

SLOUGH BOROUGH COUNCIL

REPORT TO: Neighbourhoods and Community Services Scrutiny Panel

DATE: 24th June 2019

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WARD(S): All

PART I

FOR COMMENT AND CONSIDERATION

PROGRESS WITH IMPLEMENTATION OF HOUSING ASSET MANAGEMENT STRATEGY AND HRA INVESTMENT PROGRAMME

1. **Purpose of Report**

The Scrutiny Panel is requested to consider this report which provides details of further progress made on HRA investment programmes and the continued application of the Council's Housing Asset Management Strategy.

2. **Recommendation(s)/Proposed Action**

The Committee is requested to consider and comment on the report.

3a. **Slough Joint Wellbeing Strategy Priorities –**

Priority 4: Housing

Using financial modelling software - APE (Asset Performance Evaluation Model), the Housing Development & Contracts (HDC) team continue to analyse data collated during delivery of the responsive repair and maintenance service under the RMI contract, to augment and validate the earlier planned maintenance priorities raised by the 2016 stock condition survey data and thereby inform and prioritise future strategic asset management and investment decisions.

- The APE model provides SBC with a robust evidence based methodology to allow objective identification and evaluation of HRA stock to strategise disposal of poorly performing homes or regenerate parts of the estate with affordable homes offering better utility and environmental performance in line with the councils' adopted strategy. .
- As a result, over time, all our residents will live in good quality homes and the number of affordable homes lost by Right to Buy (RTB) will be gradually replaced.

It is expected the Asset Management Strategy will;

- Ensure investment into the housing stock supports the strategic priorities of the council;

- Becomes a living document providing an actionable approach to delivering a sustainable, quality portfolio of mixed tenure housing;
- Links to the RMI contract to ensure the stock is maintained to the 'Slough Lettable Standard';
- Identify opportunities to replace obsolete and uneconomic stock with new properties that better meet residents needs and are financially sustainable;
- Utilise the wider HRA asset base to develop opportunities to expand the housing stock;
- Have a consistent approach to appraising stock and its value as part of the strategic use of the Asset Performance Evaluation model;
- Consider disposal of stock and other assets;
- Ensure there is sufficient stock available to cater for the needs of a range of vulnerable groups within the borough;
- Link to the council's corporate Asset Management Strategy;
- Show effective links to the emerging energy strategy and green agenda.

3b. **Five Year Plan Outcomes**

The Council's Five Year Plan 2019-2024 sets out the aims and priorities of the council for the five year period and addresses the challenges that the borough faces. Its stated aim is "Growing a place of opportunity and ambition".

By providing new high quality, sustainable homes HDC will contribute significantly to this aim by realising 1000+ units comprising of;

- '1 and 2 bedroom homes, through the Air-Space development project;
- development of garage sites and other small scale regeneration projects each subject to an individual development appraisal and financial evaluation.

In addition, the RMI contract with service partner, Osborne Property Services Limited, and other competitively procured contractors, will improve the quality of housing, and neighbourhoods through delivering;

- Investment programmes to existing assets
- Responsive repairs and maintenance services
- Regeneration of garage sites to create safer neighbourhoods to address issues of ASB and loss of rental income from under-utilised assets.

The investment delivered in 2018/19 and planned in the year ahead will contribute to the following outcomes:

- **Outcome 3** - Slough will be an attractive place where people choose to live, work and stay
- **Outcome 4** - Our residents will live in good quality homes

4. Other Implications

(a) Financial

There are no unplanned management and consultancy costs or financial implications of proposed action associated with the ongoing development appraisals . The scale of the development programmes arising from the current appraisals and acquisitions will themselves , attract external funding with business cases developed to support each project.

(b) Programme Risk Management

Recommendation from section 2 above	Risks/Threats/ Opportunities	Current Controls	Score	Future Controls
Economic/ Financial	Normal major construction cost & development risks	Scheme approval on a project by project basis	12 Marginal impact. Very High probability	Fully funded programme to be planned and evaluated for sites showing technical & financial feasibility.
Political	Reputational risk to council owing to exercise of normal town planning process	Independence & transparency of the existing Town Planning Process	18 Critical impact. Very High probability	HDC to enter into a pre-application protocol to take on board policy constraints
Health & Safety	Normal construction risk	Application of Construction Design & Management Regulations 2015	18 Catastrophic impact. Significant probability	Full decant existing homes; Policy to only carry out major remodelling works in unoccupied homes
Environment	Existing policies given lip service only.	SBC Environmental & Sustainability policy	15 Critical impact. High probability	Introduce the opportunity to meet The Code for Sustainable Homes assessment process
Legal/Regulatory	Uneconomical to meet necessary standards of additional fire safety and rescue	Current compliance with FRA (Fire Risk Assessment)	12 Critical impact. Significant probability	Rule out un-economic developments at appraisal stage stage
Management inc. Contractual	Balance of risk sharing between SBC & Builder will be	Competitive tendering process	15 Critical impact.	Carefully consider contract & procurement strategy so best

	considered		High probability	value achieved
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(c) Human Rights Act and Other Legal Implications

There are no Human Rights Act implications.

Other legal implications are associated with normal design and development consideration under Town & Country Planning Acts, Health & Safety at Work Act, the Building Acts and regulations and orders thereunder; the Housing Acts and the Law of Property Act 1925 and regulations and orders thereunder related to title and leasehold management issues including service charges.

(d) Equalities Impact Assessment

The proposal impacts disability groups in the respect that, by their nature, the development of new homes above ground level may present physical constraints to potential mobility disabled residents regarding gaining access to upper storeys.

This impact will be mitigated by the opportunity to simultaneously carry out mobility adaptation works within ground floor flats decanted for refurbishment as part of the air-space development programme. Working alongside colleagues in Adult Social Care and Childrens' Services HDC have identified specific opportunities to build and refurbish properties to meet specialist needs.

5. **Supporting Information**

5.1 Housing Development

The existing HRA housing portfolio accounts for some 6100 homes which includes 355 blocks located throughout the Borough. The APE has identified a range of development opportunities on existing HRA sites including specific sites targeted to meet the needs of young people, adults and vulnerable people from the Asset Management Strategy.

HDC has identified 39 garage sites for prospective housing development subject to feasibility and planning. This includes sites identified for specialist accommodation for young people / 'moving on' accommodation and specialist accommodation for vulnerable adults, including dementia care, and extra care. The programme for investment will be updated and information made available to members on ward specific development via SBC InSite.

In addition to HRA sites there are a number of projects where HDC are working with designers and planners to provide a range of affordable homes for general housing. The draft programme is attached at Appendix 1 with projected numbers of units and handover timescales.

The programme, associated maps and drawings will be made available to Members with regular updates. The HDC team are working with the SBC communications team to review the internal and external websites on how this can best be achieved.

5.2 Investment

HDC implemented a programme of investment, via the RMI partnership in 2018/19, © £10m detailed in Table 1 below.

Table 1 – RMI Investment Programme 2018/19

RMI Investment Project	Completed 2018/19
Electrical Testing (EICR)	1021
Electrical Wiring	224
New Roofs	189
New Kitchens and Bathrooms	50
Gas Boiler Replacements	618
Entrance Doors	153
Window replacements	32 properties
Fire Risk Assessment Surveys (FRA)	All communal areas across housing stock
Asbestos Management Surveys	All communal areas across housing stock
FRA works to de-designated sites	9 sites in progress
Garage sites	Refurbishment of 12 sites completed with 107 garages demolished, 8 sites in progress and a further 19 sites at various stages
Major Aids and Adaptations	12 properties received from Home Improvement Agency
Broom & Poplar FRA works and refurbishment	Two thirds completed
Herschel & Victoria Street HMOs	Refurbishment of two properties delivering 20 bed units for temporary accommodation

5.2.1 An initial programme of planned investment has been developed for 2019/20. subject to detailed scoping surveys to each programmed property prior to work starting in order to validate the stock condition results and confirm the components to be replaced or repaired. The programme includes:

- Fire Risk Assessment (FRA) works and asbestos removal from communal areas and upgrading door entry systems.
All communal areas of low rise flats have new FRAs and statutory compliance works identified.
- Boiler Replacements - problematic boilers reaching end of their economic life so reducing future maintenance and reducing future CO² emissions.
- Garage Sites - Preparation of sites for development and implementation of garage strategy

- De-Designated Schemes - Upgrade of communal areas following on from FRA works. These areas are in poor condition and have suffered from lack of investment in the past
- Kitchens and Bathrooms - Traditional investment in kitchens and bathrooms concentrating on oldest first and those in poor condition
- Re- Wiring/ Consumer Units - these works are being undertaken as a result of Cyclical Electrical tests that are being done (4000+ EICR's in current financial year)
- Windows and Doors - Planned programme to replace old and defective elements, to decrease future maintenance costs and to improve security to residents. Installation of fire doors where identified by FRAs.
- Door Entry systems – Stock condition survey via KMS to identify and programme replacement of old and failing systems
- Broom and Poplar – significant investment project arising from statutory compliance issues relating to fire risk in high rise buildings.

5.2.2 An example of the works completed in 2018/19 and planned programme for 2019/20 is attached at Appendix 2 and includes an example of the delivery of the garage strategy programme. This information will be provided for all investment programmes for Members to access via SBC InSite and will be updated on a monthly basis by the RMI Client Team.

5.2.3 Future IT service innovation plans for the RMI Partnership include access for residents. This forms part of the council's transformation programme to upgrade IT which will enable the RMI to interface with SBC systems and residents can have access to their respective repairs and planned investment information.

The pilot of the Slough Repairs APP is still underway with the Housing (People) Services team identifying ways to engage with residents to encourage use of the APP to gather feedback to refine and develop the APP before full launch.

5.2.3 The wider performance of the RMI contract was approved at the RMI Strategic Management Board in May 2019, and is included at Appendix 3. An update report will be presented at Overview and Scrutiny Committee in July 2019.

6. **Comments of Other Committees**

No other comments have been made.

7. **Conclusion**

The Slough Housing Strategy 2016-2021 sets out in detail the context within which Slough will be building new homes. This report sets out the programmes and activities in the pipeline to deliver new homes, including specialist needs homes and sets out the investment being made in existing stock to improve sustainability and enhance the present value of the HRA portfolio..

8. **Appendices**

- Appendix A HDC Development Programme (14.06.19)
- Appendix B RMI Investment programme 2018/19 and 2019/20
(example information)
- Appendix C RMI Performance 2018/19

