identify whether additional investment can be levered in. A sheltered housing investment plan will be developed to address the re-modelling requirements in relation to bed-sit accommodation.

4.8 Extra Care Schemes

The increasing demand for extra care housing, as an alternative to residential care, is an important trend that needs to be addressed and we will therefore explore all viable opportunities to enable delivery of extra care schemes through Section 106 agreements and direct development by Registered Providers.

Section 106 planning agreements can deliver land and/or funding as an affordable housing contribution. Potentially extra care housing schemes can be incorporated into a new development as part of the affordable housing element.

Although Section 106 agreements have not been used yet in Charnwood to deliver extra care housing on large sites, there is now an increasing awareness amongst our planners, strategic housing officers, elected members and developers about the importance of this type of housing in addressing the needs of an ageing population.

We also recognise, and will respond to, the opportunities that these schemes might present in enabling informed strategic decisions to be made on some of our non-remodelled sheltered schemes.

4.9 Summary of main stock investment needs over the next five years

Charnwood Standard	£25.379m
Disabled adaptations	£3.1m
Estate investment needs, including communal areas and painting	£1.796m
Improved/new door entry systems	£0.6m
Tenant Bid schemes	£0.25
Health & Safety	£2.6m
Sheltered housing improvements	£7.15m (includes £3.15m already approved by Cabinet)
New Build	£1.5m
Total	£42.375m

The above is affordable and included in the HRA Business Plan. Actual allocations will need to be confirmed at the Council's annual budget setting meeting.

4.10 Fit to Let Standard

The Council's 'Fit to Let' standard was developed 5 years ago and sets out the standard that properties will be repaired to prior to re-letting.

Decorating is not carried out as a matter of course although where necessary decorating vouchers may be issued to assist a tenant.

Tenants on the Repairs Scrutiny Group are reviewing the standard and will make recommendations later in 2014/15.

5. TENANT CONSULTATION

Tenants were consulted over priorities for spend as part of the budget setting process for 2014/15 and this included identifying what was most important in terms of investment in homes and estates. Top priorities were kitchens, heating and bathrooms. Now that the backlog of non-decency has been dealt with, tenants wish to see investment in improvements to the appearance of communal areas and estates, including provision of additional parking.

The Chartered Institute of Housing held a briefing and consultation session with tenants on the 4th August 2014.

Housing Management Advisory Board considered the priorities for the draft Business Plan and Housing Asset Management Strategy at its meeting on the 13th August 2014. Housing Management Advisory Board has asked for finance to be made available for building

mobility scooter storage for non-sheltered accommodation. Nine locations have been identified to date at a total cost of £0.77k. However, there are likely to be more sites than those already identified. It is considered that the feasibility of mobility scooter storage provision would best be considered through a mobility scooter policy to ensure any investment is aligned with future decisions on the re-designation of stock. A total of £0.896m is available for estate improvements and parking over the next five years and this could, subject to consultation and approval by Cabinet, be used to provide mobility scooter storage.

6. DEMAND

With the exception of some of the Council's sheltered units there are no dwellings that would be considered hard to let or low demand.

But just as some sheltered housing has seen its popularity decline in recent years it is prudent to have an understanding of current and likely future demand so that major investment decisions ensure our stock better meets future demand. There will be opportunities arising over the next few years from new Extra Care Schemes proposed to be developed in the borough. When the impact of these is fully understood, strategic decisions on our remaining non re-modelled sheltered housing schemes can be made.

6.1 Strategic Housing Market Assessment (SHMA)

The Leicester and Leicestershire Strategic Housing Market Assessment 2014 is the most up to date housing needs data available. The study concludes that Charnwood needs over 4000 new affordable homes over the next 25 years, with a need for 174 new affordable homes per year over this period.

Table 1 below identifies the need by unit size.

Table 1- percentage of new affordable homes required by size

1 bedroom	2 bedroom	3 bedroom	4+ bedroom
46.2%	23.4%	27.4%	3.0%

Most importantly the study also identified that 72% of the need for one bedroom properties comes from demand from the aging population. Consequently around 30% of the overall need would have to be accommodation suitable for older people and so low rise apartment blocks serviced by staircases are unlikely to meet that demand.

The SHMA also identifies the existing profile of social stock within Charnwood as set out in the table 2 below.

Table 2- current profile of social housing stock in the borough

1 bedroom	2 bedroom	3 bedroom	4+ bedrooms
39.3%	23.6%	33.4%	3.6%

Although this stock profile is broadly similar to the future need, in reality there is currently a disproportionate demand for 2 bedroom houses. Table 2 does not distinguish between 2 bedroom houses and flats despite the fact that in many cases it will be the former that is sought by families with smaller children. It is known that a private garden and ease of access for pushchairs are key requirements of this client group.

Following recent changes to housing benefit entitlement, eligibility criteria under the choice based lettings Allocations Policy have been reviewed. This has led to an increase in the number of households that qualify only for 2 bedroom properties.

6.2 Older Persons Housing Needs and Aspirations Study

In 2010 Charnwood project -managed a county wide piece of work looking at the housing needs and aspirations of older people which helped to inform the specification for new or re-modelled older persons housing schemes.

The study undertook a series of focus groups and carried out surveys targeted to be as representative as possible of older people and their housing circumstances and concluded that older people;

- Wish to retain as much independence as possible but have access to 24 hour support when required.
- Require accommodation that is able to cater for family and friends who may wish to stay overnight.
- Want to remain within existing communities.
- Preferred integrated accommodation rather than being segregated based on diversity categories, but with appropriate sensitive support.

Those that had a view of what supported housing should constitute commonly proposed the following features;

- Self- contained flats with separate sleeping, living, cooking and bathing facilities.
- Communal areas to encourage resident participation.
- Provision of a range of social activities.
- Located within existing communities with close access to local services, amenities and transport networks.

These findings will inform our investment plans for existing or new older persons housing.

6.3 Tenant Satisfaction

The last tenant satisfaction survey was carried out in 2012 and identified an increase in satisfaction with the overall service provided and with our neighbourhoods as places in which to live. However satisfaction with the overall quality of the home, rent providing value for money and repairs and maintenance fell during the same period.

The report concluded that there is no geographical pattern in terms of satisfaction. Tenants of sheltered accommodation showed a much higher level of overall satisfaction than general needs tenants despite the design limitations of the non-remodelled accommodation and the resultant challenges we face in letting bedsits in those schemes.

Government good practice suggests that tenant satisfaction surveys should be carried out on as three year cycle, and this is captured in the accompanying Action Plan.

7. ACTIVE ASSET MANAGEMENT

7.1 Stock Disposals

The Council has embraced the notion of active asset management and is taking a proactive approach to stock disposal where stock is disproportionately costly to maintain and under performing in terms of void loss.

Assessments are made on a case by case basis taking into account design features, demand for that property type, rental income, costs of repairs, cost of compliance with the Charnwood Standard and replacement cost if sold.

Attention initially has been directed towards properties in substantial disrepair where underpinning was required, and more recently to the small number of ad-hoc listed buildings that are currently within the HRA. These often require non-standard components, are problematic in terms of achieving thermal efficiency standards although they have character making them attractive to the private market. Receipts from such disposals are ring-fenced to the HRA and allow for either additional capital investment in existing stock, support for new-build units or funding for reacquisition of former Council stock. Opportunities for strategic disposals of HRA assets where they enhance RSL development opportunities will also be considered.

7.2 Stock Acquisitions

The Right to Buy legislation stipulates that if a resident chooses to sell within 10 years of exercising their right to buy they are required to offer the Council the option to buy the property back or nominate another housing provider to do the same.

Furthermore on occasion we are contacted by former tenants (usually leaseholders) enquiring whether we would be interested in purchasing their properties outside of the statutory period.

We will evaluate each application on its merits and strategic fit, exploring opportunities to acquire both existing stock and development opportunities where resources allow.

7.3 Types of Tenancy

The Council has chosen not to implement fixed term tenancies in its Tenancy Policy (min 10th June 2013) but Cabinet has resolved that this be kept under review, and a report be brought back to Cabinet by June 2015 for further consideration.

8. CONCLUSION

This strategy is explicitly linked to the HRA Business Plan due for review in three years. It will be essential to ensure that the documents remain aligned and if the strategy requires minor amendments to achieve this it is considered that they can be dealt with under existing delegated authority.

APPENDIX 1: The Charnwood Standard

WARM, DRY AND SAFE HOME

1. Structurally stable, brickwork, render and cladding in a reasonable state of repair
2. Wind and water tight with a roof which doesn't leak
3. An average SAP rating for all stock of 75 (current 69)
(SAP is a standard insulation measure)
4. A minimum SAP rating of 50 (unless prohibited through planning restrictions, or it not technically feasible to do so)
5. Cyclical painting carried out on a 7-year lifecycle
6. Healthy and safe home
 - Valid periodic electrical safety certificate 5 yr
 - Current gas safety certificate
 - Sealed Lithium Battery smoke detectors
 - Carbon Monoxide detectors fitted in gas and solid fuel heated properties
 - Asbestos survey – Asbestos Management Survey or Refurbishment Survey, subject to existing data & proposed works
 - Inform tenants of results and remove high and medium risk asbestos rather than encapsulate and manage in situ where risks are low or very low.

MODERN HOME

1. Building related damp free (linked to condensation, mould free and adequate ventilation)
2. Components renewed to modern day standards in accordance with fixed lifecycles
 - Kitchens – 20years
 - Bathrooms – 30 years for bathroom
 - uPVC or Composite Doors – 25 years
 - uPVC Double glazed windows (except in conservation areas) – 30 years
 - Boilers – 15 years
 - Full central heating pipework, radiators and electric storage radiators– 30 years
 - Roofs - 50 – 70 years (when required)
3. Internal space standards adequate and fit for modern day living
4. Flexible home
 - Properties individually adapted to meet customer needs where possible after recommendations by an Occupational Therapist from Social Services
5. Communal areas
 - Fire Risk Assessment high and medium risk recommendations completed
 - Asbestos survey
 - Door Entry system
 - Emergency lighting
 - Communal Lighting
 - Annual Lift Service Certificate
 - Legionella testing programme

6. Environmental sustainability

- 'A' rated condensing boilers renewed on a 15 year lifecycle.
- Thermostatic Radiator Valves and/or Room Thermostats
- Programmable Heating systems
- Dual flush WC cisterns
- Low voltage energy saving bathroom and kitchen lighting
- Low voltage mechanical extract fans
- Minimum 'C' rated uPVC double glazed windows and doors
- Move from electric to gas heating where possible

7. External environment

- Safe and level path access to front door

APPENDIX 1: A decent home – summary of the definition

1. The definition of what is a decent home has been updated to reflect the Housing Health and Safety Rating System (HHSRS) which replaced the Housing Fitness Standard on 6 April 2006 and it is helpful to refer to the two volumes of statutory guidance on HHSRS¹. The general principles of application have been expanded as set out in paragraph 1.4 below and paragraphs 1.5 and 1.6 clarify what properties are covered by the Decent Homes standard. A decent home meets the following four criteria:

a) It meets the current statutory minimum standard for housing

1.2 Dwellings which fail to meet this criterion are those containing one or more hazards assessed as serious ('Category 1') under the HHSRS.

b) It is in a reasonable state of repair

1.3 Dwellings which fail to meet this criterion are those where either:

- one or more of the key building components are old and, because of their condition, need replacing or, major repair; **or**
- two or more of the other building components are old and, because of their condition, need replacing or major repair.

Dwellings cannot be non-decent through age of components alone.

"Old" is defined in the guidance and includes:

Non key components

- ◀ kitchens more than 30 years old.
- Bathrooms more than 40 years old.

Key components

- Walls more than 80 years old.
- Windows more than 40 years old.

c) It has reasonably modern facilities and services

1.4 Dwellings which fail to meet this criterion are those which lack three or more of the following:

- a reasonably modern kitchen (20 years old or less);
- a kitchen with adequate space and layout;
- a reasonably modern bathroom (30 years old or less);
- an appropriately located bathroom and WC;
- adequate insulation against external noise (where external noise is a problem); and
- adequate size and layout of common areas for blocks of flats.

1.5 A home lacking two or fewer of the above is still classed as decent, therefore it is not necessary to modernise kitchens and bathrooms if a home meets the remaining criteria.

d) It provides a reasonable degree of thermal comfort

1.6 This criterion requires dwellings to have both effective insulation and efficient heating. It should be noted that, whilst dwellings meeting criteria b, c and d are likely also to meet criterion a, some Category 1 hazards may remain to be addressed. For example, a dwelling meeting criterion d may still contain a Category 1 damp or cold hazard.

¹ *Housing Act 2004, Part 1. Statutory Guidance has been given to local authorities under section 9 – the HHSRS Operating Guidance and Enforcement Guidance – and is available from DCLG and at www.communities.gov.uk/hhsrs*

Full definition of Decent Homes is available at
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/138355.pdf

APPENDIX 3: Action plan

Action	Lead Officer	By When
Complete a review of the fit to let standard	Landlord Services Manager	Mar 2015
Produce Garage Sites Management Strategy	Housing Strategy and Support Manager in consultation with Landlord Services Manager	Mar 2016
Monitor achievement of the Charnwood Standard annually with the decent homes contractor and review investment opportunities in the event the programme is delivered earlier than anticipated	Landlord Services Manager in consultation with Principal Officer Repairs and Investment and tenants	End of each financial year
Produce five year area based estate improvement plans, reviewing these annually	Landlord Services Manager in consultation with Principal Officer Repairs and Investment and tenants	June 2015
Review energy performance assessments to ensure SAP ratings accurate	Repairs and Investment Manager	Sept 2015
Carry out tenant satisfaction survey	Landlord Services Manager	March 2016
Deliver 7 year cyclical painting programme of internal communal areas and external painting	Principal Officer Repairs and Investment	From 2051/6 onwards
Carry out Housemark benchmarking review of in-house responsive repairs service	Head of Landlord Services	Dec 2014
Carry out programme of stock condition surveys	Principal Officer Repairs and Investment	On going
Review Tenancy Support Policy	Head of Landlord Services	Sept 2015
Review Tenancy Policy	Head of Landlord Services	June 2015
Review designation of flats for older/younger persons	Head of Landlord Services	Mar 2016
Develop a mobility scooter storage policy	Head of Landlord Services	Jan 2015
Make decision on procurement of decent homes/capital works contractor following expiry of current contract	Head of Landlord Services	October 2018
Identify options for extra care sheltered housing and produce delivery plan	Housing Strategy and Support Manager	Sept 2015
Consult on and develop a sheltered housing investment plan	Head of Landlord Services Head of Strategic and Private Sector Housing	Dec 2015

APPENDIX 4: Delivering the Strategy objectives

Objective	Delivered by
Continue to provide quality homes by delivering the Charnwood Standard - an enhanced standard in excess of decent homes.	Invest £25.379m over the next five years and a total of £118m over 30 years.
Invest to meet current and future needs.	Invest £42.375m over the next five years in main stock investment need areas. Provide 8 additional new build sheltered units at Riversdale and build approximately 10 new build units by March 2018
Continue the programme of improving the quality of sheltered housing	£3.151m for remodelling Riversdale sheltered scheme in Birstall plus £4m in 2017/18 for further improvements. Develop a sheltered housing investment plan by Dec 2015.
Deliver additional investment for a programme of external and internal painting over the next seven years.	Increase budget by £175k per year to £298k per year to deliver 7 year cyclical programme
Continue to reduce carbon emissions.	Invest £2.9m in new energy efficient heating systems over the next five years. Invest £350k over next five years in insulation and help tenants claim free insulation from energy companies.
Support additional tenant priorities for estate improvement works.	Invest £896k over five years in estate improvements, consulting on and agreeing estate improvement plans with tenants
Continue to invest so that tenants feel safe in their homes.	Invest £569k in new or improved door entry systems to communal entrances
Have homes and neighbourhoods that are popular places to live	Invest £896k over five years in estate improvements, consulting on and agreeing estate improvement plans with tenants. Also invest £200k in improvements to communal areas of blocks of flats
Support vulnerable tenants.	Invest £3.1m in disabled adaptations. Provide additional financial inclusion officer from 2015/16 to work with vulnerable tenants to maximise benefit take up.
Use our assets in an efficient and affordable manner	Carry out Housemark benchmarking review on costs and performance, identifying areas to be addressed and actions to be taken. Make decision on timetable for procurement of decent homes/capital contractor in 2018.
Support partners in the provision of Extra Care Housing for an ageing population	The Council is working with partners and developers to explore opportunities for delivering extra care and sharing costs.