

Sandwell Council Housing Asset Management Strategy 2024 - 2029



Sandwell
Metropolitan Borough Council

Contents

1. Introduction	4
2. Key Achievements	5
3. Background	6
3.1 Scope	7
3.2 Purpose	8
3.3 Strategic Priorities	8
3.4 Context	9
3.4.1 National Context	9
3.4.2 Housing Growth	9
3.4.3 Climate Change and The Low Carbon Future	10
3.5 Legal and Policy Context.....	10
3.5.1 Building Safety	10
3.5.2 Regulatory Standards	11
3.5.3 Decent Homes Standard	11
3.5.4 Regulatory reform	11
3.6 Strategic and Policy Alignment.....	11
4. The Current Stock Portfolio	12
4.1 Residential Property	12
4.2 Housing Stock Profile	12
4.3 Housing council stock mix by Town Area [as at August 2023]:	13
4.4 Leaseholders	13
4.5 Other HRA Assets	13
5. Managing the Assets	14
5.1 Housing Stock	14
5.1.1 Repairs and Maintenance	14
5.1.2 Health and Safety	14
5.1.3 Gas Servicing	15
5.1.4 Electrical Test and Inspect.....	15
5.1.5 Damp, Condensation and Mould	15
5.2 Capital Improvement	16
5.3 High-rise blocks	17
5.4 Retrofit of housing stock.....	17
5.5 Aids and Adaptations	17
5.6 Voids	18
5.7 Garage sites	18
5.8 Commercial Property.....	19

5.9 Play Areas	19
5.10 Land	19
5.11 Tenant Satisfaction Survey	20
6. Compliance and Building Safety	20
7. Investment Priorities	20
7.1 Investment planning	21
7.2 Value for money	22
8. Action Planning.....	22
8.1 Governance.....	22
9. Appendices.....	23

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.

The key objective of the Council's asset management strategy is to ensure that we utilise our assets in the most effective way for the benefit of both its existing and potential residents and the council.

By achieving the strategic housing objectives set out in this strategy, we will support the delivery of the commitments in the Corporate Plan 2021-25, specifically on the themes of 'Quality Homes in Thriving Neighbourhoods' and 'Strong Resilient Communities'. The objectives of these themes include:

Quality Homes in Thriving Neighbourhoods:

- Ensuring the safety compliance of all council homes and working to improve the energy efficiency of council homes including upgrading heating systems.
- Keeping people independent in their own home through design and adaptation of homes.
- Incorporating more renewable energy measures into council homes, including modern methods of construction and heating.
- Improving tenancy engagement including with those in high rise flats.
- Ensuring that tenants live in safe and thriving communities.

A Strong and Inclusive Economy

- We will lead our partners in Sandwell to make the most of all our assets, spend local wherever possible and make long-term investment decisions that benefit our borough.
- We will spend more money directly with suppliers in Sandwell. We will do this by ensuring we partner with suppliers and contractors who have a long-term commitment to Sandwell and will contribute to growing the local economy.
- We will work with local providers to ensure local spend also has green outcomes.

Strong Resilient Communities:

- We will put the needs of our tenants and residents at the heart of what we do, establishing processes to engage with them to ensure that our residents guide and influence our services.
- We will embed climate change considerations into our decision making to enable us to become a carbon neutral council by 2030.
- We will work to make our own housing stock greener by implementing minimum energy performance standards for our council homes and exemplar schemes for modern methods of construction.

The Housing Asset Management Strategy 2024-2029 will help meet the needs identified in the Council's Housing Strategy, Housing Revenue Account 30 year Business Plan, Climate Change Strategy and Regeneration Strategy but also other emerging strategies and plans where housing has a part to play in meeting the needs and aspirations of our communities. This data and intelligence has also been coupled with the voice of our residents and we have consulted widely before finalising the strategy for adoption. By involving local communities in the process, we can develop sustainable and effective solutions that meet the needs of everyone in the community.

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.

We begin by outlining the background, context and scope that has informed this strategy. In addition, we have ensured the strategy reflects the national changes to housing, welfare and planning policy that have taken place in recent years at a national, regional and local level.

The document then lays out how it will maintain and improve its housing assets. This includes housing, commercial property, garages, and other associated pieces of land.

Finally, we set out the action planning, governance and monitoring arrangements which will ensure we deliver on these strategic priorities.

2. Key Achievements

The last Housing Asset Management Strategy was produced in 2017 and there have been a number of achievements as a result of the previous document. Included in the progress made is the delivery of new affordable homes, improving existing homes, mitigating climate change and contributing to health and wellbeing outcomes:

- Adaptations completed on over 2,000 council owned properties to address disability needs in housing stock across the borough.

- Drawn on external funding in order to award over 500 grants for heating or boiler repairs and over 100 grants to tackle urgent disrepair.
- Since February 2019, we have invested in 4,000 homes to improve their energy efficiency by replacing roofs, doors and windows and installing roof and external / cavity wall insulation.
- Repaired and re-let around 1,500 homes annually.
- Achieved an average time of 16.7 days to complete all types of repairs.
- More than 4,300 emergency / urgent repairs completed annually. 97% of emergency and urgent jobs were completed within 24 hours and on time urgent jobs are completed within three working days.
- Implementation of a new 30 Year Business Plan. This sets out our strategic plan for managing and maintaining our social housing homes.
- Completed over 110,000 responsive repairs annually.
- Reviewed and produced Sandwell's Housing Strategy for the period 2023 to 2028. This will be actively monitored throughout the period.

3. Background

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

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.

Since the introduction in 2012 of Housing Revenue Account Self-Financing (which resulted in a loan settlement for Sandwell Council of £504million). The local authority has had a greater degree of control over the use and management of the HRA. Self-financing allowed decision making at a local level to drive planning for investment in housing stock and set spending priorities in line with local demand for repairs.

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. This limited data impinges on the ability to provide a detailed strategy for investment meeting the legislative requirements. However, 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 over the next five years as more quality data is collected.

This document is supported by an action plan, set out at Appendix One, that details the activities required to deliver the evidence-based strategy.

This strategy sets out the key areas for managing the assets, ensuring it links closely to our objectives, and highlights risk and opportunities around all our HRA assets.

Our current strategic approach aims include:

- Providing homes which will be more affordable running costs to our residents.
- Developing a more environmentally sustainable asset base.
- Reducing the 'whole life' running costs of our properties.
- Demonstrating value for money through collaborative procurement & partnerships.
- Investing strategically in our homes and neighbourhoods.
- Appropriately disposing of assets, enabling investment in new homes & reinvestment in existing homes.
- Creating homes and neighbourhoods that meet our tenants and residents' needs and expectations both now and in the future.
- Meeting our commitments to building safety compliance in order to keep residents safe.

3.1 Scope

This document details the approach to managing, maintaining, investing in, and reviewing our homes, land and other associated assets. This document also explains a range of flexible approaches put in place to maintain, improve and develop our housing assets over the short, medium, and longer term, highlighting areas for improvement and review.

The key steps to developing and implementing the robust Asset Management Strategy for HRA assets are all based upon information and intelligence gathering, with the following factors all influencing the strategy:

- Political and Corporate Drivers
- Stock Condition Information
- Intelligence from the industry including workforce, supply chain, material costs
- Resident insight
- Budgetary information – forecasting with market influences.

Once the above are known in full we will develop:

- **An investment plan** – to deliver a detailed 30-year plan based on the demand and the available budget including availability of grant funding.
- **Implementation plan** – to detail the delivery model and prioritised timeline for investment authorised by a Cabinet Report

3.2 Purpose

The asset management strategy will contribute to delivery of our corporate and directorate business plans. It structures our ability to deliver three core components of asset management:

- **Stock investment:** Investing to maintain the stock to a standard that meets tenant and leaseholder needs and regulatory requirements including building safety
- **Active Asset Management:** Activities to improve the performance of assets that have a poor social, economic or environmental performance, because of low demand or high costs, and either repairing them, or replacing elements to ensure they are fit for purpose.
- **Supporting wider objectives:** Being clear where and how asset management is supporting wider objectives, such as, energy efficiency, increasing the supply of new homes and creating sustainable communities.

3.3 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.

3.4 Context

3.4.1 National Context

The current economic conditions, with high inflation and interest rates, present affordability challenges for our residents, and for our business plan. There are limits (e.g. rent caps) on the extent to which we can increase our income in line with inflation. Resources in our business plan will be constrained and this strategy sets out the challenges that need to be overcome.

The housing sector is currently facing several complex and diverse challenges including increased building industry costs, higher interest rates, a cost-of-living crisis (including increasing energy costs) for our residents, alongside an increased demand on housing need and customer expectation, and new legislative requirements that all Housing Services are facing. There are several key national strategic factors, which will influence how we manage our assets such as housing growth and climate change and the low carbon future. This strategy, therefore, needs to understand and respond to them, considering the local context and the scope for investment within the constraints of the HRA Business Plan and Building Safety regulations.

3.4.2 Housing Growth

The Government and the Regulator of Social Housing (RSH) have set a clear expectation that social landlords should use any increased rental income generated as a result of a return to annual rent rises to continue to invest in existing homes (capital improvement) and deliver new homes. These rent rises have been re-introduced due to the implications of the reduction in rents between 2016 and 2020 had seen our finances significantly impacted.

Addressing the housing shortage is a priority issue for the government as well as the Council and one that carries clear expectations on how housing supply is increased to meet local housing needs.

In 2022/23, 8,121 applications were made for affordable homes in Sandwell, of those only 2,877 (35%) qualified to join our Housing Register. Over the same period 1,449 properties became available during that year, a clear indication that demand continues to outstrip supply in Sandwell by some margin. The lack of affordable housing is a national issue and the government have set out a number of initiatives to support people into achieving home ownership as well as supporting local authorities to deliver new homes. The Council will continue to prioritise the delivery of new homes alongside remodelling redundant space within existing assets to create new homes.

However, the increasing number of emerging sector priorities, such as net zero carbon and building safety, is increasing the complexity of our investment levels

decisions. It is recognised that these competing priorities, demands and legislation will change during this time and will potentially impact the extent to which we can deliver on our objectives that currently exist.

3.4.3 Climate Change and The Low Carbon Future

Emissions from homes are estimated to account for 22% of all UK carbon emissions (including consumed electricity), and social housing contributes 10% of this. The Government has made commitments to tackle climate change including the 2017 Clean Growth Strategy which set the requirement for registered providers to achieve EPC C by 2030¹. At the time of writing, the Government is also reviewing the Decent Homes Standard which will have requirements for broader changes and investment. The Regulator of Social Housing (RSH) expects social landlords to be working to understand the actual costs of making carbon reduction improvements to our assets. With the vast majority of our current stock built before 1990, the cost of achieving EPC C are likely to be significant, requiring retrofit measures such as improved insulation, more efficient heating and hot water systems and microgeneration systems (e.g., solar panels). By 2025, new build homes will need to be low carbon and energy efficient. These new technologies will incur additional construction costs as well as increased ongoing repair, maintenance and component renewals throughout the life of the property.

3.5 Legal and Policy Context

There are a variety of national and local factors that have to be considered which underpin the strategy:

3.5.1 Building Safety

Tragic events such as the Grenfell Fire have increased the Government's and the RSH's focus on building safety, maintenance, internal governance, and the importance of resident engagement. The subsequent public inquiries and reviews have brought increased scrutiny of the approach to building management, investment, and maintenance of high-rise blocks, but also the wider issue of ensuring the safety of tenants and others.

Significant changes to our legal obligations became law during 2021 through the Fire Safety Act 2021 and the Building Safety Act 2022. Extensive work has been undertaken in 2021 and 2022 across the stock and we will continue our work to uphold and strengthen how we maintain the safety of residents through our management of higher risk buildings.

¹ An EPC gives a property an energy efficiency rating from A (most efficient) to G (least efficient) and is valid for 10 years.

3.5.2 Regulatory Standards

The Regulator of Social Housing's newly proposed Home Standard requires registered providers to:

- ensure that tenants' homes meet the Decent Homes Standard,
- provide a cost-effective repairs and maintenance service to homes and communal areas, and
- respond to the needs of tenants.

This applies to the breadth of our asset management activity including the delivery of responsive and cyclical repairs, responsible neighbourhood management, planned maintenance and the HRA Capital Programme, work on vacant properties and the delivery of aids and adaptations.

3.5.3 Decent Homes Standard

The 2020 Social Housing White Paper confirmed a review of the Decent Homes Standard, the first time the Standard has been updated since 2006. The first phase of the review – focused on establishing a case for change to the current standard – concluded in Autumn 2021. Phase 2 of the review, focused on the development of a new Standard, has now begun.

3.5.4 Regulatory reform

The Social Housing (Regulation) Act, which was introduced to parliament in July 2023, will deliver on the Government's social housing white paper commitment to legislate to strengthen the Regulator of Social Housing's consumer regulation objectives to explicitly include safety. This draft legislation also includes social landlords' duty to appoint a nominated person responsible for complying with their health and safety requirements.

This legislation will bring significant reform to the regulation of social housing with the introduction of routine inspections to assess compliance with the consumer standards and unlimited fines in cases of non-compliance.

The Act sets out that tenants should expect:

- to be safe and secure in their home.
- to know how the council, as their landlord, is performing, in comparison to other landlords through the reporting of proposed Tenant Satisfaction Measures.
- to be treated with respect, have voices heard and have complaints dealt with promptly and fairly.
- to have a good quality home and neighbourhood.
- tenants and residents have a voice in how their services are delivered.

3.6 Strategic and Policy Alignment

The Council's vision, as set out in the Corporate Plan 2021 - 2025, is for Sandwell to deliver 'Quality Homes in Thriving Neighbourhoods' and 'Strong, Resilient

Communities'. By achieving the objectives in this strategy, we will support these commitments.

The Housing Asset Management Strategy will align with council plans and strategies but will also influence and guide a range of supporting or inter-related strategies, plans and policies. This will ensure that the management of our assets is part of a wider approach to delivering high quality services and places for the benefit of our residents. The key documents that should be read in conjunction with this strategy include:

- Sandwell 2030 Vision: Corporate Plan 2021 – 2025
- Sandwell MBC Local Development Scheme 2022
- Sandwell Regeneration Strategy 2022 – 2027
- Housing Revenue Account 30 Year Business Plan 2023-2053
- Sandwell Housing Strategy 2023 – 2028
- Building Safety Compliance Strategy 2023

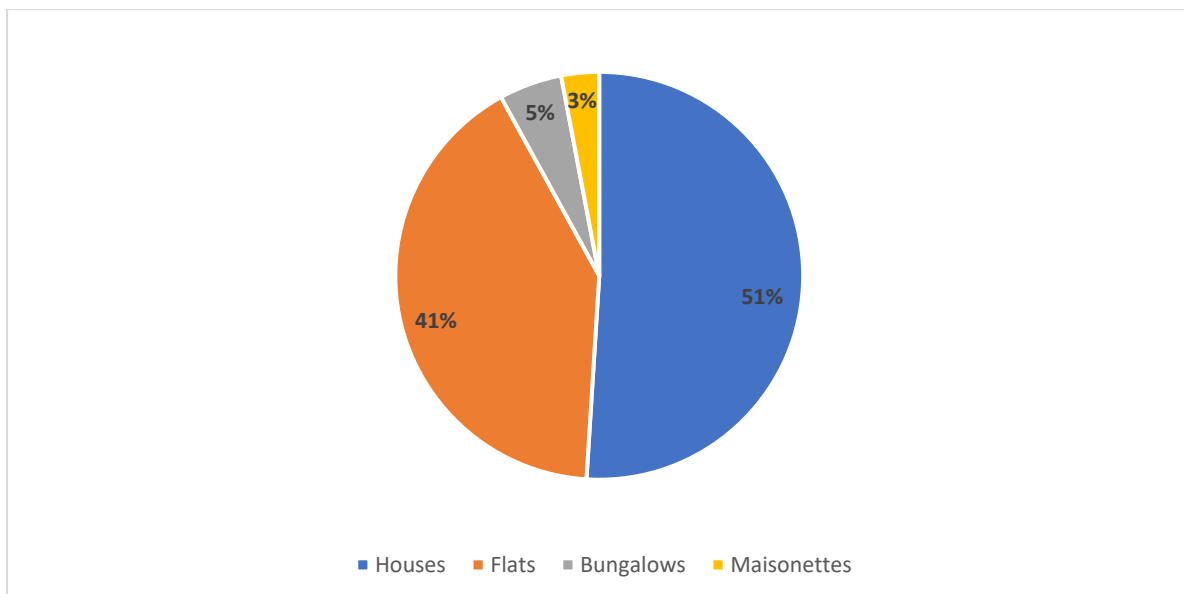
4. The Current Stock Portfolio

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 Housing council stock mix by Town Area [as at August 2023]:

The mix of property types affects the management and investment requirements of our stock. It also affects how well it aligns with local need and demand. Council stock distribution by town area is uneven, with Wednesbury sharing the lowest at 12.0% and West Bromwich accommodating the highest share at 26.0%. By stock type, 51.0% of bungalows are located in Wednesbury and West Bromwich, whilst nearly 40.0% of maisonettes are sited in Smethwick. Just under a third of flats are located in West Bromwich with Wednesbury having the lowest share at 7.0%. Houses as a stock type are more evenly distributed.

Town Area	Bungalow	Flat	House	Maisonette	Total
Oldbury	195	1,885	2,012	27	4,119
Rowley	196	1,808	2,931	0	4,935
Smethwick	135	1,173	1,777	368	3,453
Tipton	252	1,963	2,588	180	4,803
Wednesbury	298	702	2,372	16	3,388
West Bromwich	531	3,359	3,228	102	7,220
Grand Total	1,607	10,890*	14,908	693	28,098**

* = *3,040 flats are categorised as high-rise.

** = Figures provided are for SMBC stock and PFI Riverside.

4.4 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. We must meet the requirements of the leases held and ensure that we are providing value for money and will consult with leaseholders regarding any planned improvement works.

4.5 Other HRA Assets

2,700 garages across
297 sites

HRA commercial
properties including
15 shops

69 play areas

Vacant land

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 purpose of this function is to maintain the condition of the council's assets providing a quality asset for the expected lifecycle of the component – this is the main service that maintains our 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. The Repairs Service is accessed by most tenants and is highly valued. It is a key service with significant scrutiny.

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.
- To comply with relevant statutory and regulatory obligations.
- To deliver a repairs service which provides an effective balance between reactive and planned works.

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.

This is part of the repairs and maintenance function, however any improvement identified as a result of this will be carried out as a Capital Improvement as a priority.

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 take the same approach to flue systems where a solid fuel appliance is encountered that a tenant has had installed, where we also provide 2 safety inspections a year and 1 chimney sweep.

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 standards that should be met are set out in the 18th edition of the Wiring Regulations.

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.

The electrical installation should be safe for continued use. In practice, if the report does not require investigative or remedial work, the landlord will not be required to carry out any further work.

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.

We also take steps to address high levels of humidity in our properties by installing a humidity controlled extractor fans as a priority.

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. All components have a pre-determined expected lifecycle when a replacement would be expected. By surveying the component, an assessment can be made as to whether it is failing and due a replacement, or whether there is life remaining. This gives us the evidence base to prioritise the improvement works on a worse first basis.

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.

The Council is currently considering development of a major heat network in and around West Bromwich, which could supply heat from a low-carbon source to 12 high-rise council-owned blocks. It could also connect to any future new-build housing developments situated along the designated spine route.

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.

Each adaptation request will be looked at individually to ensure that the adaptation meets the current needs of the resident and where possible amended so that it will meet their needs in the future, thus saving on further adaptations being carried out at a later date.

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.

Properties that have the potential to become long term and high-cost re-lets are assessed to ensure that investment is appropriate, and that the properties will be sustainable following investment, with a positive future net present value.

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

The purpose of this Standard is to:

- Set out the principles and service standards of the void management service.
- Help to meet local housing need by maximising availability of social housing.
- Deliver continuous improvement through efficient management of voids, as well as contributing to sustainable tenancies, maximising rental income.

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 Commercial Property

The Council retains strategic responsibility for the portfolio of HRA commercial properties including 15 shops.

All shop premises are managed on a day-to-day basis by Corporate Property whether on their own behalf or under instruction from the Head of Partnerships & Housing Directorate.

Any improvement work will be prioritised on these buildings where there is a clear benefit for the community or there is potential for income. We'll seek out any commercial opportunities to help future funding and re-investment in our communities.

5.9 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.
- Annual inspections are completed for each play area by an external organisation.
- 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

The introduction of the Green Spaces Strategy 2022 - 2025 approved by Cabinet established a programme of works for that year which involved using a mixture of funding to make improvements to play areas. The focus are on those play areas and green spaces with the lowest quality scores, and to raise Sandwell's overall greenspace quality scores from 34/100 to 50/100 by 2025. The approach adopted to housing assets managed by green spaces will be to include in the annual programme of works that is then approved by Cabinet each year and published online. We are currently bulking up this work to ensure all our play areas and green spaces in housing ownership are fit for purpose.

5.10 Land

As a large social landlord, SMBC owns vacant land. There are small areas of land managed by Sandwell's Housing Department that are thought unsuitable for

development (other than as part of a more major programme of estate redesign), together with larger areas of land with potential for residential or non-residential use.

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.

5.11 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 clearly interrelated:

- the overall repairs and maintenance service provided
- provision of a home which is well maintained
- 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') and its related secondary legislation. In addition, it will reference documents such as the Department for Levelling Up, Housing & Communities' Fire Safety Volume 1, which states 'blocks of flats with a top storey more than 11 metres above ground level should be fitted with a sprinkler system throughout the building'.

This plan will outline how we:

- Follow new design and construction standards
- Meet our commitment to keep residents safe
- Engage with residents and share building safety information with them
- Ensure qualifying leaseholders are protected from building safety defect costs
- Hold those responsible for building safety defects to account
- Work with regulators and provide them the information they need

The plan will also detail how Sandwell is compliant with gas safety, electrical inspections, lifts, asbestos and legionella.

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. Of our more discretionary investment, some will be key to maintaining the income stream (e.g. the re-modelling or redevelopment of hard to let former extra care schemes / sheltered accommodation) whilst others may be more based on improving tenant satisfaction (e.g. environmental improvements on estates). Enhancements to the data enables us to provide Members and tenants with greater assurance that the highest priority requirements are being met and to illustrate the capacity that remains for any improvement related spend.

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. Those decisions will be agreed with residents and, where possible, expenditure needs careful consideration and risk management to ensure there are no regrets.

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. It provides a budget that ensures the investment plan fits within the financial parameters of the business plan.

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).

Getting the right priorities will require involving a range of staff from across services. To achieve this, a process will be developed to turn the stock condition and other relevant data into a plan that optimises the available budgets and delivers value for money through:

- Alignment to the latest HRA Business Plan in accordance with strategic investment objectives;
- Triangulating repairs data, investment requirements, energy performance, void rent loss and asset performance in order to prioritise the properties will have the greatest impact on reducing revenue costs and income loss;
- Breaking that data down into the planning areas based on locality and stock type;
- Developing efficient programmes – including considering frequency of component replacement combinations and packaging, potentially conflicting programmes (e.g. window replacements against wall insulation programmes) and supply chain preferences;

- Considering the impact on leaseholders and the production of the annual service charge plan resulting from the investment plan.

7.2 Value for money

Our asset management approach will aim to deliver value for money, ensuring that as far as reasonably practicable expenditure is targeted to improve both energy efficiency and decency whilst also considering the whole life costs of assets to maximise financial return.

8. Action Planning

A detailed action plan has been developed identifying the specific actions required, who is responsible, and timeframes involved which will be monitored to evidence impact the action plan. The action plan template can be found **in appendix one**.

8.1 Governance

To make sure that we can deliver our priorities, the action plan will be published alongside the finalised strategy and will be reviewed regularly. We will use key data and other information to tell us what is happening, and review and update our actions accordingly.

Reports will be made to the the Tenant & Leaseholder Scrutiny Group and will report regularly to Leadership Team, the Cabinet Member for Housing and Safer Neighbourhoods and Active Communities (SNAC) Scrutiny Board.

9. Appendices

Appendix One

Action	Short, medium, or long term	Lead