

# **Sandwell Council Housing Asset Management Strategy 2024 - 2029 – Summary Document for Tenants, Leaseholders and Residents**



**Sandwell**  
Metropolitan Borough Council

## 1. Introduction

Having a warm, safe and secure home in a thriving and attractive environment is vital for the health, wellbeing and life chances of people who live in Sandwell.

The aim of the Asset Management Strategy is to guide the future shape and direction of the property assets to ensure that they meet corporate objectives and tenant expectations. This strategy sets out how we intend to address the key asset management challenges affecting our communities over the next five years. It sets out the council's priorities and objectives for meeting housing need and working with tenants and residents to build sustainable and cohesive communities across the borough.

The National Housing Federation definition of property asset management is ***'asset management is the range of activities undertaken to ensure that the housing stock meets the needs and standards for the future'***.

The principles of effective asset management therefore go beyond just investing in good repairs and improvements and must consider reviewing the overall asset base to ensure it achieves the right balance between need and quality.

Ultimately, the vision for the Strategy states that our homes should be so much more than just bricks and mortar. Places to feel safe and secure, where communities thrive and grow. This includes providing high quality, energy efficient homes, alongside a housing service that is customer focused, supportive, accountable and professional.

## 2. Background

The Council has invested over £170 million in its stock between 2017 and 2023 maintaining and improving its properties used as residential accommodation.

The most recent Asset Management Strategy produced was for the period 2017-2020. There is a need to review the strategy and provide a robust plan for the management of HRA assets to provide more detailed financial forecasting and to provide a consistent transparent approach to how the assets are invested in and the priorities driving how the HRA is spent.

Currently the Council has very limited up to date data on the condition of its stock/assets and the understanding of our properties from evidence-based data. We have commenced a condition survey of the stock initially targeting 5,000 properties to provide a revised baseline from which to project future demand and investment needs. This is key to understand the work needed to keep them in a decent condition, safe and energy efficient alongside our residents' priorities for their homes. We will undertake regular reviews of our stock, including commissioning borough wide condition surveys as necessary to ensure our data is no more than 5 years old. This approach will support the asset management function, with this document setting the strategic direction and a more robust delivery plan being developed.

Housing assets are all assets that are on land owned and managed by the Housing Revenue Account (HRA):

- The HRA is the financial account used to manage the Council's activities as a landlord. It is a ring-fenced account and can only be used to provide services to council housing tenants through the collection of rent and other service charges.
- The Council's HRA assets includes dwellings let on secure tenancies, leasehold interests, shops, garages, and other associated pieces of land.

### 3. Strategic Priorities

This Strategy concentrates on four key themes, each with an overarching strategic objective. These themes contain a range of activities, some which will be considered as 'Business as Usual' and others which will drive innovation, cultural change and moving the council into a more pro-active asset management position.

- **Planning and service delivery:** Understanding our properties and tenants to drive constant performance improvement and innovation. Also, maximising choice for tenants on investment priorities and specification of components at replacement.
- **Modern homes:** Providing homes which are warm, secure, high quality and affordable
- **Energy Efficiency and Decarbonisation:** Improving the energy efficiency of our homes whilst supporting tenants in fuel poverty

- **Asset Compliance and Building Safety:** Ensuring our properties are safe, secure and compliant, meeting all our landlord obligations

Each theme is designed to be cross-cutting, in that it will be addressed through all workstreams and contributed to by all areas of Asset Management team and wider organisation. Due to the current environment where there are competing priorities and resources it is critical that any investment considers all facets of the asset rather than be driven by a particular programme or budget.

Actions resulting from this Strategy will be linked to one of these key themes, with a clear target. These actions will be used as a Golden Thread, reflected in service, team and individual objectives, giving clear responsibility and accountability for delivery.

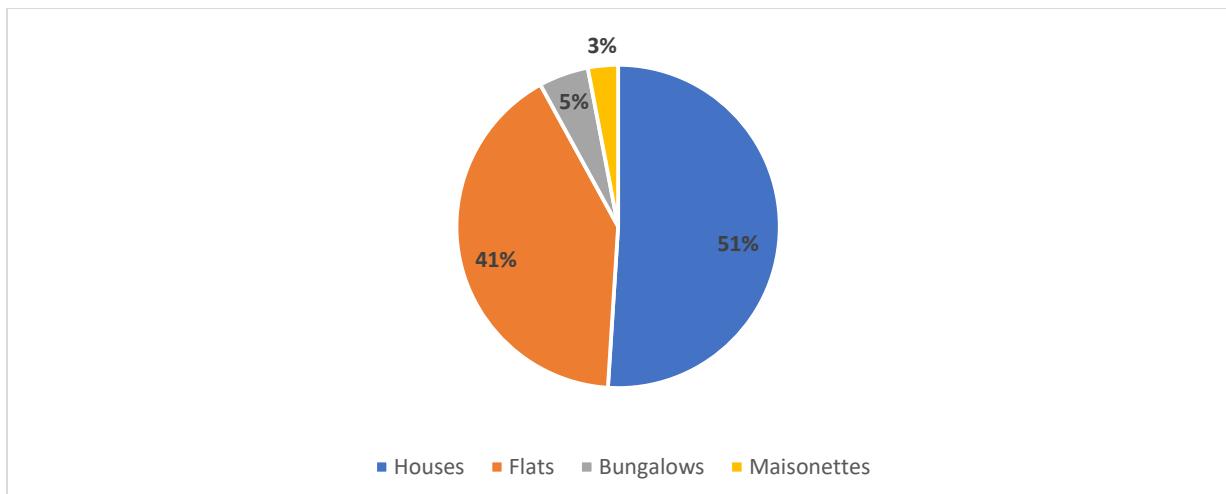
#### 4. The Current Stock Portfolio

##### 4.1 Residential Property

At the end of the financial year 2023, our housing stock consisted of 28,098 properties. There are also the freeholder of buildings in which there are 1,252 leasehold properties across the borough. In addition, we have 119 properties used for temporary accommodation and an additional 196 for supported housing.

##### 4.2 Housing Stock Profile

This stock consists of 1,567 bungalows, 653 maisonettes, 14,916 houses and 10,962 flats. These properties are managed through our own Housing Services (these figures include the private finance initiative area of Harvills Hawthorn).



## **4.3 Leaseholders**

Whilst we have a relatively small proportion of leasehold properties, ensuring that we manage our services and relationships is vitally important. We hold a legal responsibility with leaseholders to maintain and renew the communal areas and external envelope of their homes.

## **5. Managing the Assets**

### **5.1 Housing Stock**

#### **5.1.1 Repairs and Maintenance**

The council is committed to delivering a high-quality, value for money, modern and effective repairs and maintenance service and to provide homes that are comfortable, maintained, and safe for people to live in.

Sandwell has a direct labour organisation (DLO) of staff who are responsible for the repairs and maintenance of all HRA assets. The Housing Service delivers circa 110,000 responsive repairs each year alongside cyclical maintenance and capital works; this demonstrates a significant investment over the lifetime of the HRA Business Plan. Performance of the DLO is monitored to ensure the aims and objectives are met, whilst achieving value for money with effective resource management.

Repairs and maintenance activity is a significant driver of tenant and leaseholder satisfaction. Our principal aims are:

- To make sure we provide an effective, modern repairs service that tenants and leaseholders can rely on, responding quickly when the need arises.
- To have in place well designed repair and maintenance systems that ensure homes are safe, kept in repair and brought up to, or continue to meet, agreed standards.
- To ensure we repair and maintain the housing stock and communal areas in a way that optimises the use of financial, staffing and other resources and achieves value for money.
- To maximise choice for tenants on investment priorities and component replacement.

#### **5.1.2 Health and Safety**

We have a responsibility in accordance with the Housing Act 2004 to ensure that all residential dwellings are designed, constructed and

maintained free from both unnecessary and unavoidable health and safety risks.

Any risks, including any properties with defects which have a high-risk Housing Health & Safety Rating System (HHSRS) hazard identified during an inspection or visit are actioned immediately to avoid or minimise any hazard which is identified.

### **5.1.3 Gas Servicing**

The repairs and maintenance function are also responsible for an annual inspection of landlord owned gas appliances. This is in accordance with Regulation 36 of the Gas Safety (Installation and Use) Regulations 1998, which places a duty on landlords to ensure that it's gas appliances, installation pipework and chimney systems are maintained in a safe condition.

Under the Health and Safety at work act (Section 3) Sandwell MBC, as a landlord is also obligated to ensure that any flue system that we own that serves a tenant's own appliance is maintained and can safely remove any products of combustion. Where it is the case that a tenant owned appliance is connected to a chimney system we own we also service that appliance as part of best practice.

We also provide a responsive repairs service to our tenants where our gas appliances or heating systems breakdown. Where a gas appliance is found to be beyond economical repair or parts are obsolete, we replace the appliance and where necessary make upgrades to the system via capital improvements.

### **5.1.4 Electrical Test and Inspect**

As best practice, we are ensuring electrical installations in properties are inspected and tested by a person who is qualified and competent, at an interval of at least every 5 years.

The Regulations state that a landlord must ensure that electrical safety standards are met, and that investigative or remedial work is carried out if the report requires this.

Landlords must obtain a report (usually an Electrical Installation Condition Report or EICR) from the person conducting the inspection and test which explains its outcomes and any investigative or remedial work required.

### **5.1.5 Damp, Condensation and Mould**

As part of our commitment to ensuring tenant safety, a zero-tolerance approach to damp and mould will be undertaken.

Initially, we respond to reports of damp and mould on a reactive basis. This means that we will investigate after a tenant has reported an issue to us, or where a hazard has been identified by a surveyor under Hazard Rating System.

As part of the improvement planning process, we will analyse our repair data to determine whether we have a particular issue in certain locations, or with a certain type of property. This may lead to a focussed investment to proactively deal with damp and mould in certain properties including investing in innovative solutions for ventilation and digital monitoring.

## **5.2 Capital Improvement**

The Council's historical improvement regime was to invest in improvements on a cyclical estate by estate basis. Moving forward, our plans for improvement will be determined by an evidence base using data to measure how properties are performing in terms of condition and energy efficiency prioritising improvements on a 'worse first' premise.

We are currently in a transition period with construction partners continuing to deliver existing commitments made to residents for improvement works based on our traditional cyclical approach and we will begin to implement the needs based assessment as we develop a more comprehensive data set for each property.

A third-party consultancy has been commissioned to carry out stock condition surveys on 5000 of our stock over the next 12 months. The longer term plan is to have a rolling programme of surveys over a five year period, however this initial 5000 surveys will be a representative sample of the housing stock including a variety of archetypes across the whole borough, which will help us design future improvement programmes, provide a more robust strategy and support financial forecasting.

The surveys will help identify the condition of the key components within the dwelling. The key components that we look to install or upgrade on a capital improvement programme are: boilers (or other heating sources), electrical upgrade, kitchens, bathrooms, windows, doors, roofs, soil

stacks, fencing, loft insulation, cavity wall insulation, internal wall insulation, PV panels, Air Source Heat Pumps (ASHP), fire safety – e.g. smoke detectors, carbon monoxide, sprinklers, etc.

### **5.3 High-rise blocks**

We have invested in 41 of the Council's 55 high rise blocks to improve the thermal comfort and upgrade the communal areas of the block and ensure that the blocks are compliant with building safety.

Work is in progress on 2 more high rise blocks and design work has been commissioned for 3 further high-rise block refurbishments. The remaining 9 blocks will be prioritised utilising an evidence base considering the outcome of condition surveys, levels of disrepair and housing management considerations.

### **5.4 Retrofit of housing stock**

To some extent, the Council has for many years included retrofit considerations when developing planned improvement programmes for the housing stock. In the early days of retrofit this was limited to cavity wall/loft insulation, double-glazed PVCu windows and heating appliances with high-efficient energy ratings (gas boilers/storage heaters). The need to achieve an EPC rating C by 2030 has increased the emphasis on energy-efficiency works and with this in mind we are now expanding the type of measures included. Successful bids under the Social Housing Decarbonisation Fund (SHDF) for example, have enabled us to specify external and internal wall insulation where appropriate as part of refurbishment schemes .

For high-rise flats in particular, the inclusion of external wall insulation as part of major refurbishment schemes has had a very positive impact upon the lives of residents, both in regard to thermal comfort and energy bills.

During 2023 the first air-source heat network scheme will be delivered to one of the largest high-rise blocks in Sandwell (including some surrounding low-rise). This should provide a template for future high-rise refurbishment projects and will help to decarbonise the stock, replacing gas boilers and electric storage heaters.

### **5.5 Aids and Adaptations**

Aids and adaptations is a demand led service that will be delivered as a result of Occupational Therapist intervention. Assessments are



completed by OT's in line with their good practice guide. Each case will be individually assessed on its own merits and the Council decides what is reasonable in the light of its need to make housing available to a wide range of people in need, over the long term.

The aim of the Adaptations Service is to enable tenants and members of their household with disabilities to be provided with housing which best meets their assessed needs. The council will consider alternatives to adaptations, such as the provision of equipment or if appropriate assistance with relocation, when deciding on the most suitable option(s) to meet a person's needs. Decisions regarding an individual's needs will be made in accordance with the views of the tenant and the council's Guidance for the Provision of Equipment and Adaptations. All other assistance types are discretionary and subject to funding being available.

## **5.6 Voids**

A critical aspect of meeting our obligation to residents is through our performance in re-letting properties, ensuring homes remain vacant for as short a time as possible and completed to the agreed re-let standard.

This approach aims to ensure that a property is properly managed when it becomes vacant, is brought up to the council's 'lettable' standard before a new tenant moves in, and that the rent loss is minimised within the whole process. The 'lettable' standard needs to be reviewed to improve the standard in which the properties are let to residents. This will include considering the work required to improve the decency and the thermal efficiency of the property, whilst there are no tenants in occupation. We will carry out an assessment to understand the work required to ensure a void is EPC C or above before re-let.

## **5.7 Garage sites**

On average, approximately 38% of our garage stock is empty at any one time mainly due to the small size of the garages compared with modern cars and their distance from homes. There are wide variations in garage occupancy levels with some locations sustaining sufficient demand and others in which there is only low, or no, demand. This results in some garage sites looking neglected, which can be a factor in local levels of crime and anti-social behaviour. These garages are managed by the Tenancy & Estate Management Service in conjunction with Strategic Assets and Land as with rent received being paid to the general fund.

A garage strategy is being developed for the future use to maximise income generation. This will shape the investment profile for garages and ensure that the financial and social yield of these sites may be realised.

## **5.8 Play Areas**

Our green spaces team includes officers and inspectors who ensure our play areas are well maintained and inspected:

- Monthly inspections take place to check all equipment is safe and check any maintenance issues that are needed.
- Routine inspections are completed every three months.
- All play area inspection reports keep a record maintenance and improvement actions which are rated on priority. The most urgent issues might require a closure of a piece of equipment until the issue is fixed (i.e. equipment that requires repair), and the lowest level issues (i.e. painting railings) will be completed as soon as we are able, within our budget available

## **5.9 Land**

The Council's affordable housing strategy will make use of available land assets and will do this in a way that supports plans for local estate regeneration.

All HRA land will be reviewed on a continual basis to ensure best use is considered and holding costs mitigated where feasible.

## **5.10 Tenant Satisfaction Survey**

As part of the ongoing commitment to seek the views of tenants, we carry out annual Tenant Satisfaction Surveys using the 'Tenant Satisfaction Measures' (TSM) perception survey questions. The most recent survey carried out in October 2022 has identified that the key driver of overall satisfaction is the quality of home, followed closely by how well the Council listens to residents' views and acts on them. This highlights the need to work with our residents to improve asset management.

There were standout drivers of overall satisfaction that are interrelated: the overall repairs and maintenance service provided, provision of a home which is well maintained and being easy to deal with.

## 6. Compliance and Building Safety

Sandwell Council will publish its Building Safety and Compliance plan later this year. This strategic document will set out our approach to ensuring our buildings are safe and meet regulatory requirements set out in the Building Safety Act 2022 (referred to as 'the Act').

This plan will outline how we follow new design and construction standards, meet our commitment to keep residents safe and engage with them.

## 7. Investment Priorities

There are a number of possible scenarios around asset investment with competing priorities. Whilst some investment is essential and non-discretionary (e.g. statutory compliance activity or work to maintain Decent Homes), other investment is more discretionary.

As a result, this also means working closely with residents to understand their needs and concerns, incorporating their feedback into housing and asset management decisions. Disrepair and updated legislation mean that budgets are more strained than ever. Whilst compliance and minimum standards will need to be adhered to, certain aspects of capital delivery works may need to be changed or scaled back.

### **7.1 Investment planning**

To date the Council has planned investment on a cyclical and estate by estate basis, however, the objective is to develop a longer-term programme of work that can provide stakeholders with greater visibility of work in the medium term. This new strategy will provide a framework to develop a 5-year programme of work to determine what works are required, to which properties via which works packages in which year.

The stock condition survey results will provide the baseline for the investment planning process. Added to these will be non-survey costs which include: communal area improvements and electrical upgrades, building safety and other compliance costs, estate and external works, door entry systems, and small scale improvements, as well as day to day maintenance (responsive void and cyclical).