

Report to:	Cabinet	10 January 2022
Lead Cabinet Member:	Councillor John Batchelor – Lead Cabinet Member for Housing	
Lead Officer:	Peter Campbell – Head of Housing	

Housing Revenue Account (HRA) Asset Management Strategy 2021 – 2026

Building Strong Foundations

Executive Summary

1. The purpose of this report is to consider the Asset Management Strategy 2021-2026 relating to the Housing Revenue Account (HRA).
2. The Strategy sets out the strategic medium and long-term approach to maintaining, improving and developing the Council's housing assets which sit within the Housing Revenue Account. It details the key priorities for the physical care and improvement of the council homes we provide, along with their surrounding environment.
3. The Strategy explains how the Council can ensure that our housing offer continues to meet the needs of the local people of the District. It also sets out how the housing asset base can be used to assist in the delivery of some of the Council's other strategic priorities.

Key Decision

4. Yes

Definition of key decision:

(a) it results in the authority incurring expenditure which is, or the making of savings which are, significant having regard to this Council's budget for the service or function to which the decision relates; and

(b) it is significant in terms of its effects on communities living or working in an area comprising two or more wards or electoral divisions in the area of the relevant local authority.

The key decision was first published in the 1st September 2021 Forward Plan.

Recommendations

5. It is recommended that Cabinet approves the HRA Asset Management Strategy 2021-2026, as set out at Appendix A,

Reasons for Recommendations

6. To ensure we have an up-to-date Strategy that provides clear direction for the key priorities for investment in our housing stock, so that homes are future-proofed, are of a high quality and meet the future needs of our tenants and leaseholders.

Details

7. The HRA Asset Management Strategy is a comprehensive document that provides an overview of the current national and local drivers relating to the housing service, background information on the demographic profile of the District and details of the current housing stock. This sets the scene for nine key priorities that are the key drivers in maintaining and improving the housing stock. An overriding Action Plan has been developed, setting out the activities required to deliver the Strategy. The Action Plan will be a live document monitored regularly through the Housing Management Service Team meetings and through the Housing Engagement Board.

8. Listening to our tenants and leaseholders is a fundamental part of the Strategy. The Council recognises the benefits of tenants being involved in the management of their homes and welcomes the vital role they can play in helping to improve the housing and repairs service. Over the previous two years, a new Resident Involvement Framework has been implemented which allows tenants and leaseholders opportunities to become involved in the management of their homes. We will continue to strengthen this work and embed resident involvement into the core of the housing service, ensuring that as a minimum we meet the commitments made to tenants in the Charter for Social Housing Residents.
9. 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.
10. The nine key priorities identified within the Strategy include:
- **Priority A:** To ensure that our housing stock provides homes that are safe and secure and that we meet or exceed all statutory safety standards.
 - **Priority B:** To have in place well designed repair and maintenance systems that ensure homes are well maintained and kept in a good state of repair.
 - **Priority C:** To have a long-term strategy and programme in place to improve the thermal efficiency of homes and reduce their carbon emissions with the aim of being carbon neutral by 2050.
 - **Priority D:** To ensure that homes are brought up to and maintained at a locally determined Standard, remaining attractive and meeting modern requirements and tenant expectations.

- **Priority E:** To replace obsolete or uneconomic properties with new homes that are better designed to meet future needs and create a better-balanced portfolio.
- **Priority F:** To identify opportunities to acquire through purchase or direct build, additional homes to increase the number of council-owned properties available of the type and quality needed in locations where people want to live.
- **Priority G:** To ensure our homes meet the requirements of people with specific needs.
- **Priority H:** To use procurement processes to best effect and adopt a strong approach to contract management to optimise quality and value in the delivery of all repairs, maintenance and improvement works.
- **Priority I:** To use the housing assets to help deliver the wider corporate priorities of the Council,

11. The Strategy also acknowledges the need to review other HRA assets and activities, such as garage sites and council-owned land, to ensure we are making best use of these and that they provide value for money.

Options

12. To approve the HRA Asset Management Strategy 2021-2026 which sets out clear actions to be achieved.

13. To reject the HRA Asset Management Strategy 2021-2026. Without an up-to-date HRA Asset Management Strategy, the Council is unable to demonstrate a strategic vision and its key priorities to ensure our council homes and other housing assets are future-proofed, are of a high quality and meet the needs of the District.

Implications

14. In the writing of this report, taking into account financial, legal, staffing, risk, equality and diversity, climate change, and any other key issues, the following implications have been considered:-

Financial

15. The Asset Management Strategy provides an indicative estimate of the investment required to repair, maintain and improve the housing stock of around £443 million over the next 30 years. This estimate is based on existing stock data and early indicative costs for working towards net zero carbon by 2050. This estimated figure is subject to developing a better understanding of our stock through the stock condition survey which will help to progress our long term aims. The figure does not include costs associated with the Council's New-Build Programme.

Legal

16. There are no significant legal implications for the implementation of the HRA Asset Management Strategy. However, it should be noted that there may be additional obligations placed on the Council relating to further legislation on health and safety following the 2021 publication of the Housing White Paper and the anticipated Building Safety Bill.

Staffing

17. There are no significant staffing implications arising directly from the implementation of the HRA Asset Management Strategy. A new Service Manager – Housing Assets has recently been recruited who will oversee the key priorities for the improvement and maintenance of council homes, as well as providing robust contract management.

Risks/Opportunities

18. Whilst there are no significant risk management implications for the approval of the HRA Asset Management Strategy, there will be individual risks and opportunities identified as part of the implementation of some of the actions. These will be managed as part of our risk management controls.

Equality and Diversity

19. In developing the Asset Management Strategy, an equality impact assessment has been carried out. The expectation is that measures set out within the Strategy will have a positive impact overall for those living in our council homes. All tenants and leaseholders, regardless of their protected characteristic will be treated fairly and in a transparent way. There is recognition that there may be some need to treat those with a protected characteristic differently, such as developing a different housing standard for those in sheltered housing or special considerations for those with disabilities when planning works. Priority G within the Strategy makes reference to ensuring our council homes meet the requirements of people with specific needs, which would encompass all nine protected characteristics, such as older people, those with disabilities and families with children including expectant mothers.

20. The equality impact assessment also acknowledges that as specific key actions are developed there may be potential for some to feel a negative impact rather than a positive one, and action may be required to mitigate and minimise such situations. As an example, the move towards net zero carbon is likely to require a cultural change and older people may require additional support to help them to adjust to new technologies. Where tenant/leaseholders may be affected by any actions set out in the Strategy, these will be considered on an individual basis, with appropriate action agreed to help mitigate any negative impacts.

Climate Change

21. There are no climate change implications. It should be noted that the priority for thermal insulation and working towards Net Zero Carbon for our council stock will have a positive impact on climate change.

Health & Wellbeing

22. The HRA Asset Management Strategy will provide positive outcomes for our tenants and leaseholders in terms of their health and wellbeing, ensuring homes are fit for purpose and meet the needs of existing and future residents.

Consultation responses

23. As part of the development of the HRA Asset Management Strategy, a workshop consisting of tenant representatives and Members was held on 30 November 2021. Feedback from the workshop has been incorporated into the HRA Asset Management Strategy, with changes highlighted in yellow for ease of reference. The Strategy will also be considered by the Housing Engagement Board on 20 December 2021 before final approval by Cabinet.

Alignment with Council Priority Areas

Growing local businesses and economies

24. Encouraging local businesses to bid for contracts.

25. The potential to deliver affordable housing for local workers to reduce commuting time and help with recruitment and retention issues that are key to the local economy.

Housing that is truly affordable for everyone to live in

26. Increase the number of council homes each year to support people on lower incomes, that are energy efficient and affordable.
27. Ensure rents meet the Greater Cambridge Affordable Rents policy as a minimum.

Being green to our core

28. Improving the energy efficiency of existing council housing to reduce carbon impact and running costs.
29. Demonstrate that new build social housing can be constructed following the principles of Net Zero Carbon.
30. Seek opportunities to plant trees, establish wildflower strips and in other ways enhance nature on council-owned estates as part of the aim of doubling nature.
31. Through our tenant engagement target campaigns to promote the Council's priorities to be green to our core.

A modern and caring Council

32. Preventing homelessness and providing support for vulnerable people.
33. Ensuring that our council homes are safe places for our tenants and their families.
34. Ensuring we have a robust framework, and sufficient communication channels for tenant engagement.

Background Papers

Details of the Savills Report and the Net Zero Carbon Report referred to in the Strategy are held by the Service Manager – Housing Assets.

Appendices

Appendix A: HRA Asset Management Strategy 2021-2026

Report Author:

Peter Campbell – Head of Housing

Draft Cabinet Report